Building Relationships.
Nurturing Brands.

GUJARAT TERCE LABORATORIES LIMITED

41ST ANNUAL REPORT **2025-26**

Content

A brand is a promise kept so many times that it becomes trust.

That trust is never manufactured. It is earned in the quiet exchanges that define medicine. A doctor who prescribes with confidence. A chemist who reaches for the familiar. A patient who heals and returns. A representative who arrives with the same conviction, season after season.

For forty years, Gujarat Terce Laboratories has tended these relationships across India’s clinics and counters. Patiently. Deliberately. One conversation at a time.

And from that patience, brands rise. The strongest among them now carry a quarter-century of prescription loyalty, preferred because the relationships beneath them have held firm.

Relationships endure. Brands follow.

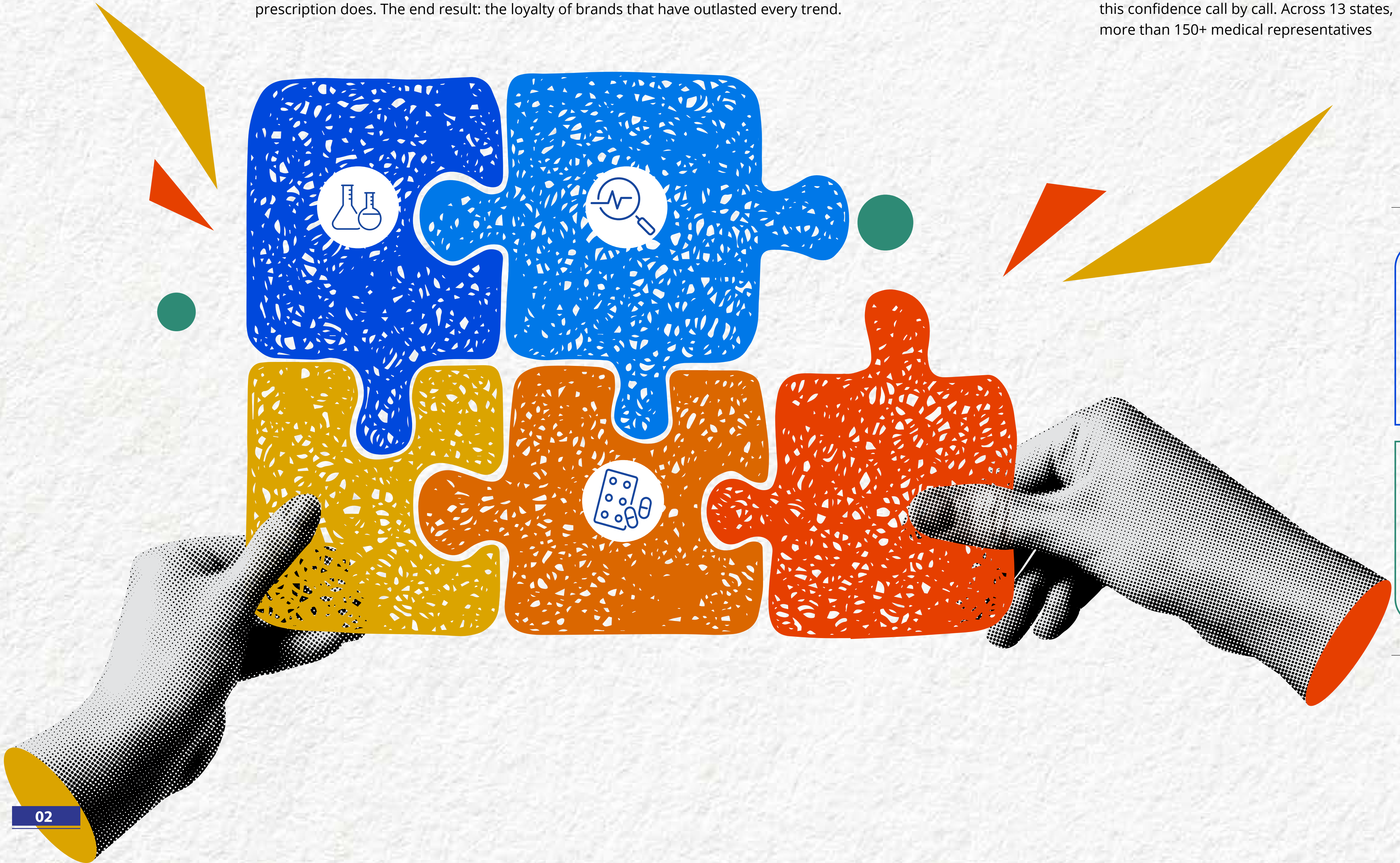
Three Relationships. One Story.

Every pharmaceutical company has quality products and a committed field force. What sets a brand company apart is the invisible infrastructure around it: relationships, reach and reputation.

This is the work of decades, and it resists every shortcut.

At Gujarat Terce, that infrastructure takes three forms. A relationship with the doctor. Reach to every shelf. A reputation that becomes a brand.

Each is built the same way, over the same forty years. The story begins where every prescription does. The end result: the loyalty of brands that have outlasted every trend.



It Begins with a Doctor

Medicine is a science of evidence. Its practice is an act of trust.

Every prescription carries a doctor's professional judgement and personal reputation. The doctor chooses a brand because experience has proven it dependable, batch after batch, patient after patient. That confidence is the foundation on which Gujarat Terce has built its business.

For four decades, the Company has earned this confidence call by call. Across 13 states, more than 150+ medical representatives engage 25,000 doctors in paediatrics, gynaecology and general practice. Many have served the same physicians for ten to fifteen years, and know each doctor's clinical preferences and prescribing rhythms.

This continuity compounds. A trusted representative becomes a scientific partner. The doctor prescribes with assurance. The patient recovers. The relationship deepens with every consultation.

Such depth is earned slowly and held firmly. It cannot be hired or hurried. Gujarat Terce already holds it, built physician by physician over forty years.

Doctors prescribe what they trust. These relationships are where the Company's brands begin.

25,000+
Doctors

150+
Medical Representatives

10–15 Yrs
Average representative–doctor relationship

3
Core Specialities

The Journey to the Shelf

A prescription is an intention. Availability makes it real.

A doctor's trust produces a prescription. That prescription becomes medicine only when the brand is waiting on the shelf in the patient's own town on the day it is needed. Distribution is the bridge between a doctor's confidence and a patient's recovery.

Gujarat Terce has built that bridge since 1985, one relationship at a time.

Today, 385 stockists carry its brands to more than 22,000 retail outlets across 224 districts in 13 states. The network reaches urban, semi-urban and rural markets alike, including places where supply chains stay fragile. It was built city by city, taluka by taluka, on consistent delivery and dependable service.

These relationships stay healthy, and the numbers show it. Collections have quickened as trust has deepened, with debtor days falling under 37. A new entrant would need five to seven years to reach this level.

The doctor creates the prescription. Distribution carries it home.

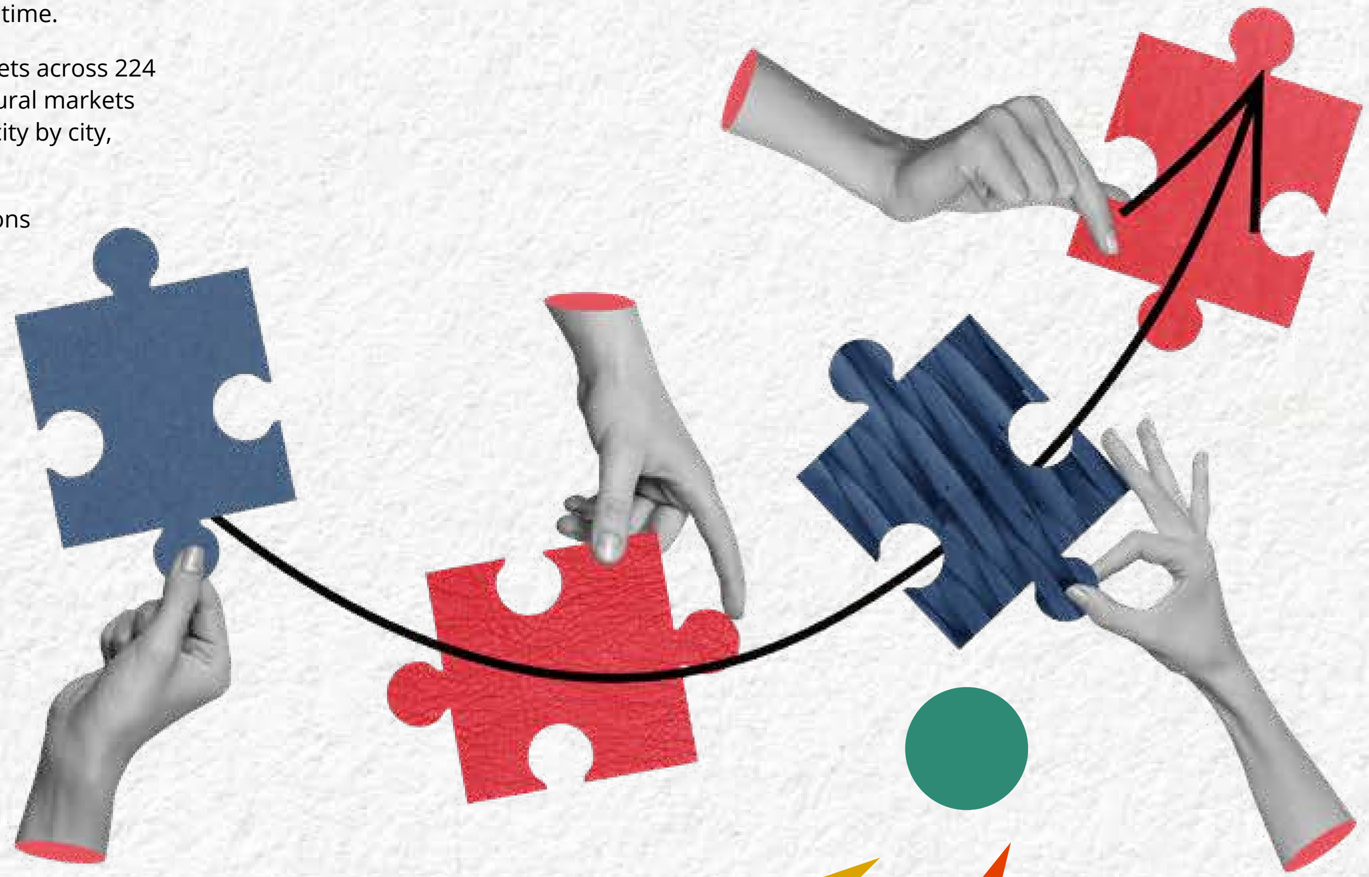
22,000+ Retail Outlets

385 Stockists

224 Districts

13 States

Since **1985** Built grounds-up



Where Relationships Become Brands

A brand is a relationship made visible.

When a doctor trusts, a chemist stocks and a patient returns, a name begins to carry meaning. Repeated across years and geographies, that meaning becomes a brand. This is how Gujarat Terce has built its portfolio of 50 brands across 125 products and 10 therapeutic areas.

The proof sits at the front of the range. TYNOL carries 25 years of paediatric trust, grew 14% in value to ₹5.75 crore, and compounds at 19.3% over five years. ACOLATE, the respiratory anchor at ₹8.60 crore, lives in thousands of practices where one generation of doctors taught the next to prescribe it. VITFOL deepens in nutrition. LASOKID and HYTERCE show the engine still creates new franchises.

Each brand returns to strengthen the relationship that made it, and the doctor prescribes with even greater confidence. The flywheel turns once more.

Relationships build brands. Brands deepen relationships. Forty years prove it.

50/125 Brands and products

10 Therapeutic areas

₹ **10** Cr TYNOL (FY27 ambition)

25+ Yrs Doctors' Trust

19.3% TYNOL (5-yr CAGR)

Our Fantastic 5

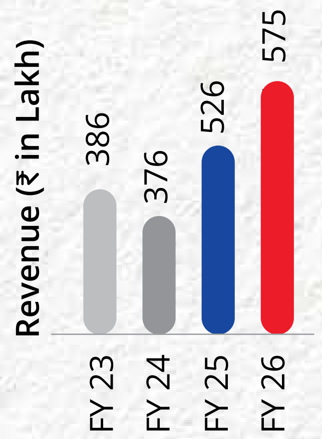
Hero franchises	**TYNOL, ACOLATE**
Growth & Foundation engines	**VITFOL, FERLIT, RESPLASH**

48.96%
Revenue contribution from Leading Brands (FY26)

5.20%
Growth in Revenue from Leading Brands over the previous year

For more than 25 years, TYNOL has been a trusted companion in pediatric care, building strong relationships with healthcare professionals through consistent quality, dependable outcomes, and widespread availability. What began as a product offering has evolved into one of Gujarat Terce's most important brand franchises, creating lasting confidence among doctors and caregivers alike.

Today, TYNOL stands at the intersection of heritage and opportunity. Supported by an expanding portfolio, growing doctor acceptance, and renewed strategic focus, the brand is positioned to play a pivotal role in the Company's next phase of growth.



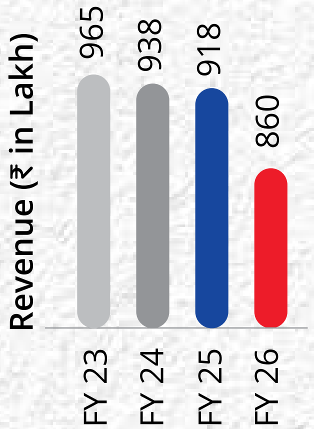
Why TYNOL Matters

The pediatric segment remains one of the most relationship-driven categories within pharmaceuticals. Doctors continue to value brands that demonstrate consistency, efficacy, and reliability over time.

TYNOL's enduring acceptance reflects Gujarat Terce's ability to build and sustain these relationships. Its strong market presence, combined with increasing product visibility and focused field execution, has enabled the brand to maintain relevance in a competitive landscape while continuing to expand its growth potential.

Element	Content
Positioning	"The Next Big Thing"
Heritage	25+ years of doctor trust
5-year CAGR	19.30%
FY26 value achievement	~₹5.75 crore for the TYNOL group with positive value and unit growth.
Flagship SKU	Tynol MF Forte — highest-value SKU in the portfolio.
Breakout SKU	Tynol IB Suspension 100 ml exceeded FY26 target by 17% and delivered strong growth.
FY27 ambition	₹10 crore brand aspiration

Acolate



For more than two decades, ACOLATE has earned the trust of doctors and medical practitioners far and wide. Today, it remains one of Gujarat Terce's most recognised and established franchises, serving both paediatric and physician segments through a comprehensive portfolio of respiratory solutions.

A Foundation Built Through Relationships

ACOLATE's success reflects years of scientific engagement, doctor education, and consistent market presence. By remaining closely connected to healthcare professionals and understanding evolving patient needs, Gujarat Terce has nurtured the brand into a trusted respiratory franchise across multiple markets.

Acolate Plus contributed approximately ₹2 crore in FY25 and approximately ₹1 crore in FY26, following regulatory changes affecting fixed-dose combinations, accounting for substantially all of the franchise's revenue decline. The underlying franchise, excluding this impact, held firm.

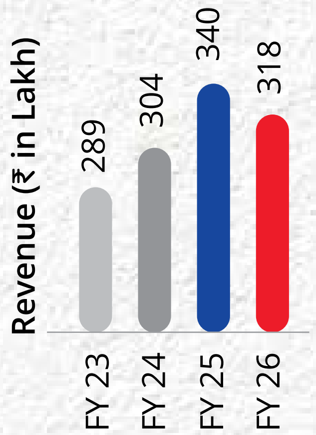
The Company's strategy for FY27 focuses on strengthening growth across the most promising components of the franchise:
ACOLATE DS
ACOLATE KID
ACOLATE AF

By concentrating resources on these high-potential products, Gujarat Terce aims to reinforce ACOLATE's leadership position while unlocking new growth opportunities.

Element	Content
Positioning	"The Respiratory Anchor"
Heritage	25+ years of prescription history
Portfolio	8 SKUs across paediatric and physician respiratory use cases
FY26 value achievement	~₹8.60 crore
Challenge acknowledged	ACOLATE PLUS impacted by FDC regulatory changes, reducing contribution.
FY27 focus	Prioritise DS, KID, AF, and physician SKUs while resolving the PLUS pathway.

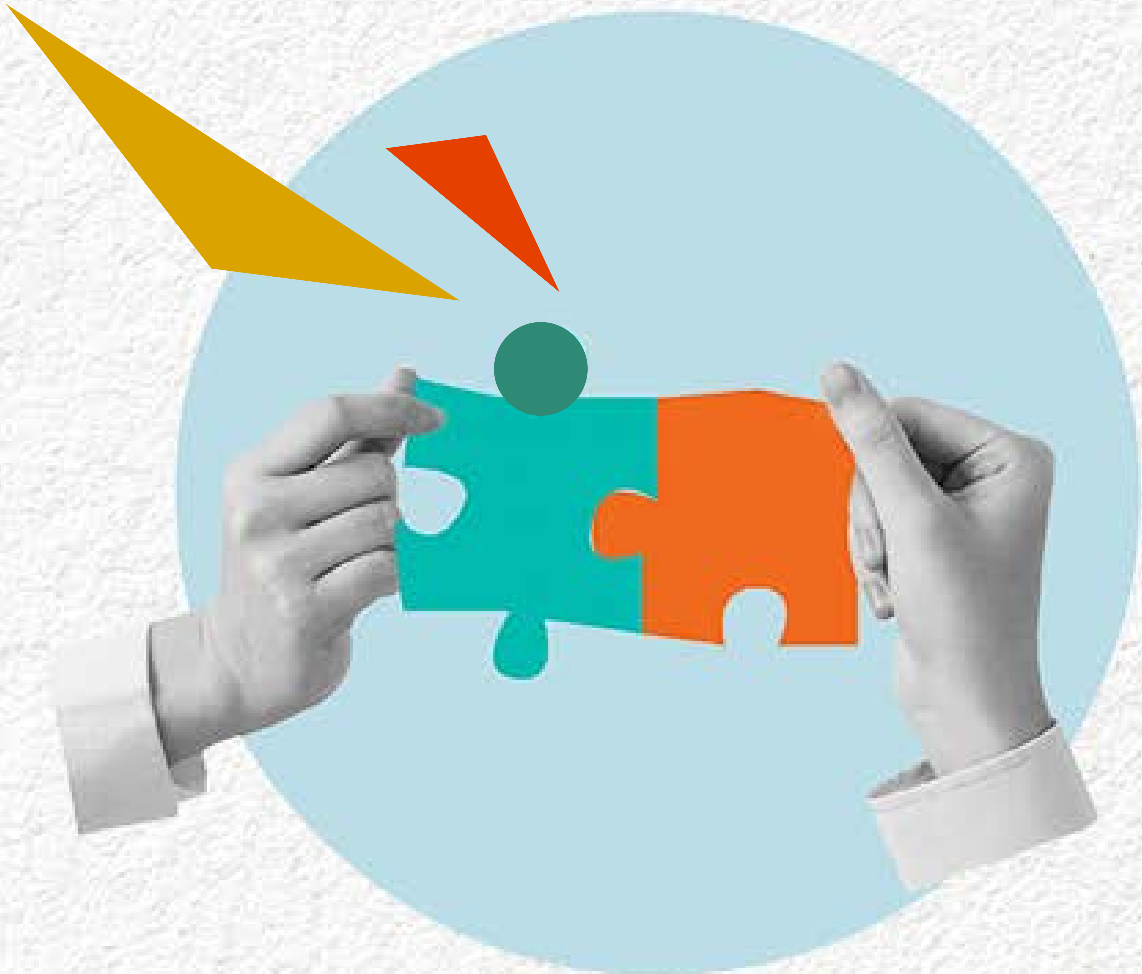
Vitfol

Over the years, VITFOL has evolved into a trusted nutritional franchise serving patients across different life stages—from paediatric care to maternal wellness and general nutritional supplementation. Supported by a diversified four-product portfolio and a five-year CAGR of 12.4%, the brand continues to play an important role within Gujarat Terce's healthcare offering. As the Company sharpens its focus on physician engagement and prescription conversion, VITFOL is well-positioned to strengthen its contribution in the years ahead.



Brand Highlights

- 4-product franchise
- 12.4% 5-year CAGR
- Presence across paediatric, maternal and physician segments
- Significant opportunity for deeper physician penetration

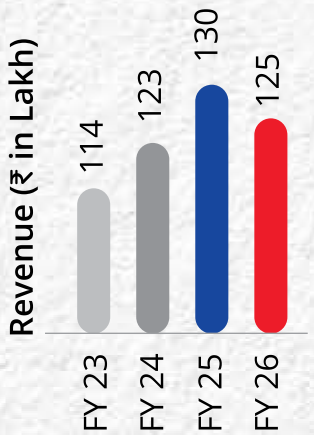


Over the years, FERLIT has strengthened its position as a trusted women's health brand, building enduring relationships with gynaecologists and supporting women across critical stages of care. As one of Gujarat Terce's established franchises, the brand continues to play an important role in the Company's maternal and women's wellness portfolio.

With a focused approach towards strengthening doctor engagement and improving prescription momentum, FERLIT is positioned to regain growth and reinforce its leadership within the gynaecology segment.

FY27 Focus

Recovery and prescription growth through intensified field engagement.



Brand Highlights

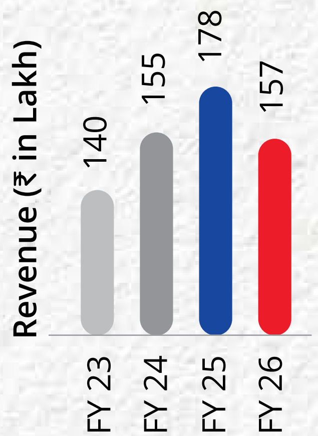
- Established women's health franchise
- Strong relationships across gynaecology specialists
- Core contributor within maternal wellness portfolio
- Significant opportunity for deeper prescription conversion

RESPLASH has evolved into an important growth platform within Gujarat Terce's physician and general medicine portfolio. The brand supports the Company's strategy to expand beyond paediatric nutrition and strengthen its engagement across broader physician-led healthcare segments.

Backed by increased doctor outreach and sharper prescription conversion initiatives, RESPLASH is well-positioned to enhance penetration and drive sustainable growth in the years ahead.

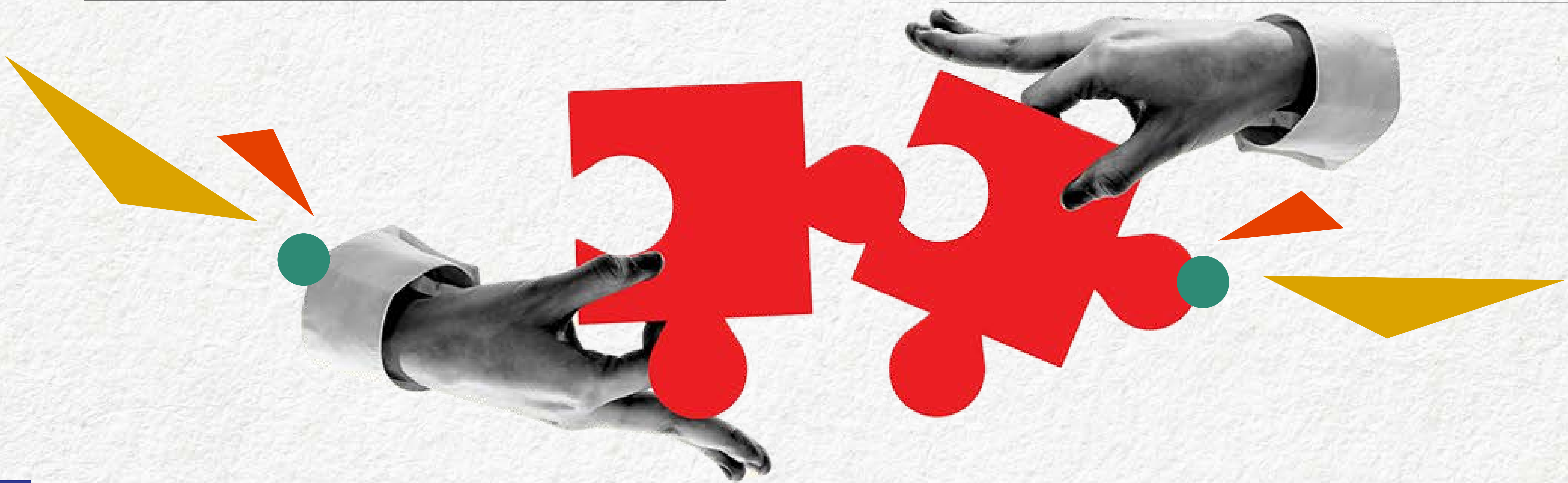
FY27 Focus

Expanding physician coverage and improving prescription conversion.



Brand Highlights

- Strategic presence in physician/general medicine segment
- Supports diversification beyond paediatric portfolio
- Opportunity to expand doctor coverage and engagement
- Focused prescription-led growth strategy



MESSAGE FROM THE MANAGING DIRECTOR & CEO

"We build relationships. Relationships build brands. Brands build strength. And when strength compounds, size follows."

Dear Shareholders,

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

I present to you the performance and progress of Gujarat Terce for FY26. I will be honest about where we fell short, and proud of what we built. That is the only way I know to write to you.

We have always said the same thing at Gujarat Terce. We build strength before we chase size. FY26 tested that belief, and it held.

An Honest Look at FY26

Our revenue for FY26 was ₹47.47 crore, a decline of about 5% over the previous year. I will give it to you straight. Two factors explain this gap.

First, we consciously reduced our B2B manufacturing operations. That business added volume, but not brand value — and as we scaled it down, its revenue went with it. This was a choice, and I stand by it.

Second, a category-wide regulatory action on fixed-dose combinations affected our Acolate Plus variant. Its contribution fell from around ₹2 crore to about ₹1 crore in a single year. Doctor trust in the brand stayed firm — the setback came from regulation, not from any loss of confidence. We have since revived the brand, and I expect it to return to growth in the years ahead.

The branded pharmaceutical market is fiercely competitive, and our growth fell short of where I want it to be.

The story beneath the topline is stronger. EBITDA was ₹3.63 crore, a margin of 7.66% on a smaller base. We returned to a net profit of ₹2.20 crore. Our net worth grew by more than 50%. Our operations were cash-positive for the second year running, and our long-term debt is now close to zero. In a year when revenue declined, we still grew net worth by half and cleared our debt. That tells you our foundation is strong.

The Discipline That Continued

Last year, I wrote to you about getting the basics right. We kept at it.

- Per-territory productivity improved, with PCPM improving from ₹2.47 lakh in FY25 to ₹2.50 lakh in FY26, even as the topline stayed flat.
- Nineteen of our headquarters across India, from Orai in the Lucknow region to Burhanpur in the Indore region, beat their FY26 targets under our BREAKOUT HQ programme.
- Our newest brands grew well. LASOKID grew about 380% in value. NOVOTER grew 136%. HYTERCE brought in ₹52 lakh in its first full year.

These results came from method rather than luck. They show that our work is paying off where it matters most: with individual doctors and individual chemists.

What Forty Years Build

People often ask me what makes Gujarat Terce different from other companies of our size. My answer is simple. Our real strength sits beyond the profit and loss statement.

It sits in the paediatrician who has prescribed ACOLATE since the day she started practice. In the medical representative who has called on the same hospitals in Rajasthan for twelve years. In the stockist in central India who keeps our brands on the shelf in small towns where supply is hard.

These things are earned, never bought. A bigger competitor can spend more money, but trust is built slowly, one year at a time, and forty years in the field has to be lived. Our 25,000 doctors across 13 states, our 22,000 retail outlets, and our brands with more than 25 years of trust are the real foundation behind every number in this report. This is what we mean by Building Relationships, Nurturing Brands. The two go together. Together, they are our strongest moat.

TYNOL: Our Brand for the Future

If I had to give you one reason to be confident about the years ahead, it is TYNOL.

Twenty-five years of trust. A five-year value CAGR of 19.3%. ₹5.75 crore in FY26, with 14% value growth. Tynol MF Forte is the highest-value SKU in our portfolio. Tynol IB 100ml beat its FY26 target by 17%.

For FY27, we have set TYNOL a target of ₹10 crore. This is a plan, and the pieces are in place. The doctors are mapped. The SKUs are prioritised. The field plans are ready. The incentives are aligned around it. It is the most specific promise I make in this report, and we accept full responsibility for it.

A Personal Commitment

In December 2025 and February 2026, I converted warrants at a premium of ₹37.70 over the market price. Promoter holding is now 40.03%, up 3%, with 3,71,000 shares allotted and listed on the BSE on 25 February 2026.

I tell you this for one reason. When a promoter puts in his own money, he believes the company is worth more than the market shows today. I believe that, and I have backed it with my own capital.

Investing in Our People

Nothing in our business matters more than a motivated medical representative who has earned a doctor's trust. In FY27, our new incentive system rewards productivity at the headquarters level and links rewards to brand results and doctor conversion. We will scale the BREAKOUT HQ programme to build more pockets of excellence across the country. We will deepen training so that every product conversation with a doctor is sharper.

We are moving from wide coverage to focused engagement. Fewer scattered calls, more real relationships. This is how our best people have always worked. We are making it the standard for everyone.

The Year Ahead

FY26 closed the second year of our BREAKOUT journey. FY27 is the third year, and it is the year we grow.

Our plan is clear. TYNOL crosses ₹10 crore. ACOLATE returns to growth through Acolate DS, KID and AF as the regulatory path settles. VITFOL deepens its presence in gynaecology and maternal nutrition, supported by its 12.4% five-year CAGR. LASOKID and NOVOTER keep scaling. The foundation is built. The relationships are in place. The brands are being nurtured. FY27 is where our strength begins to show in size.

With Gratitude

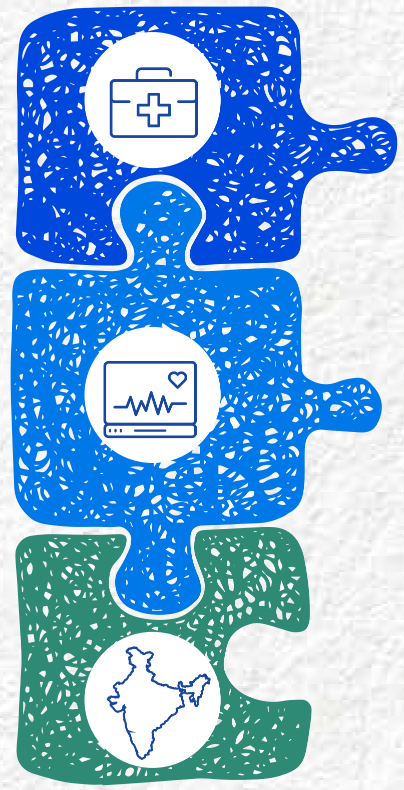
I thank our employees for their hard work, our field force for their grit, our doctors and our chemist and stockist partners for their trust, and you, our shareholders, for standing with us through every cycle.

You have believed in this company in good years and hard ones. FY26 shows that belief, joined with discipline, builds something that lasts. We build relationships. Relationships build brands. Brands build strength. And when strength compounds, size follows.

We are only getting started.

Warm regards,

Aalap Prajapati
Managing Director & CEO



Who We Are

For nearly four decades, Gujarat Terce Laboratories Limited has built a reputation as a trusted and respected name in the Indian branded pharmaceutical industry — defined by strong brands, committed field professionals, and deep geographic penetration. We are not a manufacturer of generic medicines. We are a brand company — one that has spent 40 years earning the prescription loyalty of India's doctors, one relationship at a time.

Our portfolio spans 50 brands and 125 products across 10 therapeutic areas, with a strategic focus on Paediatrics, Gynaecology, and Physician/GP segments. We are listed on the BSE Main Board and have over 13,700 retail shareholders.

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.

Our Scale at a Glance

50 Brands

125 Products

10 Therapeutic Areas

32 Focus SKUs

22,000+ Retail Outlets

14 Focus Brands (Fantastic 14)

Financial Performance — FY26

₹47.47Cr Revenue from Operations

₹3.63Cr EBITDA

7.66% EBITDA Margin

₹2.20Cr Reported PAT

27% Return on Capital Employed

50%+ Net Worth Growth (YoY)

2nd Year Cash-Positive Operations

~Zero Long-Term Debt

FOUR DECADES OF BUILDING VALUE

A Journey of Consistent Progress

1985

Gujarat Terce Laboratories Limited was founded in Ahmedabad, Gujarat

1992

Listed on the BSE Main Board, reflecting early investor confidence and reinforcing the Company's long-term growth aspirations.

1990s

ACOLATE and TYNOL launched — brands that remain flagship franchises to this day

2000s

Geographic expansion across Rajasthan, MP, UP, Maharashtra — field force built state by state

2010s

WHO-GMP certification at the Chhatral manufacturing facility. ISO 9001 obtained. Cephalosporin unit commissioned.

FY23–25

BREAKOUT programme initiated — portfolio rationalisation, field restructuring, financial discipline

FY26

Return to profitability. Near-zero debt. PCPM growth. Second consecutive year of positive operating cash flow.

FY27

BREAKOUT Year 3 — TYNOL ₹10 Cr target. The growth execution phase begins.

Speciality Portfolio

Strengthening Every Therapeutic Relationship

While flagship brands drive scale, a diversified speciality portfolio enables Gujarat Terce to deepen its engagement across therapeutic segments and create multiple avenues for growth. Together, these brands strengthen the Company's healthcare ecosystem and reinforce its commitment to serving evolving patient needs.

PAEDIATRICS

Core Brands:

TYNOL | ACOLATE KID | VITFOL KID | DFS | LASOKID | HYTERCE

Paediatrics remains one of Gujarat Terce's strongest therapeutic pillars. Supported by long-standing doctor relationships and growing brand acceptance, the segment continues to create opportunities for sustained growth.

FY27 Focus : Enhancing conversion quality, expanding doctor adoption, and strengthening paediatric leadership.

GYNECOLOGY & WOMEN'S HEALTH

Core Brands:

FERLIT | VITFOL MOM | VITFOL PLUS | HERHONOR | LADYTONE | NOVOTER

The Company's women's health portfolio addresses nutritional support, maternal wellness, and specialised healthcare requirements.

FY27 Focus Increasing call intensity, improving prescription conversion, and strengthening doctor engagement.

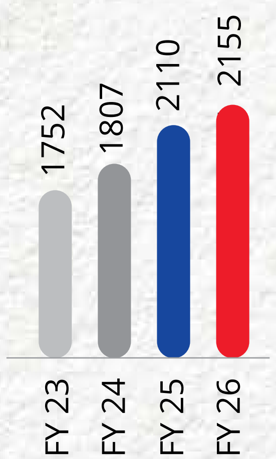
PHYSICIAN & GENERAL MEDICINE

Core Brands:

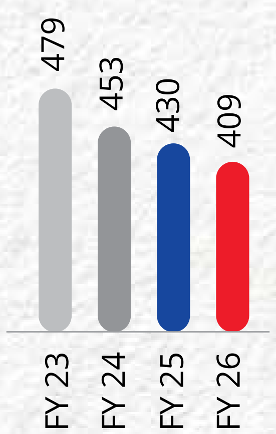
ACOLATE Physician Range | RESPLASH | VITFOL | AROGET | Z-OXI | TERCIRON | TERFLORA

These brands support the Company's presence across physician-driven therapies and general healthcare requirements while creating opportunities for broader market penetration.

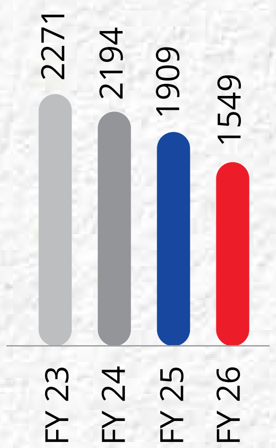
FY27 Focus Improving doctor coverage, enhancing prescription generation, and increasing market visibility.



Revenue from paediatrics (₹ in lakh)



Revenue from gynaecology & women's health (₹ in lakh)



Revenue from physician & general medicine (₹ in lakh)

Core Paediatrics Brands

LASOKID

Some brands take years to find momentum. Others create an impact from the outset. LASOKID belongs to the latter category.

Developed to address evolving paediatric healthcare needs, the brand has rapidly gained acceptance among healthcare professionals and emerged as one of the Company's most promising growth engines.

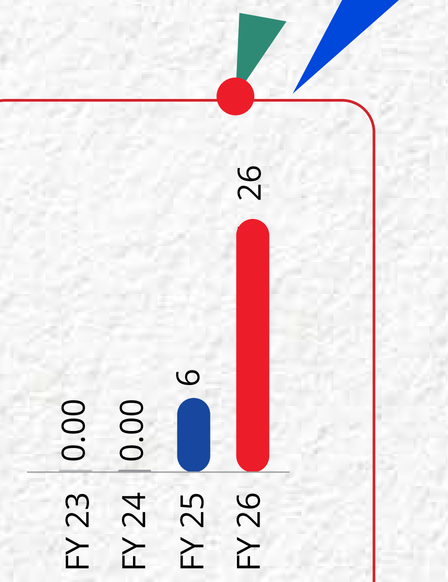
Supported by favourable market dynamics and relatively limited competitive intensity, LASOKID delivered approximately 380% value growth during FY26, making it one of the standout performers within the portfolio.

FY27 Focus

Scaling adoption across new doctors and expanding market penetration.

Brand Highlights

- ~380% value growth
- Strong doctor acceptance
- Expanding paediatric presence
- Significant runway for future growth



Revenue (₹ in Lakh)

HYTERCE

HYTERCE represents Gujarat Terce's commitment to building the next generation of growth opportunities through focused doctor engagement and differentiated positioning.

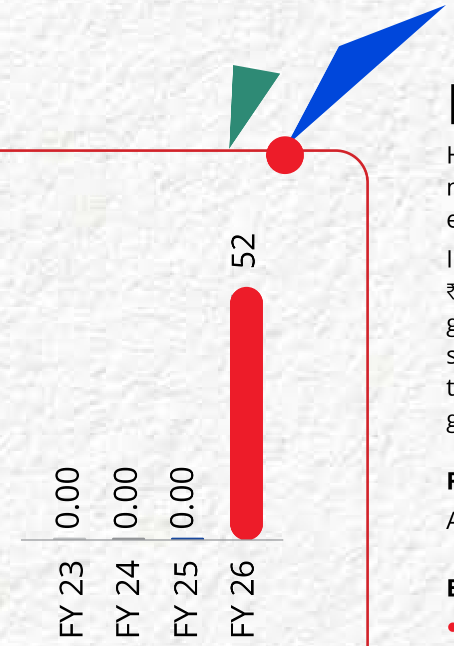
In its first full year of promotion, the brand generated approximately ₹52 lakh in value, reflecting encouraging market acceptance and growing visibility among healthcare professionals. While still in the early stages of its journey, HYTERCE demonstrates the Company's ability to identify emerging opportunities and nurture them into meaningful growth platforms.

FY27 Focus

Accelerating visibility and expanding prescription adoption.

Brand Highlights

- ₹52 lakh contribution
- First full year of promotion
- Growing doctor awareness
- Strong paediatric relevance



Revenue (₹ in Lakh)

Manufacturing Operations

Quality Without Compromise.

A Partnership Model Built for Brand Integrity.

Gujarat Terce Laboratories operates a focused contract manufacturing model — one that keeps the ownership of every brand, formulation and product specification firmly with the Company, while leveraging the capabilities of carefully selected, internationally accredited manufacturing partners.

This is not outsourcing for convenience. It is a deliberate strategic choice that allows Gujarat Terce to concentrate resources on what matters most — building brands, deepening doctor relationships, and expanding market reach — while ensuring that every product that reaches a patient meets the quality standards our brands are built on.

How the Model Works

Gujarat Terce enters into long-term contracts with WHO-GMP certified, internationally accredited contract manufacturers. These relationships are built on rigorous selection, shared quality standards and committed supply terms.

The Company retains full intellectual property over all formulations, trade names and product specifications. The manufacturing partner produces — but the brand, the formula and the quality standard belong entirely to Gujarat Terce.

PILLAR	WHAT IT MEANS FOR OUR BRANDS
IP Ownership	All formulations, trade names and product intellectual property vest entirely with Gujarat Terce Laboratories. The manufacturer produces; the brand belongs to us.
Quality Assurance	An in-house assurance and quality control team conducts frequent audits at partner plants, ensuring every batch meets our specifications before dispatch.
Preferential Pricing	Long-term contracts secure competitive, preferential input costs — protecting margins and providing cost visibility across planning cycles.
Supply Chain Reliability	Contract terms mandate committed production and dispatch schedules, ensuring consistent availability across our 385 stockists and 22,000+ retail outlets.
Location Strategy	Partner plants are selected for proximity to our Chhatral Mother Warehouse, Gandhinagar — minimising freight cost and inbound lead times.
Regulatory Standards	All manufacturing partners hold WHO-GMP certification and meet international accreditation standards, reflecting the quality benchmarks our brands are built on.

Why This Model Serves Our Brands

✓ **Full IP control** — brands and formulations owned by GTLL
✓ **WHO-GMP** certified and internationally accredited partner plants
✓ **In-house quality audit team** — independent of the manufacturer
✓ **Long-term contracts** — cost predictability and supply security
✓ **Plants located near Chhatral Warehouse** — freight efficiency
✓ **Scalable model** — capacity addition without fixed capital deployment

Quality Assurance — Our Independent Layer

Gujarat Terce maintains an in-house assurance and quality control team that operates independently of its manufacturing partners. This team conducts frequent, structured audits at partner facilities — reviewing processes, testing standards, batch documentation and compliance records.

No batch leaves a partner plant without meeting the Company's quality specifications. This independence — the separation of the quality audit function from the production function — is central to the integrity of every brand that carries the Gujarat Terce name.

Our Quality Assurance Commitment

Frequent structured audits
at all manufacturing partner facilities

Batch-level quality sign-off
before every dispatch

Specification compliance
verified against GTLL-owned formulation standards

Independent QA team
separate from production, accountable only to GTLL

Our Presence

Connecting Healthcare Across Markets

For over four decades, Gujarat Terce Laboratories has steadily expanded its footprint across key healthcare markets, building an extensive network that connects healthcare professionals, channel partners, and patients.

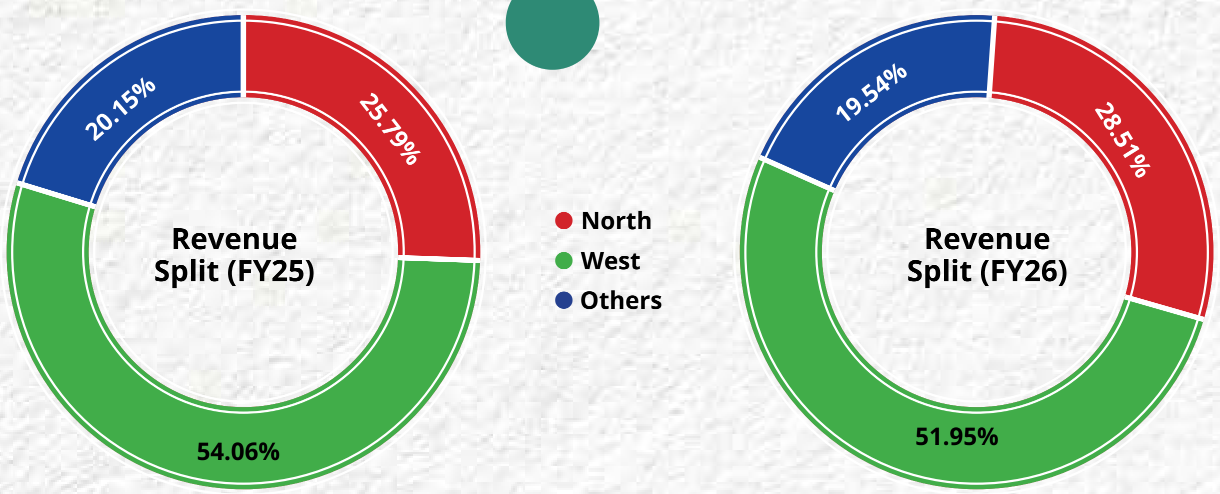
Today, the Company's presence extends across multiple states and districts, supported by a strong distribution infrastructure and a dedicated field force that serves as the bridge between brands and healthcare providers. This network enables Gujarat Terce to deliver not only products, but also knowledge, support, and service across the healthcare ecosystem.

Building Relationships Across India

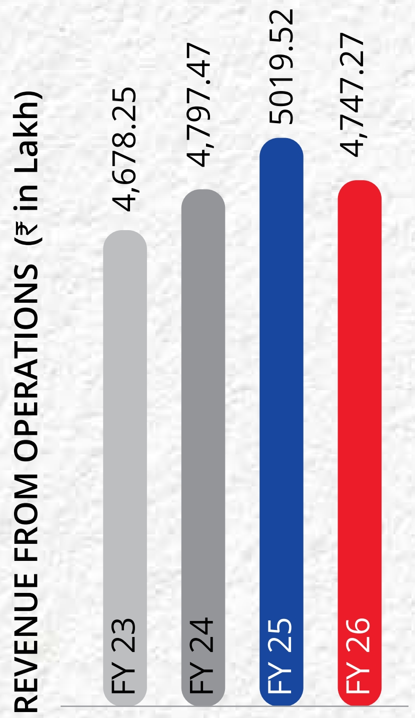
The Company's presence is the result of years of engagement with healthcare professionals, distributors, retailers, and institutions. Every market entered, every doctor engaged, and every channel partner supported contributes to a stronger and more connected healthcare network. This extensive reach allows Gujarat Terce to strengthen brand visibility, improve product accessibility, and deepen its relationships across diverse geographies.

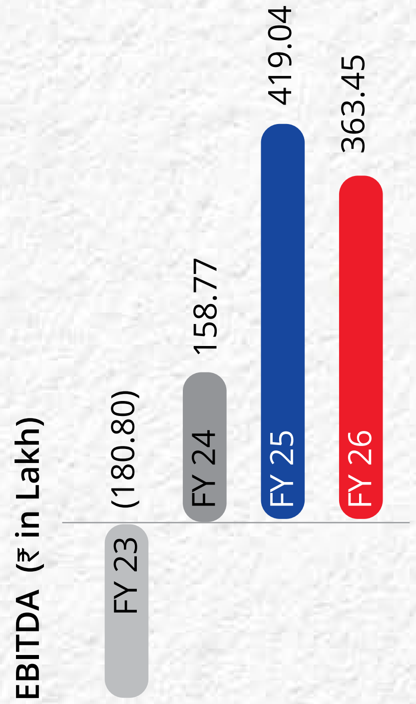
A strong network does more than support current operations—it creates a platform for future growth.

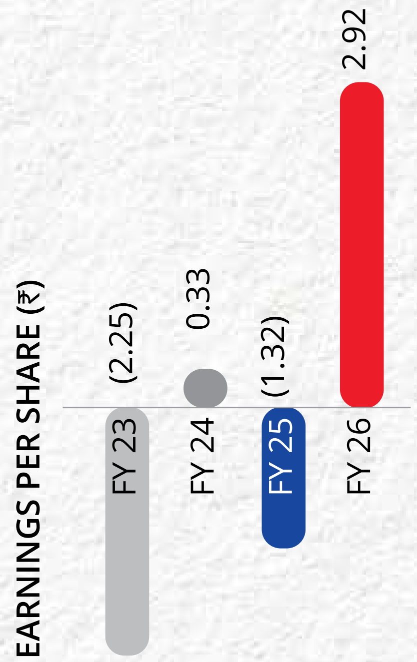
By combining trusted brands with broad market access, Gujarat Terce is well-positioned to expand its reach, strengthen customer engagement, and capture emerging opportunities across India's growing healthcare landscape.

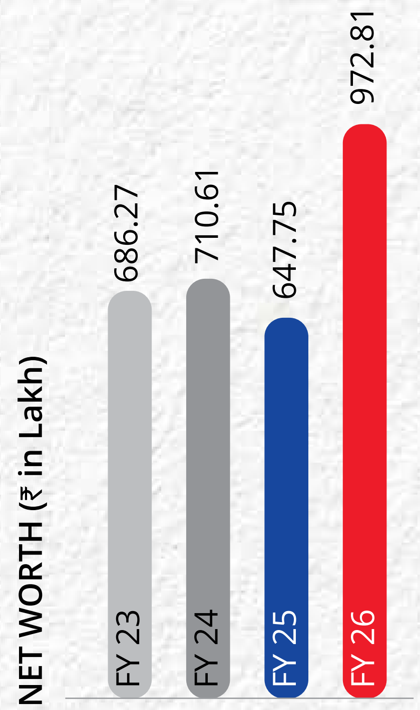


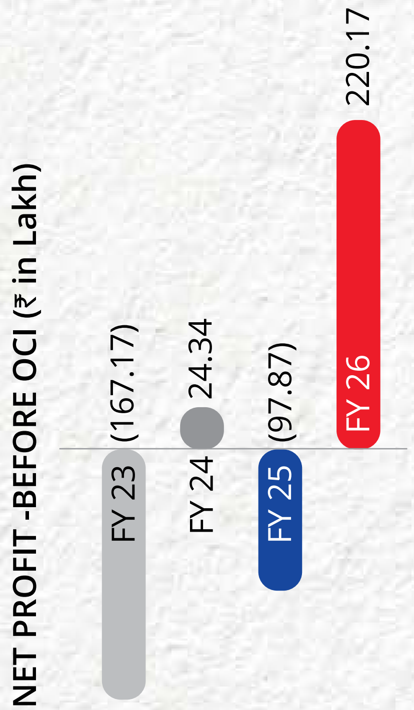
Key Performance Indicators

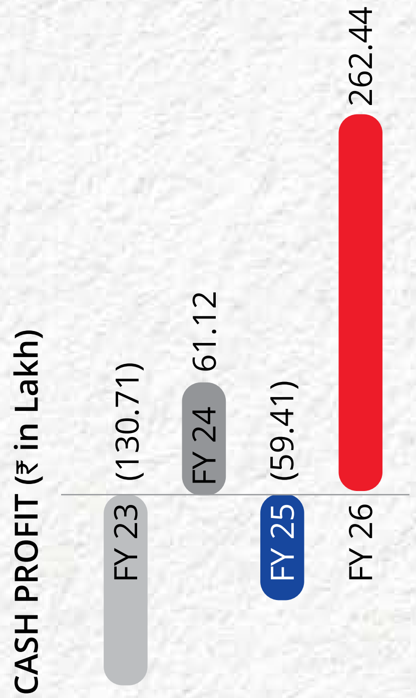


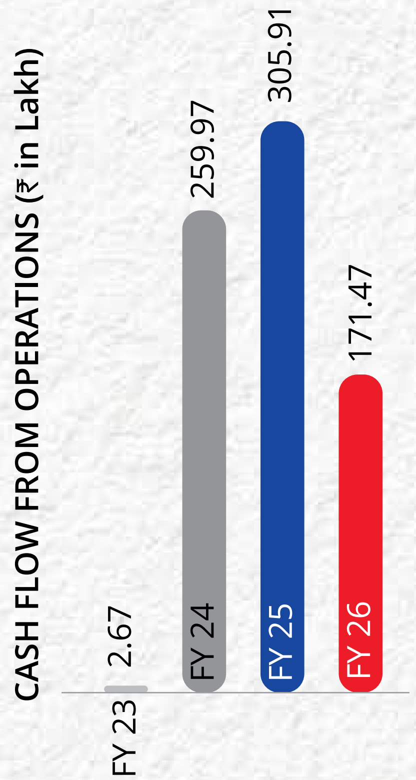












RETURN TO PROFITABILITY

FY26 PAT: 2.20 Crore PROFIT

vs FY25: 0.98 Crore loss — a 3.18 Crore turnaround in a single year

Management Discussion and Analysis

The Economic Overview

Global Economy

Global GDP growth was recorded at 3.4% in 2025 and is projected to slow to 3.1% in 2026, as per the IMF's World Economic Outlook, April 2026 update. Global headline inflation is expected to increase to 4.4% in 2026. The global economy is expected to maintain moderate growth momentum, with advanced economies facing policy challenges while select emerging markets continue to outperform. The economic landscape has fundamentally transformed over the past three decades, with power shifting from traditional Western markets to Emerging Asia, reshaping the foundations of global trade and investment.

Global growth was held back by two compounding forces. A military conflict in the Middle East, erupting in late February 2026, pushed energy and food prices sharply higher, disrupted key trade routes, and tightened financial conditions at a time when economies were still adjusting to the previous year's US tariff surge. Firms paused investment and lenders pulled back on credit, creating a demand shortfall that dominated the near-term outlook. Easing trade tensions and sustained technology investment present opportunities, while volatile energy markets and geopolitical instability remain the key risks.

Indian Economy

The Indian economy delivered a steady performance in FY26, retaining its position among the fastest-growing major economies. Real GDP growth is estimated at approximately 7.4% for the fiscal year, supported by resilient domestic demand, stable services activity, and continued public capital expenditure. Inflation moderated during the year, with average headline inflation witnessing a meaningful decline compared to previous periods, providing support to household consumption and macroeconomic stability.

Manufacturing growth at constant prices and real Private Final Consumption Expenditure (PFCE) are estimated to grow by 7.0% during FY26. Rising manufacturing output and robust private consumption created a self-reinforcing growth dynamic. Among indirect taxes, GST collections recorded multiple all-time highs in absolute terms during FY26, with growth broadly aligned to nominal GDP. The introduction of GST 2.0 further strengthened India's consumption and affordability narrative. Following the 56th GST Council meeting, the indirect tax structure was simplified from four slabs to two main rates of 5% and 18%, along with a 40% special rate for select sin and luxury goods. For the healthcare sector, the reduction of GST on several life-saving drugs and medicines to Nil or 5% is expected to support affordability and patient access, while the simplified structure may improve compliance and ease of doing business for enterprises.

India also continued to deepen its trade and economic engagement with key global partners during FY26. Ongoing trade negotiations and emerging bilateral arrangements are expected to support export-oriented sectors, improve market access, and strengthen India's position in global supply chains. For sectors such as pharmaceuticals, a more predictable trade environment can support long-term opportunities, provided companies maintain strong quality standards, regulatory compliance, and cost competitiveness.

Outlook

India enters FY27 with a strong foundation for sustained economic growth, supported by resilient domestic consumption, rising infrastructure investments, accelerating manufacturing activity, and continued policy focus on structural reforms. Expanding digitalisation, strengthening private capital expenditure, and the growing momentum of clean energy and industrial development initiatives are expected to further enhance economic competitiveness. While global uncertainties, geopolitical developments, and external demand fluctuations may create short-term challenges, India's diversified growth drivers, favourable demographics, and long-term development agenda position the economy to remain one of the fastest-growing major economies in the world.

Despite global trade and geopolitical uncertainties, India's economy remained resilient and raced to 7.4% supported by domestic consumption, public capital expenditure and manufacturing momentum.

The Pharmaceutical Sector

Global Pharmaceutical Market

The global pharmaceutical sector demonstrated resilience in FY26, supported by sustained demand for both innovative and generic medicines. The global pharmaceutical industry was valued at approximately USD 1.62 trillion in 2025 and is projected to reach USD 1.72 trillion in 2026, growing at a year-on-year rate of 5.8%.

Key Strategic Trends Shaping FY26

- Pricing and access pressures continued to intensify, with generic and biosimilars competition influencing market dynamics across therapy segments.
- Regulatory and quality expectations became increasingly stringent, requiring companies to strengthen compliance, manufacturing standards, and product quality systems.
- Digitalisation across R&D, quality management, and commercial operations continued to improve efficiency and enhance decision-making across the pharmaceutical value chain.
- Geopolitical developments and supply chain shifts encouraged pharmaceutical companies to strengthen operational resilience and diversify sourcing strategies.

According to leading industry research, small molecules continue to provide a stable foundation for the pharmaceutical industry, supporting cash flows and generics expansion. At the same time, digital transformation across quality systems and operational processes is improving productivity and supporting greater efficiency across the value chain.

Indian Pharmaceutical Market

India: Acclaimed as the Pharmacy of the World – delivering Trust, global standards and pharmaceuticals that are affordable, accessible and accredited.

The Indian pharmaceutical industry ranks 3rd globally by volume and 11th by value, with more than 3,000 companies and 10,500 manufacturing units. The domestic pharmaceutical market, valued at USD 60 billion, is projected to reach USD 130 billion by 2030.

Growth Drivers

Growing Population

A larger and more diverse population naturally translates to a greater number of patients requiring medical attention for a wide range of acute and chronic conditions. This creates a consistently growing market for all pharmaceutical companies.

Demographic & Disease Trends

Rise in chronic lifestyle diseases (cardiac, anti-diabetic, oncology); ageing population; pollution-linked respiratory conditions and growing mental health awareness.

Patent Cliff & New Launches

The expiry of high-value blockbuster drugs has opened significant windows for affordable generics.

Improving Affordability

Rising per capita incomes are enhancing affordability, making healthcare and pharmaceuticals accessible to a larger section of the population.

The 'Silver Generation' Factor

A critical subset of this growth is the rapidly ageing population. The 'silver generation' (60-plus) currently contributes approximately 17% to India's pharma market, a figure projected to balloon to 25-33% within three decades.

India's Cost Advantage

Indian pharmaceutical companies benefit from a significant cost advantage, with production costs estimated to be 50% lower than in Western countries. This allows drugs to be produced cost-effectively and in large volumes for sale at affordable prices, making India a hub for generics.

Government Support and Incentives

Government policy support continues to strengthen India's pharmaceutical manufacturing ecosystem. Initiatives such as the Production Linked Incentive (PLI) scheme, bulk drug parks, and quality-focused regulatory upgrades are aimed at improving domestic manufacturing depth, reducing import dependence, and enhancing India's competitiveness in global pharmaceutical supply chains. For Gujarat Terce Laboratories Ltd, this policy direction reinforces the importance of quality systems, cost efficiency, compliance readiness, and supply-chain resilience.

Branded Generics

India remains one of the world's largest markets for branded generics, supported by physician-led prescribing behaviour and strong brand recall. The market is expected to reach USD 53.4 billion by 2033, growing steadily over the coming years.

This market structure supports opportunities for companies with diversified portfolios, strong medical representative engagement, and consistent product quality. For branded formulation players, execution capability, customer relationships, and quality perception continue to be important differentiators.

Pricing and affordability dynamics

India is an extremely price-sensitive market, but unlike pure generics, branded generics allow companies to differentiate and command slightly higher prices. Government interventions, especially through the National Pharmaceutical Pricing Authority, play a major role in capping prices for essential drugs, which directly affects margins, competition, and portfolio strategy.

Doctors' Trust and Loyalty in Branded Generics

Despite government efforts to promote cost-effective unbranded generics, branded generics continue to dominate the Indian pharmaceutical landscape, commanding approximately 87% of the market by value. This overwhelming preference is rooted in a fundamental reality. Indian doctors prescribe what they trust, and what they trust are medicines with established quality assurance and predictable clinical outcomes. Under Drugs Rules 65(11A), retailers cannot substitute prescribed brands, reinforcing this practice.

Doctors' enduring trust in branded generics stems primarily from legitimate concerns over the quality and safety of unbranded alternatives, as only a tiny fraction of generic drugs undergo rigorous testing in India. This quality perception is reinforced by pharmaceutical marketing and long-standing brand familiarity, leading physicians to favour branded options for predictable patient outcomes.

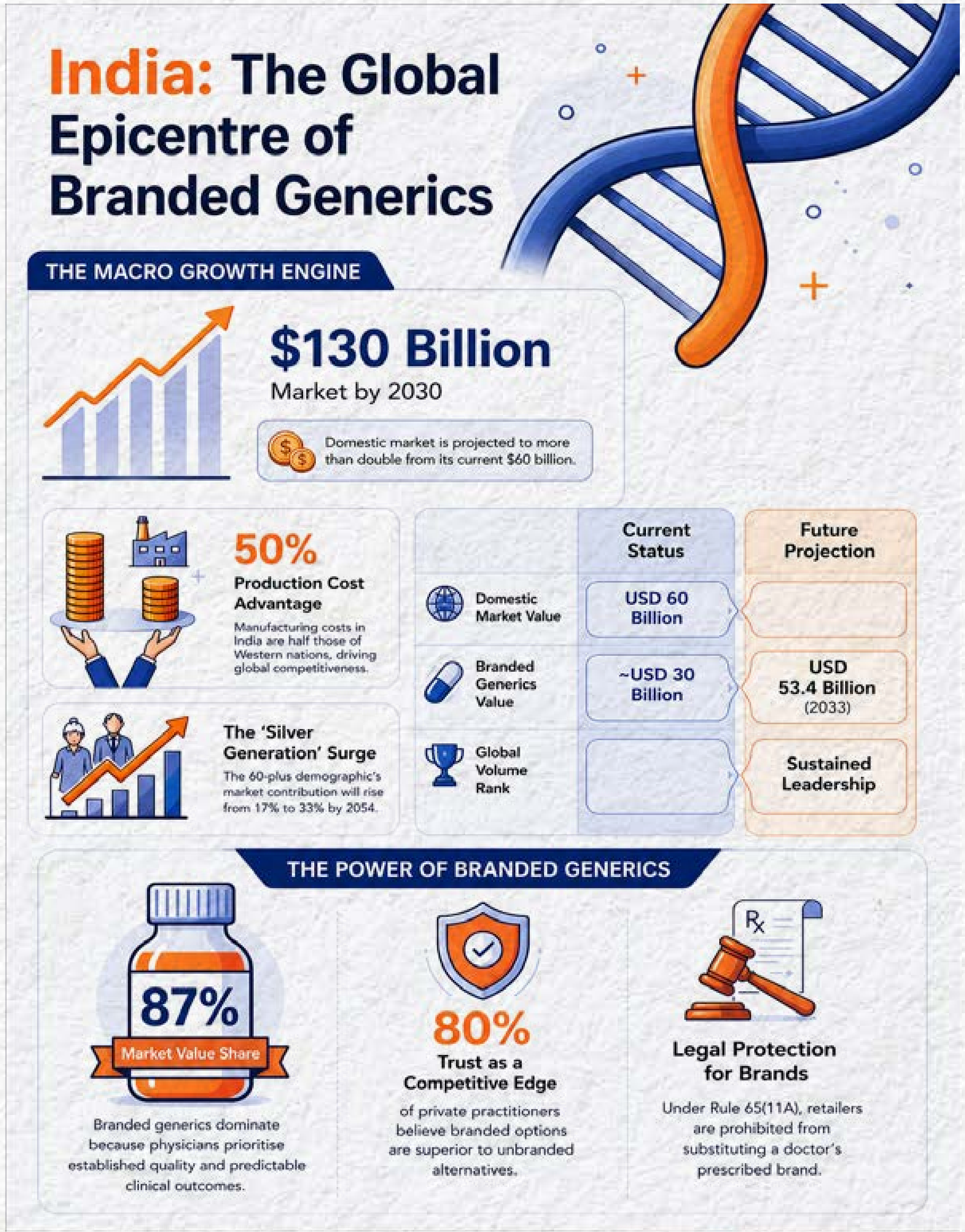
Competitive Edge: Why Branded Generics Command Premium

Trust in Quality and Safety: While unbranded generics legally require the same active ingredient, historical data and studies have indicated quality inconsistencies within the government supply chain, with reports of substandard or spurious drugs. These documented failures directly fuel the trust deficit and make branded generics the safer, more reliable choice.

Superior Manufacturing & Supply: Branded generic manufacturers are typically WHO-GMP certified with robust pharmacovigilance systems, whereas smaller generic players may struggle to meet these stringent standards, risking shortages and compromised patient safety.

Patient Adherence & Confidence: Trust in a known brand leads to better patient adherence to prescribed treatments. Established companies also ensure product consistency, avoiding disruptions from sudden vendor changes that can occur with government-sourced generics.

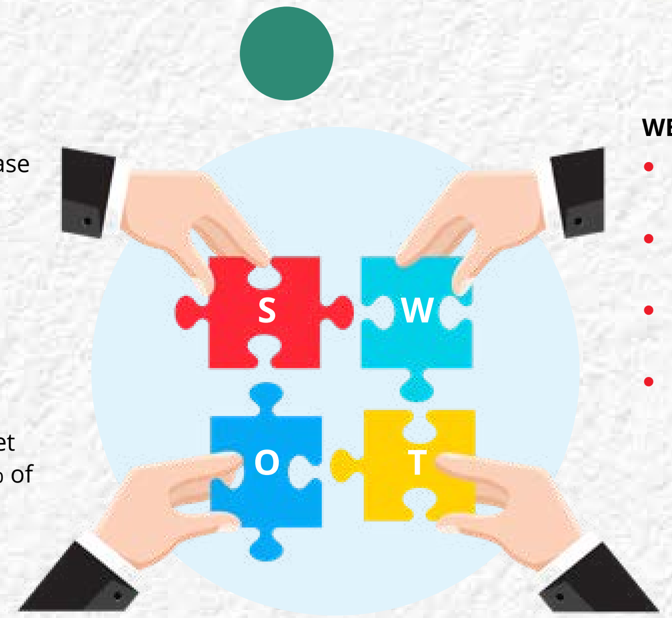
The Doctor-Patient Trust Factor: Branded generics are supported by extensive marketing and medical representative engagement, which helps build physician confidence. This is crucial as studies show that over 80% of private practitioners still believe branded options are superior, directly influencing their prescribing decisions.



Outlook

The Indian pharmaceutical industry is expected to sustain a healthy growth trajectory through FY27 and beyond, driven by rising healthcare awareness, expanding access to medicines, increasing rural penetration, and growing domestic and export demand. Policy support, domestic manufacturing depth and rising healthcare access are expected to strengthen long-term sector prospects. While regulatory pressures and global uncertainties may persist, companies focused on quality, innovation, and operational efficiency are likely to remain well-positioned for sustained growth.

SWOT Analysis



STRENGTHS

- Strong manufacturing base & cost competitiveness
- Large pool of skilled manpower & English-speaking workforce
- Established regulatory framework (WHO-GMP compliant facilities)
- Growing domestic market + export leadership (20% of global generics)

WEAKNESSES

- Heavy reliance on imported APIs
- Low R&D spend on novel molecules
- Intense price competition in generics
- Fragmented industry with many small players

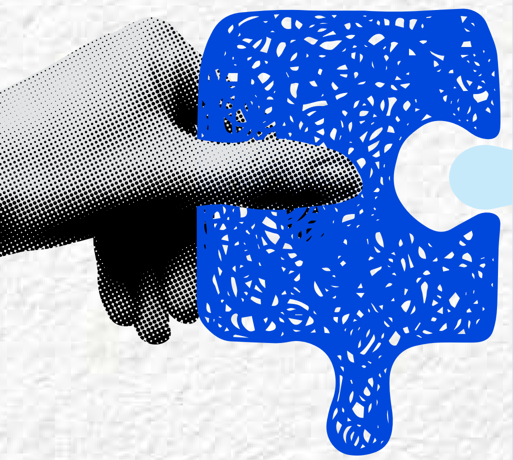
OPPORTUNITIES

- Rising healthcare access & insurance coverage (Ayushman Bharat)
- Growth across acute and chronic therapeutic categories, including respiratory, gynaecology, orthopaedics, paediatrics and general medicine
- Shift towards specialty generics, complex formulations & branded trust
- Policy support for domestic pharma manufacturing and quality upgrades.

THREATS

- Stringent global regulatory scrutiny (USFDA, etc.)
- Pricing pressure & margin compression
- Geopolitical risks & supply chain disruptions
- Increased competition from China & new entrants

For Gujarat Terce Laboratories, these sector trends are particularly relevant because the Company operates in branded generic formulations, with a focus on affordable medicines, doctor-led prescription markets, and selected therapeutic categories including paediatrics, gynaecology, orthopaedics, respiratory and general medicine. Rising healthcare access, continued demand for quality medicines and the importance of brand trust support the Company's operating model. At the same time, pricing pressure, regulatory requirements, and competition require continued focus on quality, portfolio discipline, doctor engagement, working-capital efficiency, and operational resilience.



About the Company

With over 40 years of pharmaceutical expertise, Gujarat Terce Laboratories has undergone a significant turnaround in recent years through rigorous operational discipline and a sharp focus on building strong brands. The Company develops, manufactures, and markets high-quality, affordable branded generic medicines across key therapeutic areas, including Paediatrics, Gynaecology, Orthopaedics, Respiratory, and General Medicine.

Guided by the founding principles of compassion and excellence, Gujarat Terce has streamlined operations, strengthened doctor engagement, optimised inventory and working capital, and invested in select high-potential brands. As a trusted healthcare brand with a focused portfolio of over 125 products and 50+ brands, Gujarat Terce continues to evolve with emphasis on quality, innovation in formulations, and long-term value creation for all stakeholders.

Operational Performance

FY26 — Strengthening the Foundation

FY26 was not a year of revenue expansion. It was a year of deepening the foundations — improving per-territory productivity, strengthening the quality of field engagement, and building the brand infrastructure for the next phase of growth. The metrics below reflect that disciplined effort.

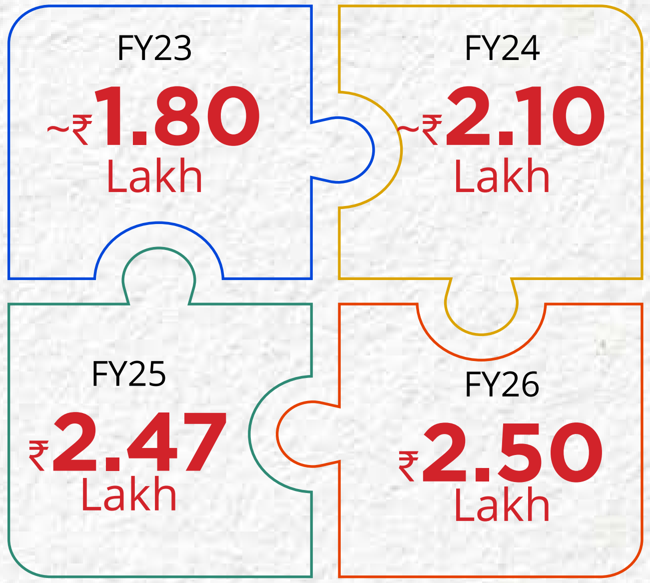
1. Field Force & Network Reach

Gujarat Terce operates one of the most enduring field networks in the branded generics segment — built state by state, district by district, since 1985.

Parameter	FY26	FY25	Remarks
Medical Representatives	150	165	Focused, rationalised force
States Covered	13	13	Stable presence
Districts Covered	224	240	Rationalised
Doctors Engaged	25,000+	25,000+	Maintained
Retail Outlets	22,000+	22,000+	Maintained
Stockists	385	400	Rationalised
Average MR–Doctor Relationship	10–15 Yrs	10–15 Yrs	Compounding continuity

2. Per-Territory Productivity (PCPM)

PCPM — Per Chemist Per Month — measures average monthly net primary sales per medical representative territory. It is the most direct indicator of field force productivity and execution quality.



39% improvement in PCPM over three years — from ₹1.80L in FY23 to ₹2.50L in FY26.

This improvement was achieved despite a 5% decline in overall revenue in FY26, confirming that the field force is generating more value per territory through sharper doctor targeting, better conversion discipline, and stronger brand messaging.

5. Working Capital & Collections Efficiency

Collections efficiency is a direct measure of the quality of stockist and channel relationships. The multi-year improvement in debtor days reflects disciplined credit management and the trust-based partnerships GTLL has built across its distribution network.

Metric	FY26	FY25	FY24
Debtor Days	36.9	37	43
Working Capital Days	26.62	-4.5	-7
Cash Flow from Operations	₹171.47L	₹305.91L	Positive 2 consecutive years

6. Manufacturing & Supply Chain

Gujarat Terce operates through a focused contract manufacturing model. The Company enters into long-term contracts with WHO-GMP certified, internationally accredited manufacturing partners. All product intellectual property and formulation specifications are owned and retained by Gujarat Terce.

Pillar	Detail
IP Ownership	All formulations, trade names and product specifications vest with Gujarat Terce. Partners manufacture; the brand belongs to GTLL.
Quality Assurance	In-house QA team conducts structured audits at partner plants. No batch dispatched without sign-off against GTLL specifications.
Partner Standards	All manufacturing partners hold WHO-GMP certification and international accreditation.
Location Strategy	Partner plants selected for proximity to Chhatral Mother Warehouse, Gandhinagar — minimising freight and inbound lead times.
Supply Reliability	Long-term contracts secure committed production and dispatch schedules, ensuring availability across 385 stockists and 22,000+ outlets.
Preferential Pricing	Long-term contracts provide preferential input costs — protecting margins and improving cost visibility.

Operational Summary — FY26 at a Glance

PCPM
₹2.50 Lakh
39% improvement over 3 years

Debtor Days
₹36.9 Days
From 43 days in FY24

Cash Operations
2nd Year
Consecutive positive CFO

Financial Performance

FY2025-26 was a year of strengthening Gujarat Terce Laboratories Limited's financial foundation through disciplined execution, improved earnings quality and prudent financial management. Despite a challenging operating environment, the Company remained focused on enhancing operational efficiency, optimising its product portfolio and reinforcing its balance sheet, thereby laying the groundwork for sustainable long-term growth.

Revenue from operations stood at ₹4,747.27 lakh during FY2025-26, compared with ₹5,019.52 lakh in the previous year, reflecting a marginal decline of 5.4%. The moderation in revenue was primarily driven by the Company's strategic focus on improving portfolio productivity and prioritising profitable growth over volume expansion.

The Company reported EBITDA of ₹363.45 lakh, with an EBITDA margin of 7.66%, compared with ₹419.04 lakh and 8.35%, respectively, in FY2024-25. While margins moderated during the year, continued emphasis on cost optimisation and operational discipline enabled the Company to maintain healthy operating profitability.

A key highlight of the year was the significant improvement in profitability. Profit Before Tax stood at ₹303.23 lakh, while Profit After Tax increased to ₹220.17 lakh, compared with a net loss of ₹97.87 lakh in the previous year. Consequently, the PAT margin improved to 4.64% from (-1.95%), reflecting stronger operational performance, improved cost efficiencies and prudent financial management.

The Company's cash generation also strengthened significantly, with Cash Profit rising to ₹262.44 lakh from a cash loss of ₹59.41 lakh in FY2024-25. Supported by improved profitability, disciplined working capital management and lower finance costs, Gujarat Terce further strengthened its balance sheet and liquidity position during the year.

Financial Performance at a Glance

Particulars	FY26 (₹ in lakh)	FY25 (₹ in lakh)	% Change	Remarks for Significant Change
Revenue	4,747.27	5,019.52	-5.42%	FY26 was a year of strengthening the Company's fundamentals and improving the quality of earnings. Our strategic focus remained on improving profitability, enhancing operational efficiency, and building a stronger financial foundation.
EBITDA	363.45	419.04	-13.25%	
PBT	303.23	339.04	-10.56%	
Cash Profit	262.44	-59.41	541.74%	
Reported PAT	220.17	-97.87	324.96%	

Significant changes, i.e., a change of 25% or more in the key financial ratios, along with explanations, are provided below:

Key Ratios

Particulars	Items Included in Numerator	Items Included in Denominator	Current Year Ratio	Previous Year Ratio	Change (%)	Explanation for deviation of more than 25%
Debtors Turnover Ratio	Net Credit Sales	Average Trade Receivable	9.56	9.35	2.25%	-
Current Ratio	Current Assets	Current Liabilities	1.32	0.95	38.95%	The current ratio improved primarily because current assets increased while current liabilities reduced during the year, strengthening the Company's short term liquidity position.
Debt-Equity Ratio	Long-Term Debt + Short-Term Debt	Shareholders' Equity	0.13	0.15	13.33%	-
Interest Service Coverage Ratio	EBIT	Interest	17.89	9.16	95.34%	Interest expense has been reduced year on year.
Operating Profit Margin (%)	EBIT	Net Sales	7%	8%	15.43%	-
Net Profit Margin (%)	Net Profit	Net Sales	4.64%	-1.95%	337.95%	Company's net profit has been increased.
Return on Net Worth (%)	Earnings after Interest, Tax, Depreciation & Amortisation	Net Worth	23%	-15.11%	249.78%	Company's net profit has been increased.

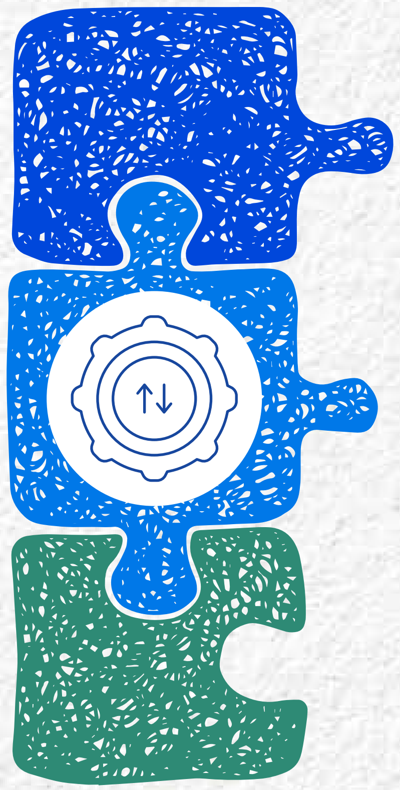
Internal Control and Its Adequacy

The Company has appointed DV Shah & Associates as its Internal Auditors to evaluate the adequacy and effectiveness of its internal control framework and recommend areas for improvement. The Company has established robust internal control systems and monitoring mechanisms to safeguard assets against unauthorised use, loss, or misappropriation and to ensure efficient conduct of operations.

Well-defined policies, procedures, and guidelines provide appropriate checks and balances to ensure that transactions are properly authorised, accurately recorded, and timely reported. The Audit Committee reviews and approves annual internal audit plans based on risk assessments, while audit activities are carried out on a continuous basis. Significant observations and deviations are periodically placed before the Audit Committee of the Board, along with recommendations for corrective actions to ensure timely resolution and mitigate potential risks.

The internal audit function is further strengthened through coordination with statutory auditors to address statutory and operational matters. Compliance with applicable laws and regulations continues to remain a key focus area for the management team.

The Company also continues to strengthen organisational integration across support functions such as finance, human resources and regulatory affairs, as well as core operational areas including research, manufacturing and supply chain management. This cross-functional coordination supports stronger process ownership, timely compliance monitoring, operational discipline and effective implementation of internal controls.



Human Resources

Gujarat Terce recognises its employees as a key pillar of its business success and remains committed to fostering a capable, engaged, and future-ready workforce. The Company continuously invests in employee development initiatives aimed at enhancing skills and aligning workforce capabilities with evolving business requirements. Through structured learning programmes, regular training initiatives, and a culture that encourages continuous learning and constructive feedback, employees are empowered to expand their knowledge, develop new competencies, and pursue professional growth opportunities.

By placing strong emphasis on employee development and capability enhancement, Gujarat Terce seeks to build a skilled, motivated and high-quality talent pool while fostering a dynamic and inclusive organisational culture. Open communication and strong interpersonal engagement across all levels of the organisation further strengthen collaboration between management and employees, contributing to improved operational effectiveness and employee engagement.

The Company continues to maintain cordial and harmonious industrial relations, which remain a key focus area. As of March 31, 2026, the Company had 235 employees on its rolls.

Risk Management

At Gujarat Terce, risk management is driven by a well-defined framework aligned with the Company's risk appetite, taking into consideration industry dynamics, internal capabilities, and financial objectives within acceptable risk parameters. The Board and management team proactively identify, assess, and manage risks across strategic, financial, operational, and environmental areas through a structured risk management approach.

For Gujarat Terce Laboratories Ltd, key risks include regulatory and quality compliance, product pricing controls, raw material and API price volatility, supply-chain disruption, product availability, working-capital pressure, intense competition in branded generics and dependence on sustained doctor engagement. The Company seeks to mitigate these risks through quality-focused manufacturing practices, disciplined portfolio management, cost control, prudent credit monitoring, regular review of market performance and continued engagement with healthcare professionals and channel partners.

The Company's risk management framework is designed to support business sustainability and resilience, ensuring alignment with its long-term business model and growth objectives. The Board continuously evaluates potential risks and develops appropriate mitigation strategies to minimise their impact and strengthen organisational preparedness.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian economic conditions, changes in government regulations, tax laws, litigation, competitor actions, technological changes, natural calamities, and other factors beyond the Company's control. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements on the basis of any subsequent developments, information, or events.

Corporate Information

BOARD OF DIRECTORS

Mr. Aalap Prajapati [DIN 08088327]
Managing Director & CEO

Mr. Natwarbhai P. Prajapati [DIN 00031187]
Whole Time Director

Mr. Amritbhai P. Prajapati [DIN 00699001]
Whole Time Director

Mr. Viplav S. Khamar [DIN 07859737]
Independent Director

Mr. Surendra Kumar Sharma [DIN 06430129]
Independent Director

Ms. Chhayaben Shah [DIN 01435892]
Independent Director [till 21 August 2025]

Ms. Avani Patel [DIN 07774901]
Independent Director (w.e.f 26 May 2025)

CHIEF FINANCIAL OFFICER

Mr. Bhagirath Ramhit Maurya

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Ripal Sukhadiya [till 31 August 2025]
Ms. Ashka Solanki [w.e.f 1 September 2025]

BOARD COMMITTEE

AUDIT COMMITTEE
Ms. Avani Patel- Chairman
Mr. Viplav Khamar
Mr. Surendra Kumar Sharma
Mr. Aalap Prajapati

NOMINATION & REMUNERATION COMMITTEE
Mr. Surendra Kumar Sharma- Chairman
Ms. Avani Patel
Mr. Viplav Khamar

STAKEHOLDER RELATIONSHIP COMMITTEE
Mr. Viplav Khamar – Chairman
Mr. Natwarbhai Prajapati
Mr. Aalap Prajapati

REGISTERED OFFICE & FACTORY

122/2, Ravi Estate, Bileshwarpura,
Chhatral, Dist. Gandhinagar, Gujarat.

CIN: L24100GJ1985PLC007753
Email: ho@gujaratterce.com
Web: www.gujaratterce.in

CORPORATE OFFICE

Unit No. D-801-802, The First,
B/h. Keshavbaug Party Plot,
Vastrapur, Ahmedabad – 380015, Gujarat

STATUTORY AUDITORS

Shah Doshi Patel & Associates LLP
Chartered Accountants
Navaliwala Building,
Station Road, Anand – 388001, Gujarat

SECRETARIAL AUDITOR

Pinakin Shah & Co.
Practicing Company Secretary
A-201, Siddhivinayak Towers,
Near Kataria House, Off S.G. Highway,
Makaraba, Ahmedabad,
Gujarat 380051

BANKERS

Bank of Baroda
Ellisbridge Branch,
Pritamnagar 1st Slop,
Ellisbridge, Ahmedabad – 380006, Gujarat

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
Office No. S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East),
Mumbai – 400093.

Notice

Notice is hereby given that the Forty First ANNUAL GENERAL MEETING ("AGM") of GUJARAT TERCE LABORATORIES LIMITED will be held on Friday, 21 August 2026 at 12:00 noon (IST) through Video Conferencing ("VC")/Any Other Audio-Visual Means ("OAVM") facility to transact the following businesses:

ORDINARY BUSINESS:

1. **Consideration and Adoption of the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2026 and the Reports of the Board of Directors and Auditors thereon**

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2026, and the Reports of the Board of Directors and the Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. **Re-appointment of Mr. Natwarbhai Prajapati, as a Director liable to retire by rotation**

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Natwarbhai Prajapati (DIN: 00031187), Executive Director, who retires by rotation at this 41st Annual General Meeting, and being eligible for re-appointment, be and is hereby re-appointed as an Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Aalap Prajapati as the Managing Director of the Company designated as "Managing Director & Chief Executive Officer" with effect from 28 October 2026 to 27 October 2029**

   To consider and if thought fit, to pass, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act 2013 ("the Act") read with Schedule V of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Articles of Association of the Company, the Company's Policy on Appointment and Remuneration of Directors and Senior Management and basis the recommendation of the Nomination and Remuneration Committee ("NRC") and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Aalap Prajapati (DIN:08088327) as the Managing Director of the Company designated as "Managing Director & Chief Executive Officer" of the Company, liable to retire by rotation, for a further period of 3 (three) years with effect from 28 October 2026 to 27 October 2029 (both days inclusive), in accordance with Note (1) to Section II of Part II of Schedule V to the Act.

   RESOLVED FURTHER THAT the remuneration limit of Mr. Aalap Prajapati, as approved by the members through the Special Resolution passed at the 39th Annual General Meeting held on 17 September 2024, shall continue to remain in effect without any modification, and all other terms and conditions relating thereto shall remain unchanged."

   RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration by way of salary, perquisites, other allowances, benefits and performance pay etc. as specified above, subject to receipt of the requisite approvals, if any;

   RESOLVED FURTHER THAT approval of the Members of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

4. **Ratification of Remuneration of M/s. K V M & Co., Cost Auditors — FY 2026-27**

   To consider and if thought fit, to pass, 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, the Company hereby ratifies the remuneration of **₹ 50,000/- (Rupees Fifty Thousand Only)**, 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)**, appointed as the Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company for the Financial Year ending **31 March 2027**.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any person authorised by the Board, be and is hereby authorised 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
For **Gujarat Terce Laboratories Limited**

Ashka Solanki
Company Secretary
Membership No.: ACS56817

Place: Ahmedabad
Date: 29 May 2026

NOTES:

1. Pursuant to General Circular No. 20/2020 dated 5 May 2020 issued by the Ministry of Corporate Affairs ("MCA") read together with MCA General Circular Nos. 14 & 17/2020 dated 8 April 2020 & 13 April 2020 respectively, and MCA General Circular No. 03/2025 dated 22 September 2025 ("MCA Circulars"), the Company will be conducting this Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio-Visual Means ("VC"/"OAVM"). The registered office of the Company as stated in this Notice shall be the deemed venue of the AGM. The Company will also be providing the facility of live webcast of proceedings of the AGM. Bigshare Services Private Limited ("Bigshare") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM and e-voting during 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 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 Friday, 14 August 2026. 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.

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 Friday, 14 August, 2026. 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), 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 https://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.

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.

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; sub-division/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 is/are deemed to have been passed as if they have been passed at the AGM.

    The remote e-voting period begins on Tuesday, 18 August 2026 (9:00 a.m.) and ends on Thursday, 20 August, 2026 (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. Friday, 14 August, 2026, 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 Friday, 14 August, 2026.

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

i. The voting period begins on T**uesday, 18 August 2026 (9:00 a.m.) and ends on Thursday, 20 August, 2026 (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 **Friday, 14 August, 2026** 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**	1. 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 are https://web.cdslindia.com/myeasitoken/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4. 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 022- 23058738 and 22-23058542-43.
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.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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/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/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/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/AGM are as under:-

- The Members can join the AGM/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/AGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/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/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/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

GENERAL INSTRUCTIONS/ADVISORY

1. Request to Members to participate in green initiative: In compliance with the MCA Circulars and the SEBI Circulars, all Members are requested to register/keep their records viz. e-mail address, PAN, Bank Account details, registered Mobile Nos. updated to receive electronic copies of all Company communications to its Members viz. Notice of General Meetings/Postal Ballot notice, Annual Reports and other correspondence on their registered e-mail address and for seamless credit of Dividend directly to the registered bank account through electronic clearing services or any other means.

2. General Advisory: Members are also requested/ advised to:

i. Quote their Registered Folio No. and/or DP ID and Client ID number in all their correspondences;

ii. Exercise due diligence to prevent fraudulent transactions and notify the Company of any change in address or demise of any Members as soon as possible;

iii. Avoid leaving their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

iv. Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

By order of the Board
For **Gujarat Terce Laboratories Limited**

Ashka Solanki
Company Secretary
Membership No.: ACS56817

Place: Ahmedabad
Date: 29 May 2026

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO. 2 AND EXPLANATORY STATEMENT WITH RESPECT TO ITEM NO. 3 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 2

Re-appointment of Mr. Natwarbhai Prajapati, as a Director, liable to retire by rotation

Mr. Natwarbhai Prajapati (DIN: 00031187), the Executive Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Mr. Natwarbhai Prajapati was first appointed on the Board of the Company as a Executive Director of Company, liable to retire by rotation, with effect from 28 March 1985. Brief resume of Mr. Natwarbhai Prajapati along with disclosure as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein.

Profile:

Mr. Natwarbhai Prajapati is the Founder Director of Gujarat Terce Laboratories Limited. He holds a Bachelor of Science (B.Sc.) degree and a Diploma in Pharmacy (D. Pharm.). He founded Gujarat Terce Laboratories Limited in 1985 and has been associated with the Company since its inception. He possesses over 40 years of extensive experience in the pharmaceutical industry, with deep expertise in pharmaceutical marketing, business development, strategic planning, and corporate management.

Under his visionary leadership, Gujarat Terce Laboratories Limited has evolved from a modest pharmaceutical enterprise into a listed pharmaceutical company with a diversified product portfolio catering to multiple therapeutic segments across India. His unwavering commitment to quality, ethics, customer trust, and sustainable growth has been instrumental in establishing the Company's reputation in the healthcare sector.

Throughout his distinguished career, Mr. Prajapati has played a pivotal role in strengthening the Company's business operations, expanding its market presence, developing a robust distribution network, and fostering a culture of innovation and integrity. His entrepreneurial acumen and strategic foresight have significantly contributed to the Company's long-term growth and financial stability.

Directorships and Committee positions:

Mr. Natwarbhai Prajapati, serves as a Executive Director on the Board of the Company, in accordance with fulfilment of his role of having full oversight of business. Details of his Directorships and Committee positions are as under:

Sr. No.	Name of the Company	Category of Directorship	Name of the Committee
1.	Gujarat Terce Laboratories Limited	Executive Director	Stakeholder Relationship Committee-Member

Mr. Natwarbhai Prajapati holds, 6,35,817 Equity Shares of the Company.

The terms and conditions and remuneration of Mr. Natwarbhai Prajapati would be governed as per the approval granted by the Members of the Company at the Thirty Seventh Annual General Meeting held on 24 August 2022.

Resignation as a Director from Listed Entities in the past three years:

Mr. Natwarbhai Prajapati has not resigned as a Director from any listed entity in the past three years.

Attendance at Board Meetings:

During the financial year 2025-26, seven Board Meetings of the Company were held, and Mr. Natwarbhai Prajapati has attended all the Meetings.

Remuneration:

Mr. Natwarbhai Prajapati has drawn remuneration of ₹ 36.10 lacs from the Company during the financial year under review.

Other information:

Mr. Natwarbhai Prajapati is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority. He is also not disqualified to be re-appointed as a Director in terms of Section 164 of the Act. Save and except Mr. Natwarbhai Prajapati, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2 of the Notice. Mr. Natwarbhai Prajapati is related to Mr. Aalap Prajapati, Managing Director & CEO of the Company, being his father, and to Mr. Amritbhai Prajapati, Executive Director of the Company, being his brother. Except as stated above, Mr. Natwarbhai Prajapati is not related to any other Director, Key Managerial Personnel of the Company or their relatives.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval of the Members.

Item No. 3

Re-appointment of Mr. Aalap Prajapati as the Managing Director of the Company designated as "Managing Director & Chief Executive Officer" with effect from 28 October 2026 to 27 October 2029

The Members of the Company had, at the 37th Annual General Meeting held on 24 August 2022, approved the appointment of Mr. Aalap Prajapati (DIN: 08088327) as the Managing Director & CEO of the Company, liable to retire by rotation, for a period of 5 (five) years with effect from 28 October 2021 to 27 October 2026 (both days inclusive) together with the terms and conditions of his appointment and remuneration payable to him.

The Board of Directors at its meeting held on 29 May 2026 has pursuant to the recommendation of the Nomination & Remuneration Committee ("NRC"), approved re-appointment of Mr. Aalap Prajapati as the Managing Director of the Company designated as "Managing Director & Chief Executive Officer" of the Company for a period of 3 (three) years with effect from 28 October 2026 to 27 October 2029 (both days inclusive) and recommended to the Members of the Company his reappointment together with the terms and conditions of his re-appointment and remuneration payable to him.

Brief resume of Mr. Aalap Prajapati alongwith disclosure as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein.

Profile:

Mr. Aalap Prajapati has over 15 years of experience in the pharmaceutical sector.

He possesses experience in the pharmaceutical and healthcare industry with expertise in business strategy, operations management, marketing and business development. He has been actively associated with the Company's leadership and growth initiatives and plays a key role in driving operational efficiency and long-term business development of the Company.

He holds a management qualification from B.K. School of Business Management with specialization in Marketing and Operations.

Directorships and Committee positions:

Mr. Aalap Prajapati is the Managing Director & CEO of the Company and holds Non-Executive Directorship in other companies. Details of his Directorships and Committee positions is as under:

Sr. No.	Name of the Company	Category of Directorship	Name of the Committee
1.	Gujarat Terce Laboratories Limited	Managing Director & CEO	Audit Committee (Member) Stakeholder Relationship Committee (Member)
2.	Terce Nutriart Private Limited	Non-Executive Director	-

Mr. Aalap Prajapati holds 13,51,827 equity shares of the Company (constituting 17.35% of share capital of the Company). During the financial year 2025-26, seven Board Meetings of the Company were held, and Mr. Aalap Prajapati had attended all the Board Meetings.

The key terms of re-appointment of Managing Director & CEO are as under:

A. Tenure of re-appointment & other terms:

The re-appointment of Mr. Aalap Prajapati as Managing Director & CEO shall be for a period of 3 (three) years with effect from 28 October 2026 to 27 October 2029 (both days inclusive) and shall be liable to retire by rotation. Such retirement and re-appointment shall not constitute a break in his engagement as Managing Director & CEO of the Company.

The office of the Managing Director & CEO may be terminated by either party by giving the other party 3 (three) months' notice in writing or 3 (three) months' salary including allowances in lieu of notice. Mr. Aalap Prajapati shall not be entitled to any severance pay. He does not have any external arrangements to receive remuneration, compensation or profit sharing in connection with dealings in the equity shares of the Company.

B. Remuneration:

1. **Salary & Perquisites:** As stated in the Resolution at Item No. 3.

2. **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Managing Director & CEO, the Company has no profits or its profits are inadequate, the Company will pay to Managing Director & CEO remuneration by way of salary, perquisites, other allowances, benefits and performance pay as the minimum remuneration.

Mr. Aalap Prajapati as the Managing Director & CEO has played an important role in shaping the Company's growth trajectory through strategic thinking, planning, execution, and adaptability to the growth vision endorsed by the Board. Throughout his tenure, he has delivered dedicated, unwavering and meritorious services, making a substantial contribution to the overall expansion of the Company.

The Board is of the view that Mr. Aalap Prajapati strategic leadership & thinking, knowledge, experience and initiatives taken by him continues to be of immense benefit and value to the Company. The Board based on the Company's performance & the Individual performance of Mr. Aalap Prajapati and pursuant to the recommendations of the NRC, recommends the re-appointment of Mr. Aalap Prajapati and the remuneration payable to him as well as other terms and conditions as stated in Item No. 3 to the Members.

Pursuant to sections 152, 196, 197, 198 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V of the Act and the SEBI Listing Regulations, the reappointment of and remuneration payable to Mr. Aalap Prajapati as Managing Director & CEO is being placed before the Members at the ensuing Annual General Meeting for their approval by way of Special Resolution.

The additional information as required by Schedule V to the Act has been provided as under:

I. General Information

1.	Nature of Industry	Pharmaceutical	
2.	Date or expected date of commencement of commercial production	The Company was incorporated on 28 March 1985 and began its commercial production in April 1985	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable (the Company is an existing Company).	
4.	Financial performance based on given indicators as per Audited Financial Statements for the year ended 31 March 2026	**Particulars**	**₹ (in lakhs)**
		Gross Turnover & Other income	4781.31
		Net profit as per statement of Profit & Loss (After Tax)	220.17
		Computation of Net Profit in accordance with Section 198 of the Act	465.38
		Net worth	972.81
5.	Foreign investments or collaborations, if any	**Not applicable**	

II. Information about the appointee:

1.	Background details	Refer Profile Section as stated above.
2.	Past remuneration (for the financial year ended 31 March 2026)	₹88.09 lacs (this includes leave encashment)
3.	Job profile	Mr. Aalap Prajapati has over 15 years of experience in the pharmaceutical sector. He possesses experience in the pharmaceutical and healthcare industry with expertise in business strategy, operations management, marketing and business development. He has been actively associated with the Company's leadership and growth initiatives and plays a key role in driving operational efficiency and long-term business development of the Company. Mr. Aalap Prajapati as the Managing Director & CEO has played an important role in shaping the Company's growth trajectory through strategic thinking, planning, execution, and adaptability to the growth vision endorsed by the Board. Throughout his tenure, he has delivered dedicated, unwavering and meritorious services, making a substantial contribution to the overall expansion of the Company, both domestically and internationally.
4.	**Remuneration proposed**	Refer Remuneration Section as stated above
5.	**Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**	Taking into consideration the size, performance and complexity of the business of the Company, the profile of Mr. Aalap Prajapati, his past background and remuneration, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to Mr. Aalap Prajapati on his re-appointment as a Managing Director & CEO is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies with similar responsibilities.

6.	**Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, (or other Director) if any**	Besides the remuneration proposed to be paid to him, Mr. Aalap Prajapati does not have any other pecuniary relationship with the Company. Mr. Aalap Prajapati is related to Mr. Natwarbhai Prajapati, Executive Director of the Company, being his son.

III. Other information:

1.	Reasons of loss or inadequate profits	Not applicable, as the Company has posted a net profit after tax of ₹ 220.17 lakhs (on a standalone basis) for the financial year ended 31 March 2026.
2.	Steps taken or proposed to be taken for improvement	Not applicable as the Company has adequate profits.
3.	Expected increase in productivity and profits in measurable terms	

Mr. Aalap Prajapati satisfies all the conditions set out in Part-I of Schedule V to the Act and also the conditions set out under sub-section 3 of section 196 of the Act for being eligible for his re-appointment. Further, Mr. Aalap Prajapati is not disqualified from being re-appointed as a Director in terms of section 164 of the Act and has given his consent to get re-appointed as the Managing Director & CEO of the Company. Mr. Aalap Prajapati is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority.

The Company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditors. The Company has not issued any non-convertible debentures. The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. Aalap Prajapati in terms of section 190 of the Act.

Save and except Mr. Aalap Prajapati, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

Mr. Aalap Prajapati is related to Mr. Natwarbhai Prajapati, Executive Director of the Company, being his son.

All relevant documents and papers relating to Item No. 3 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to cs@gujaratterce.com.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

Item No. 4

Ratification of Remuneration of M/s. K V M & Co., Cost Auditors for Financial Year ending 31 March 2027

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Company is required to conduct the audit of its cost records for products covered under the said Rules 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 for the Financial Year ending 31 March 2027. The Audit Committee, after considering the size of the Company's operations and the scope of the cost audit for FY 2026-27, recommended the appointment of M/s. K V M & Co. to the Board.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on **29th May, 2026** approved the appointment of M/s. K V M & Co., Cost Accountants (Firm Registration No.: 000458) as the Cost Auditors for **FY 2026-27** at a remuneration of **₹ 50,000/- (Rupees Fifty Thousand Only)**, inclusive of all applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board, is required to 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, financially or otherwise, in the Resolution set out at Item No. 4.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval of the Members.

Board's Report

Dear Members,

The Board of Directors ("the Board") of **Gujarat Terce Laboratories Limited** ("the Company") is pleased to present their Report along with the Audited Financial Statements of the Company for the financial year ended 31 March 2026 ("financial year under review" or "financial year 2025-26").

A. FINANCIAL SUMMARY AND OPERATIONAL HIGHLIGHTS

(₹in Lakhs)

Particulars	2025-26	2024-25
Revenue from operations	4747.27	5019.52
Other Income	34.04	30.78
Profit before Interest, Depreciation, Other Expense & Tax	1415.88	1540.35
Finance Cost	17.95	41.54
Depreciation	42.27	38.46
Other Expenses	1052.43	1121.31
Net Profit before Tax	303.23	339.04
Tax Expense	108.78	16.36
Deferred Tax	-25.72	78.84
Income Tax of Earlier Year	0.00	341.71
Net Profit or (Loss) after Tax	220.17	(97.87)

The financial year 2025-26 was a year of improved profitability and strengthened financial performance for Gujarat Terce Laboratories Limited. During the year, the Company remained focused on enhancing operational efficiencies, optimizing costs, strengthening customer relationships and improving product portfolio performance amidst a competitive pharmaceutical market environment.

Revenue from operations for FY 2025-26 stood at ₹4,747.27 Lakhs as compared to ₹5,019.52 Lakhs in the previous financial year. The decline in revenue was primarily attributable to the regulatory impact on Acolate Plus following category-wide changes affecting fixed-dose combination products, which reduced its contribution from approximately ₹2 crore to approximately ₹1 crore during the year. The underlying business remained operationally resilient, with profitability improving significantly during the year. Notwithstanding the moderation in revenues, the Company continued to focus on operational discipline and profitability improvement initiatives.

The Company's operating performance remained resilient during the year, supported by efficient cost management and prudent utilization of resources. EBITDA stood at approximately ₹363 Lakhs with EBITDA margins declining to 7.6% as compared to 8.35% in the previous year. Profit Before Tax was ₹303.23 Lakhs as against ₹339.04 Lakhs in FY 2024-25. The Company reported a Profit After Tax of ₹220.17 Lakhs as compared to a loss of ₹97.87 Lakhs in the previous year, reflecting a significant improvement in overall financial performance. Earnings per share improved to ₹2.92 as against a loss per share of ₹1.32 in the previous financial year.

The Indian pharmaceutical industry continues to be one of the largest and fastest-growing pharmaceutical markets globally, supported by increasing healthcare awareness, rising disposable incomes, growing access to healthcare services and favourable demographic trends. The sector continues to benefit from strong domestic demand, expanding healthcare infrastructure, increasing penetration of health insurance and government initiatives aimed at improving healthcare accessibility.

India's pharmaceutical market is also witnessing increasing opportunities arising from the growing demand for quality and affordable medicines, expansion of chronic therapy segments and rising focus on preventive healthcare. At the same time, the industry continues to operate in an environment characterized by pricing pressures, regulatory scrutiny, supply chain challenges and intense competition. Companies that maintain high standards of quality, regulatory compliance, product innovation and operational efficiency are expected to be better positioned to capitalize on emerging growth opportunities.

Against this backdrop, Gujarat Terce Laboratories Limited continued to focus on strengthening its operational capabilities, maintaining quality standards and enhancing business efficiencies. The Company remains committed to sustainable growth through improved market penetration, product portfolio optimisation, operational excellence and prudent financial management. Supported by its established presence in the pharmaceutical sector and customer-centric approach, the Company remains confident of creating long-term value for its stakeholders while pursuing profitable growth opportunities in the years ahead.

Operational Highlights

During FY 2025-26, the Company continued to focus on improving operational effectiveness and strengthening its business fundamentals. The management remained committed to maintaining high standards of product quality, regulatory compliance and customer service while driving efficiency across manufacturing, procurement and distribution functions. Various cost optimization initiatives undertaken during the year contributed to improved profitability and margin stability despite a moderation in revenues.

The Company continued to emphasize prudent working capital management and financial discipline, resulting in a significant reduction in finance costs during the year. Focus on inventory management, procurement efficiencies and resource optimization enabled the Company to strengthen its operational performance and improve overall profitability. The Company also continued its efforts towards enhancing productivity, strengthening internal controls and improving process efficiencies across business functions.

With a strong emphasis on quality, compliance and sustainable business practices, the Company remains well-positioned to leverage opportunities arising from the continued growth of the Indian pharmaceutical industry and deliver long-term value to its shareholders.

Accounting Method

The Annual Audited Standalone Financial Statements of the Company are complied with Section 129 of the Companies Act, 2013 ("the Act") and are prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 and other applicable provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

The Annual Audited Standalone Financial Statements of the Company are prepared on a going-concern basis.

There are no material departures from the prescribed norms stipulated by the accounting standards in preparation of the annual accounts. Accounting policies have been consistently applied, except where a newly issued accounting standard, if initially adopted, or a revision to an existing accounting standard, required a change in the accounting policy hitherto in use. The management evaluates accounting standards including any revision thereon on ongoing basis.

Publication and access to the Financial Statements and Results

The Company publishes its Unaudited Standalone Financial Results which are subjected to limited review on a quarterly basis. The Audited Standalone Financial Statements and Results are published on an annual basis. Upon publication, the Financial Statements and Results are also uploaded on the websites of the stock exchanges where equity shares of the Company are listed and the website of the Company.

In accordance with Section 136 of the Act, the Annual Audited Standalone Financial Statements of Company and all relevant documents, related thereto, are uploaded on the website of the Company and can be accessed at the weblink: https://www.gujaratterce.in/financial-results/

Change in the nature of the business

There have been no changes in the nature of the business and operations of the Company during the financial year under review.

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.

Dividend

Board decided not to recommend dividend for the current year in order to conserve resources for operational and business requirements.

Material changes and commitments affecting the financial position of the Company

There are no material changes and commitments affecting the financial position of the Company which have occurred between 31 March 2026 and the date of this Report.

B. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale, and complexity of operations of the Company. Regular audits and review processes ensure that such systems are reinforced and further improvised on an ongoing basis. The Company continues to invest in various digitisation initiatives to automate controls to an extent possible, in order to minimize manual errors and lapses. The Company added new automated controls considering the increase in size and complexity of its operation.

The Company's internal financial controls were also assessed and examined by the Statutory Auditors, who have provided an unmodified opinion regarding their adequacy and operating effectiveness as of 31 March 2026. During the financial year under review, neither the Internal Auditor nor the Statutory Auditors issued any letters indicating weaknesses in the internal controls.

The Company's Financial Statements are prepared basis the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These accounting policies undergo periodical review and are updated from time to time.

The Company uses interAct and tally as a business enabler and to maintain its books of account. The transactional controls built into the interact and tally systems ensure appropriate segregation of duties, necessary approval mechanisms, and the maintenance of supporting records the accounting software in use has the audit trail feature enabled.

Moreover, the Company has implemented policies and procedures to ensure the orderly and efficient conduct of its business, protect its assets, prevent and detect frauds and errors, maintain accurate and complete accounting records, and prepare reliable financial information in a timely manner. The Code of Conduct for Senior Management and Employees of the Company plays a crucial role in committing Management to adhere to financial and accounting policies, systems, and processes. Management conducts regular reviews of the systems, standard operating procedures, and controls.

Pursuant to Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, and based on the framework of internal financial controls and compliance systems established and maintained by the Company, the assessments and audit carried out by the internal auditors, and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls laid down with reference to the Financial Statements were adequate and operating effectively during the financial year 2025-26.

C. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis for the financial year under review, as stipulated under Regulation 34(2)(e) read with Part B of Schedule V of the SEBI Listing Regulations, is presented in a separate section and forms part of the Annual Report.

It provides mandatory disclosures required under the SEBI Listing Regulations comprising of inter-alia details about the overall industry structure, economic scenarios, operational and financial performance of the Company, business strategy, internal controls and their adequacy, risk and concerns and other material developments during the financial year 2025-26.

D. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered into by the Company, during the financial year under review, were in the ordinary course of business and on arms' length basis, pre-approved by the Audit Committee, comprising of majority of Independent Directors of the Company. The said transactions were in accordance with the Policy on materiality of and on dealing with Related Party Transactions, formulated by the Company.

Prior omnibus approval of the Audit Committee is obtained for transactions of the Company with related parties which are repetitive in nature. A statement on Related Party Transactions specifying the details of the transactions entered pursuant to the omnibus approval granted is reviewed by the Audit Committee and the Board on a quarterly basis.

On announcement of half-yearly financial results, details of all related party transactions entered into by the Company are disclosed and filed with the stock exchanges where equity shares of the Company are listed, within prescribed timelines.

Details of related party transactions entered into/ by the Company, in terms of Ind AS-24 are disclosed in the note no. 36 to the Standalone Financial Statements, respectively forming part of the Annual Report. All transactions with related parties were in ordinary course of business and at arm's length. No transaction required specific approval u/s 188(1). Accordingly, Form AOC-2 is not applicable and no particulars are required to be reported thereunder.

No transaction required approval of shareholders under Section 188(1).

Policy on Materiality of and on Dealing with Related Party Transactions

The Company's Policy on Materiality of and on dealing with Related Party Transactions ("RPT Policy") as formulated by the Audit Committee and approved by the Board is uploaded on the website of the Company and can be accessed at the weblink: https://www.gujaratterce.in/code-and-policies/ . The said Policy was amended on 29 May 2026 to incorporate the relevant changes brought in the SEBI Listing Regulations.

E. AUDITORS' AND THEIR REPORTS

Statutory Auditors

Shah Doshi Patel & Associates LLP, Chartered Accountants, (Firm Registration No.: F112630W) are the Statutory Auditors of the Company. The Members of the Company had at their 40th AGM held on 21 August 2025 granted their approval for reappointment of Shah Doshi Patel & Associates LLP for a second term of five consecutive years commencing from the conclusion of the 40th AGM up to the conclusion of the 45th AGM of the Company to be held in the year 2030.

All services rendered by the Statutory Auditors are pre-approved by the Audit Committee. During the financial year under review, the Statutory Auditors have not offered any prohibitory services to the Company or its holding company or subsidiary company of the Company.

Unmodified Statutory Auditors' Reports.

The Statutory Auditors' Reports on the Annual Audited Financial Statements for the financial year 2025-26 forms part of the Annual Report and is unmodified i.e., it does not contain any qualification, reservation, or adverse remark or disclaimer.

Secretarial Auditor

M/s. Pinakin Shah & Co., Practicing Company Secretaries was appointed as the Secretarial Auditor of the Company for the five consecutive years commencing from the conclusion of the 40th AGM up to the conclusion of the 45th AGM of the Company to be held in the year 2030 to conduct the audit of the secretarial records of the Company and for providing Annual Secretarial Compliance Report, Corporate Governance Certificate, certain other certifications as may be required under the SEBI Listing Regulations read with circulars issued thereat, for the financial year 2025-26. M/s. Pinakin Shah & Co. holds a valid peer review certificate issued by the Institute of Company Secretaries of India.

Unmodified Secretarial Audit Report and Annual Secretarial Compliance Report

The Secretarial Audit Report and the Annual Secretarial Compliance Report for the financial year ended 31 March 2026 are unmodified i.e., they do not contain any qualification, reservation, or adverse remark.

The Secretarial Audit Report in Form No. MR-3 as per the provisions of Section 204 of the Act read with Rules framed thereunder for the financial year ended 31 March 2026 is annexed to this Boards' Report as Annexure A to this Board's Report and forms part of the Annual Report.

The Annual Secretarial Compliance Report for the financial year ended 31 March 2026 in compliance with the Regulation 24A of the SEBI Listing Regulations is also uploaded on the website of the Company and can be accessed at the weblink: https://www.gujaratterce.in/annual-compliance-report/

Internal Audit

The Company has in place an adequate internal audit framework to monitor the efficacy of the internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's processes. The Board has appointed M/s. D.V. Shah & Associates as the Internal Auditors of the Company with effect from 1 April 2025, who reports directly to the Chairman of the Audit Committee. The Internal Audit function develops an audit plan for the Company, which inter-alia, covers core business operations as well as support functions which is reviewed and approved by the Audit Committee on an annual basis. The Internal Audit approach verifies compliance with the operational and system related procedures and controls.

Significant audit observations are presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations on a regular basis.

During the financial year under review, there were no suspected frauds or irregularity or a failure of internal control systems of a material nature which required reporting to the Board or the Audit Committee.

Cost Auditor and Cost Audit Report

Based on the recommendation of Audit Committee, the Board appointed M/s K V M & Co. – Cost Accountants (Firm Registration No. 000458), as the Cost Auditor to conduct the audit of the Company's cost records for the financial year ended 31st March, 2026. The Cost Auditor will submit his report for FY 2025-26 by the due date. The Company maintains the cost records in compliance with provisions of Section 148(1) of the Act.

Reporting of frauds by Auditors

During the financial year under review, the Statutory Auditors of the Company have not reported any instance of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act.

F. PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

Particulars of loans given, investments made, guarantees provided by the Company during the financial year 2025-26 and the purpose for which the loan or guarantee is utilized by the recipient are disclosed in Note Nos. 4 & 9 to the Standalone Financial Statements. No loans/advances have been made to companies/firms in which Directors are interested. During the financial year under review, the Company has not provided any loans/advances/guarantees/securities in connection with any loans given.

The transactions which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) read with Para A of Schedule V of the SEBI Listing Regulations are disclosed in notes to the Standalone Financial Statements.

G. PUBLIC DEPOSITS AND LOANS/ADVANCES

The Company has not accepted any deposits from the public or its employees, during the financial year under review and no amount on account of principal or interest thereon was outstanding as of 31 March 2026. The Company has not accepted any loans from its Directors of the Company during the financial year under review.

H. EMPLOYEES

As on 31 March 2026, the following persons are designated as Key Managerial Personnel ("KMP") of the Company pursuant to the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Mr. Aalap Prajapati, Managing Director & CEO;
2. Mr. Bhagirath Maurya, Chief Financial Officer;
3. Ms. Ashka Solanki, Company Secretary & Compliance Officer.

Ms. Ripal Sukhadiya had resigned on 31 August 2025 to pursue other professional interests and ceased to be the Company Secretary & Compliance Officer, of the Company with effect from close of 31 August 2025.

Further, basis the recommendations of the Nomination and Remuneration Committee ("NRC"), at its meeting held on 1 September 2025, the Board of Directors has approved appointment of Ms. Ashka Solanki as the Company Secretary & Compliance Officer of the Company.

Particulars of employees and related disclosures

The Company has no employees who were in receipt of remuneration of not less than ₹ 1,02,00,000/-during the financial year under review or not less than ₹ 8,50,000/- per month during any part of the financial year ended 31 March 2026.

Disclosures with respect to the remuneration of the Directors, the KMPs and the employees of the Company 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 given in Annexure B to this Boards' Report and forms part of the Annual Report.

Details of employee remuneration as required under the provisions of 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 are available on the website of the Company and can be accessed at the weblink: https://www.gujaratterce.in/financial-results/. Any Member interested in obtaining a copy of the same may write to the Company Secretary of the Company at cs@gujaratterce.com.

I. BOARD & COMMITTEES

Board

The Board of Directors ("the Board") is at the helm of the governance structure at the Company and endorses that good governance is not merely an objective but also means to achieve the objective of operating as a responsible global citizen.

The Board is entrusted with the ultimate responsibility for the management, general affairs, direction and strategies of the Company, and vested with requisite powers, authorities and duties. The Board along with its Committees provides leadership and guidance to the Company's Management and supervises the Company's performance.

The Managing Director & CEO is a Professional Director in his individual capacity on the Board of the Company. He leads the Board and is responsible for its overall effectiveness.

The Leadership Team of the Company is headed by the MD & CEO, and has business and functional heads as its members, who manage the day-to-day affairs of the Company. The MD & CEO together with the business and functional heads operate within the framework of the strategic policies laid down by the Board. They drive company-wide processes, systems and policies, and act as role models for leadership development within the organisation.

A. Size and Composition of the Board

The size and composition of the Board of the Company is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations and the applicable provisions of the Companies Act, 2013 ("the Act"). The composition of Board of the Company represents an optimum combination of experience, knowledge, expertise and skills from diverse fields including consumer and retail, finance, law, governance, etc. which are required by the Board to discharge its responsibilities effectively.

As on 31 March 2026 and on the date of this Report the Board of the Company is composed of six Directors comprising of three Executive Directors, of which one designated as the MD & CEO and three (including one Woman) Independent Directors. This ensures Board independence, exercise of independent judgement and high diversity at the Board level.

B. Changes in Board Composition during the year under review:

The Members of the Company, at its 40th AGM had approved the following:

1. Re-appointment of a Director in place of Mr. Amritbhai Prajapati (DIN: 00699001) liable to retire by rotation.

2. Regularization of Ms. Avani Vishnubhai Patel (DIN: 07774901) as an Independent Director of the Company.

Apart from the above, Ms. Chhayaben Shah ceased to be the Independent Director of the Company w.e.f 21 August 2025, on the completion of her tenure as the Independent Director of the Company.

Director Retiring by Rotation

Mr. Natwarbhai Prajapati, Executive Director

In terms of Section 152 of the Act, Mr. Natwarbhai Prajapati, Executive Director (DIN: 00031187), retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment at the ensuing AGM.

Mr. Natwarbhai Prajapati has consented to and is not disqualified from being re-appointed as an Executive Director in terms of Sections 164 and 165 of the Act read with applicable rules made thereunder. He is not debarred from holding the office of Director by virtue of any order issued by SEBI or any other such authority. He is father of Mr. Aalap Prajapati, Managing Director & CEO of the Company and brother of Mr. Amritbhai Prajapati, Whole-Time Director of the Company.

The Board, basis recommendation of the NRC, recommends his re-appointment as an Executive Director of the Company, for approval of the Members at the ensuing AGM. The Notice convening the ensuing AGM sets out the brief profile, other details and disclosures with respect to Directors proposed for appointment and re-appointment.

Re-appointment of Mr. Aalap Prajapati, MD and CEO:

Mr. Aalap Prajapati was appointed as the MD and CEO of the Company (liable to retire by rotation), by the members of the Company on the recommendation of Board and NRC, for the first term of five years with effect from 28 October 2021 to 27 October 2026 (both days inclusive). The Board at its meeting held on 29 May 2026 basis NRC's recommendation, approved re-appointment of Mr. Aalap Prajapati as the MD of the Company designated as "Managing Director & Chief Executive Officer" for the second term of for a further period of 3 (three) years with effect from 28 October 2026 to 27 October 2029 (both days inclusive), in accordance with Note (1) to Section II of Part II of Schedule V to the Act and recommended to the Members of the Company, his re-appointment together with the terms and conditions of his appointment and remuneration payable to him. The notice convening the ensuing 41st AGM sets out the brief profile, other details and disclosures with respect to his re-appointment.

Meetings and Attendance

During FY 2025-26, the Board met Seven times. Necessary quorum was present at all meetings and the gap between two consecutive meetings did not exceed one hundred and twenty days. The 40th AGM of the Company was held on Monday, 21 August 2025, through audio-video conference facility ("VC") in compliance with the circulars and framework issued by the MCA and SEBI.

Sr. No.	Date of Meeting	Mode of Meeting	Attendance of Members							% of attendance at the meeting
			Mr. Aalap Prajapati (Managing Director & CEO)	Mr. Natwarbhai Prajapati (Executive Director)	Mr. Amritbhai Prajapati (Executive Director)	Mr. Viplav Khamar (Independent Director)	Mr. Surendrakumar Sharma (Independent Director)	Ms. Avani Patel* (Independent Director)	Ms. Chhayaben Shah** (Independent Director)	
1.	19-05-2025	Physical	Yes	Yes	Yes	Yes	Yes	NA	Yes	100%
2.	26-05-2025	Physical	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
3.	17-07-2025	Physical	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
4.	11-08-2025	Physical	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
5.	01-09-2025	Physical	Yes	Yes	Yes	Yes	Yes	Yes	NA	100%
6.	08-11-2025	Physical	Yes	Yes	Yes	Yes	Yes	Yes	NA	100%
7.	04-02-2026	Physical	Yes	Yes	Yes	Yes	Yes	Yes	NA	100%
	% of attendance of Members	-	100%	100%	100%	100%	100%	100%	100%	

*Ms. Avani Patel was appointed as the Independent Director of the Company w.e.f 26 May 2025

**Ms. Chhayaben Shah ceased to the Independent Director of the Company w.e.f 21 August 2025, upon her completion of tenure as the Independent Director.

Declaration by Independent Directors

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors of the Company are registered in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs ("IICA") and unless exempted, have also passed the online proficiency self-assessment test conducted by IICA.

The Board of the Company after taking these declarations on record and undertaking due veracity of the same, concluded that the Independent Directors of the Company are persons of integrity and possess the relevant expertise, experience and proficiency to qualify as Independent Directors and are Independent of the management of the Company.

Performance Evaluation

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board of the Company at its meeting (following the NRC and Independent Director meeting) has carried out an annual evaluation of its own performance and that of its Committees, as well as performance of all of the Directors including Independent Directors and the Chairman of the Board. The Board has also carried out performance evaluation of the Managing Director & CEO of the Company basis the KRA's set by the NRC.

The Independent Directors in a separate meeting carried out the evaluation of the performance of the Chairman of the Company, considering the views of Executive and Non-Executive Directors, the performance of the Non-Independent Directors and the Board as a whole, and also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The NRC at its meeting reviewed the evaluations, the implementation and compliance of the evaluation exercise done.

Familiarisation Program for Independent Directors

The Directors are afforded many opportunities to familiarise themselves with the Company, its Management, and its operations during their association with the Company. The Company conducts induction and familiarisation programs for the Directors joining the Board to familiarise them with the Company's operations, quality systems, and manufacturing partner facilities.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates terms and conditions of their engagement. The Managing Director & CEO and the Senior Management provide an overview of the operations and familiarise the Directors on matters related to the Company's values and commitments. They are also introduced to the Organisational Structure, constitution, terms of reference of the Committees, board procedures, management strategies etc. Further the Directors are on a quarterly basis apprised on the powers, role and responsibilities and constitution of the Board Committees, its charter and terms of reference and changes therein, and meetings held during a quarter.

The Board Members are apprised by the Senior Management at quarterly Board Meetings by way of presentations which include industry outlook, competition update, company overview, operations and financial highlights, regulatory updates, presentations on internal control over financial reporting, succession planning, strategic investment, etc. which not only give an insight to the Directors on the Company and its operations but also allows them an opportunity to interact with the Senior Management.

The Company from time to time familairises the Directors of the Company of the key roles and responsibilities of the Directors comprising of onboarding and ongoing compliances/disclosures to be made by Directors, general obligations under the Act and the SEBI Regulations.

Nomination & Remuneration Policy and criteria for determining attributes, qualification, independence, and appointment of Directors

A Policy on Appointment and Remuneration of Directors and Senior Management and Succession Planning ("Nomination & Remuneration Policy") is adopted and implemented by the Board in accordance with the applicable provisions of the Act and the SEBI Listing Regulations. The said Policy, inter-alia, includes criteria for determining qualifications, positive attributes, independence of directors, identification of persons who are qualified to become Directors, KMPs and Senior Management Personnel in accordance with the criteria laid down in the Policy, and the basis for payment of remuneration to the Directors, KMPs, Senior Management and other employees of the Company. During the financial year, the Appointment and Remuneration Policy was amended to align it with the amendments The Policy is uploaded on website of the Company and can be accessed from the weblink: https://www.gujaratterce.in/code-and-policies/.

The NRC determines and recommends to the Board the compensation payable to all Directors within the limits approved by the Members and prescribed under the applicable provisions of the Act and the SEBI Listing Regulations. The NRC also reviews and recommends to the Board the remuneration of the Senior Management Personnel of the Company.

Non-Executive Directors

The Non-Executive (Independent) Directors of the Company are paid sitting fees for attending meetings of the Board and Committees.

None of the Non-Executive Directors of the Company received remuneration in excess of 50% of the total remuneration paid to all Non-Executive Directors during the financial year under review.

Executive Director - Managing Director & CEO

The Managing Director & CEO of the Company is paid remuneration within the overall terms and limits approved by the Members of the Company.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, your Directors, based on representation from the management and after due enquiry, confirm that:

a. In the preparation of the annual accounts for the financial year ended 31 March 2026 the applicable accounting standards had been followed and there are no material departures therein;

b. They had in consultation with Statutory Auditors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year on 31 March 2026 and of the profit/loss of the Company for the financial year ended on that date;

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

d. They have prepared the annual accounts on a going concern basis;

e. They have laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively during the financial year ended 31 March 2026; and

f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the financial year ended 31 March 2026.

Annual General Meeting

The 40th AGM of the Company was held on Monday, 21 August 2025 through audio video conferencing facility. The AGM was attended electronically by 31 members.

Meeting of Independent Directors

The Independent Directors of the Company meet without the presence of other Directors or the management of the Company.

The Meetings are conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company (taking into account the views of the Non-Executive Directors) and to assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the financial year under review, the Independent Directors met once i.e., on 26 May 2025. The Meetings were attended by all Independent Directors of the Company.

AUDIT COMMITTEE

As on 31 March 2026, the Audit Committee of the Company comprised of three Non-Executive Directors and one Executive Director. The Chairman of the Audit Committee is an Independent Director. All Members of the Audit Committee including the Chairman possess strong accounting and financial management knowledge.

Composition of Audit Committee

The Company has a qualified and an independent Audit Committee, which acts as a link between the Management, the Statutory and Internal Auditors, and the Board.

The CFO, the Statutory Auditors and the Internal Auditors are invited to and generally attend the Audit Committee meetings where matters related to their function are being discussed.

The Chairman of the Audit Committee Ms. Avani Patel was virtually present at the 40th AGM of the Company to address the Members queries pertaining to financial statements of the Company.

The Company Secretary of the Company acts as the secretary to the Committee.

Committee Meetings

During the financial year under review, the Audit Committee met five times. The gap between two consecutive meetings did not exceed one and hundred and twenty days. Necessary quorum was present for all the meetings.

Details of the composition of the Audit Committee and meetings held and attended during the financial year under review is, as under:

Sr. NO.	Date of Meeting	Mode of Meeting	Attendance of Members					% of attendance at the meeting
			Ms. Avani Patel (Chairperson)*	Mr. Viplav Khamar	Mr. Surendrakumar Sharma	Ms. Chhaya-ben Shah**	Mr. Aalap Prajapati ***	
1.	26-05-2025	Physical	NA	Yes	Yes	Yes	NA	100%
2.	17-07-2025	Physical	NA	Yes	Yes	Yes	NA	100%
3.	11-08-2025	Physical	Yes	Yes	Yes	Yes	Yes	100%
4.	08-11-2025	Physical	Yes	Yes	Yes	NA	Yes	100%
5.	04-02-2026	Physical	Yes	Yes	Yes	NA	Yes	100%
	% of attendance of Members	-	100%	100%	100%	100%	100%	

*Ms. Avani Patel was appointed as the Chairman of the Audit Committee w.e.f 11 August 2025
**Ms. Chhayaben Shah upon her cessation from the Board of Directors of the Company w.e.f 21 August 2025, ceased to be the member of Audit Committee.
***Mr. Aalap Prajapati was appointed as the member of the Audit Committee w.e.f 11 August 2025.

Recommendations of the Audit Committee

During the financial year under review, all the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

As on 31 March 2026, the Nomination & Remuneration Committee ("NRC") of the Company comprised of all Independent Directors. Mr. Surendrakumar Sharma, Independent Director and Chairman of the NRC attended the 40th AGM of the Company virtually.

Committee Meetings

During the financial year under review, the NRC met two times and necessary quorum was present for all the meetings.

Details of the composition of the NRC and meetings held and attended during the financial year under review is, as under:

Sr. NO.	Date of Meeting	Mode of Meeting	Attendance of Members				% of attendance at the meeting
			Mr. Surendrakumar Sharma (Chairperson)	Mr. Viplav Khamar	Ms. Avani Patel*	Ms. Chhayaben Shah**	
1.	26-05-2025	Physical	Yes	Yes	NA	Yes	100%
2.	01-09-2025	Physical	Yes	Yes	Yes	NA	100%
	% of attendance of Members	-	100%	100%	100%	100%	

*Ms. Avani Patel was appointed as the Member of the NRC w.e.f 11 August 2025
**Ms. Chhayaben Shah upon her cessation from the Board of Directors of the Company w.e.f 21 August 2025, ceased to be the member of NRC.

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 Director	Service contracts (Terms of Appointment)	Remuneration & Perquisites and other allowance (Amt. in lakhs.)	Notice Period & Severance Fees	Total
Mr. Natwarbhai Prajapati	Upto 29/05/2027	36.10 lacs	30 days	36.10 lacs
Mr. Aalap Prajapati	Upto 27/10/2026*	88.09 lacs	90 days	88.09 lacs
Mr. Amritbhai Prajapati	Upto 23/05/2029	4.25 lacs	30 days	4.25 lacs

*Mr. Aalap Prajapati is proposed to be re-appointed as the Managing Director & CEO of the Company from 28 October 2026 till 27 October 2029

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 Nomination and Remuneration policy has also been uploaded on the Company's website at http://gujaratterce.in/Code-and-Policies .

STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee ("SRC") comprises of one Independent Director and two Executive Directors.The Chairman of the SRC Committee is an Independent Director. Mr. Viplav Khamar, Independent Director and Chairperson of SRC, was virtually present at the 40th AGM of the Company.

Committee Meetings

During the financial year under review, the SRC met two times and the necessary quorum was present for the meetings.

Details of the composition of the SRC and meetings held and attended during the financial year under review is, as under:

Sr. NO.	Date of Meeting	Mode of Meeting	Attendance of Members				% of attendance at the meeting
			Mr. Viplav Khamar (Chairperson)	Mr. Aalap Prajapati	Mr. Natwarbhai Prajapati*	Ms. Chhayaben Shah**	
1.	26-05-2025	Physical	Yes	Yes	NA	Yes	100%
2.	11-08-2025	Physical	Yes	Yes	Yes	Yes	100%
	% of attendance of Members	-	100%	100%	100%	100%	

*Mr. Natwarbhai Prajapati was appointed as the Member of the SRC w.e.f 11 August 2025

**Ms. Chhayaben Shah upon her cessation from the Board of Directors of the Company w.e.f 21 August 2025, ceased to be the member of SRC.

The composition of the Board Committees is also uploaded on the website of the Company and can be accessed through the weblink: https://www.gujaratterce.in/bod-management-council/.

GOVERNANCE

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 as on 31 March 2025.

The Company is committed to transparency in all its dealings and places high emphasis on business ethics. Our Corporate Governance Policies guide the conduct of affairs of the Company and clearly delineate the roles, responsibilities, and authorities at each level of its governance structure and key functionaries involved in the governance.

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 https://www.gujaratterce.in/code-and-policies/

Prevention of Sexual Harassment at Workplace

The company has in place an antisexual 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

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also complied with the provisions of the Maternity Benefit Act, 1961, as amended.

Risk Management

The Company has a well-defined Risk Management Policy and framework which sets out the objectives and elements of risk management within the Company and helps to promote risk awareness amongst various business verticals and integrate risk management within the corporate culture. The Risk Management Policy inter-alia includes well defined risk management roles within the Company, risk appetite and risk tolerance capacity of the Company, identification and assessment of the likelihood and impact of risk, risk handling and response strategy and reporting of existing and new risks associated with the Company's activities in a structured manner. This facilitates timely and effective management of risks and opportunities and achievement of the Company's objectives.

The Board reviews the Risk Management Policy every two years and periodically reviews the framework considering the industry dynamics, evolving complexities, economic environment, increased competition, acquisitions made, change in laws, regulations and policies by the Government Authorities, working capital requirements of the Company and its impact on the business operations and other developments. During the financial year under review, the Board reviewed and evaluated the risks associated with the business and monitored the mitigation plans in line with the Risk Management Policy and framework adopted by the Company to cover all potential risks viz. Financial Operational, Sectoral, Sustainability, Environmental, Social and Governance ("ESG"), Information Risks, Cyber Security risks, risks related to acquisitions etc. and was of the view that the risk management systems and framework are operating adequately.

The Board have the responsibility for overseeing all risks. The Audit Committee is, inter-alia, authorised to monitor and review the risk assessment, mitigation and risk management plans for the Company from time to time and report the existence, adequacy, and effectiveness of the above process to the Board on a periodic basis.

J. CORPORATE SOCIAL RESPONSIBILITY

Our CSR philosophy transcends beyond regulatory compliance. Rather than viewing CSR as a legal formality, we consider it an essential aspect of our corporate identity - one that is focused on generating meaningful social, economic and environmental impact. We aim to align our business values with the well-being of society at large.

During the financial year under review the Company did not fall under the criteria of Corporate Social Responsibility applicability for section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. So, there was no requirement to the constitution of the Corporate Social Responsibility Committee.. But as a part of s part of its Corporate Social Responsibility (CSR) initiatives during the Financial Year 2025-26, the Company continued its support towards the education of underprivileged children through SHWASH, a non-profit organization dedicated to providing quality education and holistic development opportunities to children from economically weaker sections of society. The Company sponsored two SHWASH education centres located at Thaltej and Chandlodia, Ahmedabad, thereby helping ensure access to learning resources, academic support, and a nurturing environment for deserving children. Through this initiative, the Company seeks to empower young minds through education and contribute meaningfully towards building a more inclusive and equitable society.

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

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure C to this Board's Report and forms part of the Annual Report.

L. POLICIES

Your Company is committed to adhere to the highest standards of ethical, moral and legal business conduct. In accordance with the requirements of the provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations") and other applicable laws, as amended from time to time, your Company has formulated certain Policies. These Policies are reviewed periodically and are updated as and when needed. The Policies are uploaded on the website of the Company https://www.gujaratterce.in/code-and-policies/

M. SECRETARIAL

Authorised Share Capital

The authorised share capital of the Company as on 31 March 2026 was ₹ 11,00,00,000/- divided into 11,00,000 equity shares of the face value of ₹ 10/- each. There was no change in the authorised share capital during the financial year under review.

Changes in issued, subscribed and paid-up share capital

During the financial year under review, the Company had approved the conversion of 3,71,000 (Three Lakh Seventy-One Thousand) Fully Convertible Warrants into 3,71,000 Equity Shares of face value ₹ 10/- each, issued at a price of ₹ 37.70/- per share, allotted to Mr. Aalap Natubhai Prajapati, Promoter & Managing Director of the Company on 16 December 2025. The equity shares issued and allotted during the financial year under review rank pari-passu with the existing equity shares of the Company in all respects and listed on stock exchange were the equity shares of the Company are listed. The said shares were listed on 25 February 2026 on BSE within prescribed timelines.

The movement in the paid-up share capital during the financial year under review is as under:

Date	Particulars	No. of equity shares allotted	Cumulative Equity Shares (in nos.)	Cumulative Share Capital (in ₹)
1 April 2025	Opening issued, subscribed and paid-up share capital	-	74,20,300	7,42,03,000
16 December 2025	Allotment of equity shares to Mr. Aalap Prajapati on conversion of fully convertible warrants.	3,71,000	77,91,300	7,79,13,000
31 March 2026	Closing issued, subscribed and paid-up share capital	-	77,91,300	7,79,13,000

Changes in the equity share capital from 1 April 2026 to date of this Report

There is no change in the equity share capital of the Company from 1 April 2026 to the date of this Report.

Annual Return

The Annual Return of the Company for the financial year ended 31 March 2026 prepared in compliance with Section 92(3) of the Act and Rules framed thereunder in prescribed Form No. MGT-7 is placed on the website of the Company and can be accessed at the weblink: https://www.gujaratterce.in/annual-returns/

Compliance with Secretarial Standards

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards viz. the Secretarial Standard on Meetings of the Board of Directors ("SS-1") and the Secretarial Standard on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India and approved by the Central Government, and such systems are adequate and operating effectively.

During the financial year under review, the Company was in compliance with the SS-1 and SS-2.

N. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

O. SUBSIDIARY, ASSOCIATE OR JOINT VENTURE

The Company does not have any subsidiary, associate or joint venture. No company became or ceased to be a subsidiary, associate or joint venture during the financial year 2025-26.

P. GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events related to these items during the financial year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares to employees of the Company under any scheme;
- Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future;
- Raising of funds through Rights Issue or Qualified Institutional Placement;
- Voting rights which are not directly exercised by the employees in respect of equity shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act);
- Suspension of trading of equity shares of the Company;
- Revision made in Financial Statements or the Board's Report of the Company;
- There was no one-time settlement done by the Company and hence the provision of details of difference in valuation arising between such onetime settlement and the loan taken from the Banks does not arise.

Q. ACKNOWLEDGEMENTS

The Board of Directors wishes to extend its sincere appreciation for the support and cooperation received from various entities, including the government and regulatory authorities, stock exchanges, depositories, banks, customers, business associates and members throughout the financial year under review.

For and on behalf of the Board of Directors

Mr. Natwarbhai Parsottam Prajapati
Whole-time Director & Chairman
(DIN-00031187)

Mr. Aalap Prajapati
Managing Director & CEO
(DIN:08088327)

Place: Ahmedabad
Date: 29 May 2026

ANNEXURE-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2026

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure 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 conduct/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, 2026 , 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 the Company for the financial year ended on 31st March, 2026 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made thereunder;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 and Sweat Equity) Regulations, 2021;
   e) The Securities and Exchange Board of India Issue and Listing of Non-Convertible 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;
   h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

Based on our verification, we have observed that the SEBI Regulations mentioned at (d), (e), (f), (g) and (h) are not applicable to the Company during the year as it has not:

- Issued share-based incentives under any employee benefits scheme [Reg. (d)];
- Listed any non-convertible securities [Reg. (e)];
- Utilised registrar-to-an-issue services for a fresh issue [Reg. (f)];
- Proposed to delist its equity shares [Reg. (g)];
- Proposed to buy back any of its securities [Reg. (h)].

With respect to Regulation (c) — SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 — the Company allotted 3,71,000 equity shares on 16 December, 2025 upon conversion of outstanding warrants by Mr. Aalap Prajapati (DIN: 08088327), Managing Director and Promoter of the Company, pursuant to the preferential allotment and warrant issuance approved at the EGM held on Thursday, 25th April, 2024. We have examined compliance with the applicable provisions of Chapter V (Preferential Issues) of the SEBI (ICDR) Regulations, 2018, including pricing, payment timelines, minimum promoter contribution, lock-in requirements, and listing formalities. Based on our examination, the Company has complied with the applicable provisions of SEBI (ICDR) Regulations, 2018 in respect of the said allotment.

6) The following are the specifically applicable laws to the Company, as identified and confirmed by the Management:

Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945; The Drug Price Control Order, 2013; Food Safety and Standards Act, 2006; The Trade Marks Act, 1999; Sales Promotion Employees Conditions of Service) Act, 1976; Importer-Exporter Code (IEC) under the Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade Policy; The Narcotic Drugs and Psychotropic Substances Act, 1985; The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954; Uniform Code for Pharmaceutical Marketing Practices (UCPMP); and Labour Laws.

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

- Secretarial Standards issued by the Institute of Company Secretaries of India — Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2).
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

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:

- 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;
- Adequate notice was given to all directors to schedule 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;
- 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;
- 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:

Compliance of applicable financial laws including direct and indirect tax laws by the Company has not been reviewed in this Audit as the same are being reviewed by the Statutory Auditor and other designated professionals.

We further report that:

Based on our review of the Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company's Compliance Officer / Managing Director [as applicable] 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 are 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 notices received from various statutory/regulatory authorities, including initiating action for corrective measures, wherever found 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.

Pinakin Shah & Co.
Company Secretaries

Pinakin Shah
Proprietor
FCS: 2562; COP: 2932

Date: 27/05/2026
UDIN: F002562H000507101
Place: Ahmedabad
Peer Review Certificate No.: 5270/2023

ANNEXURE-B

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 2025-26, the percentage increase in remuneration of Chairman, Managing Director, Executive Directors, CEO, Company Secretary and CFO during the financial year 2025-26:

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	8.48:1	Nil
2	Mr. Amritbhai P Prajapati	Whole-Time Director	0.97:1	Nil
3	Mr. Aalap N. Prajapati	Managing Director & CEO	20.20:1	Nil
4	Mr. Bhagirath R. Maurya	Chief Financial Officer	1.82:1	
5	Ms. Ripal Sukhaddiya	Company Secretary (Ceased to be CS w.e.f 31 August 2025)	0.25:1	
6	Ms. Ashka Solanki	Company Secretary (appointed w.e.f 1 September 2025)	1.18:1	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 Board's Report 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 2025-26	5.84%
2	Total number of permanent employees on the rolls of the Company as on 31st March, 2026 (on standalone basis)	234
3	The median remuneration of employees of the Company during the year under review.	₹ 4.36 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 6.48% for the FY 2025-26. The average percentage increase in the remuneration of Managerial Personnel was 3.8% for the FY 2025-26. 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	Experi-ence	Date of Commencement of Employment	Age	Name of Previous Employment	% of Equity Shares held	Relative of Director or Manager
1	Natwarbhai Prajapati	36.97	Permanent	B.Sc, D.Pharma	Chairman	41	28/03/1985	74	-		Chairman
2	Aalap Prajapati	88.09	Permanent	B. Tech Electronic, MBA	Managing Director & CEO	14	01/02/2012	38	-		Managing Director
3	Rajendra Joshi	26.26	Permanent	B.Sc, MBA Marketing	National Sales Manager	28	01/07/1998	50	BOMBAY TABLET MANUFACTURING PVT LTD.	NIL	NA
4	Chavda Chintan Bharatbhai	14.63	Permanent	B.Pharm	Marketing Manager	14	07/04/2014	40	Kamron Laboratories Ltd.		NA
5	Nirmal Kant Sharma	17.57	Permanent	M.Sc. in organic chemistry	DEputy Sales Manager	22	01/05/2004	52	Dura tax lab. Ltd	NIL	NA
6	Sunitha R. Ajmeer	13.19	Permanent	B.Sc	Coordinator	15	01/10/2010	56	FIRST EMPLOYMENT	NIL	NA
7	Parikh Darshan Ashwinkumar	12.72	Permanent	ACA, B.Com.	Deputy Finance Manager	14	01/01/2022	39	Manubhai & Shah LLP	0.003	NA
8	Praveen Kumar Parmar	12.53	Permanent	B.Sc, LLB, D.Pharm	Zonal Sales Manager	24	01/03/2008	42	FIRST EMPLOYMENT	NIL	NA
9	Bharat Saini	11.86	Permanent	B.Sc (Chemistry) & M.A. (Sociology)	Zonal Sales Manager	29	01/04/2002	59	Aelius Lifesciences LLP	NIL	NA
10	Lalubhai S Prajapati	10.88	Permanent	B.Sc (Chemistry)	Production Head	31	01/12/2008	52	Pharland Healthcare Pvt. Ltd.	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.**

Aalap Prajapati
Managing Director & CEO
DIN: 08088327

Place: Ahmedabad
Date: 29.05.2026

ANNEXURE-C

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy, with special reference to the following:

(i) **Steps taken or impact on conservation of energy:**

Electricity	Current Year	Previous Year
Unit Consumption	1,14,684	1,81,090
Total Amount	8,80,466	13,22,166
Average Cost	7.67	7.30
Own generation:	Nil	NIL

(i) The steps taken by the company for utilising alternate sources of energy: Nil

(ii) The capital investment on energy conservation equipments: Nil

B. TECHNOLOGY ABSORPTION

a) The efforts 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.

b) The benefits derived like product improvement, cost reduction, product development or import substitution: 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.

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): There is no technology imported during last three years as The Company's operations do not require significant import of technology.

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

C. FOREIGN EXCHANGE EARNING AND OUTGO

(₹in Lakhs)

Particulars	2025-26	2024-25
Earning: Export in terms of actual inflows	-	-
Outgo: Imports in terms of actual outflows	22,905	22,415

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

Aalap Prajapati
Managing Director & CEO
DIN: 08088327

Place: Ahmedabad
Date: 29.05.2026

Financial Statements

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 2026, 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, 2026, its profits 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 2026, 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 various forums, where the matters had been decided against the company. Against the said orders, the company had filed a petition before Hon. Gujarat High court, which is pending as on the balance sheet date.

  During the previous financial year, the Income Tax Department had launched a dispute resolution scheme, viz. the Direct Tax Vivaad se Vishwas scheme. The company had 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 had provided ₹341.71 lakh as tax item in the previous financial year.

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 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to 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.

      (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 being tampered with and the audit trail has been preserved by the company as per the statutory requirements for retention of records.

For, **Shah Doshi Patel & Associates LLP**
Chartered Accountants
FRN: W101155

Param Doshi, FCA
(Partner)
Membership No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

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 not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Hence, reporting under clause 3(ii)(b) of the Order is not applicable.

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 ₹ 171.16 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 terms 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 ₹ 47.43 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 2026 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 resolved after issuance of Form 2 by the Income Tax Department and the subsequent payment of the determined amount by the company.

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 shares, against share warrants issued during the previous financial year, on 16th December 2025 at ₹37.70 per equity share. 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, **Shah Doshi Patel & Associates LLP**
Chartered Accountants
FRN: W101155

Param Doshi, FCA
(Partner)
Membership No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

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 2026, 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, 2026, 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, **Shah Doshi Patel & Associates LLP**
Chartered Accountants
FRN: W101155

Param Doshi, FCA
(Partner)
Membership No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

Balance Sheet

as at 31st March, 2026

(Figures in ₹ Lakhs)

Particulars	Note No.	As at 31-03-2026	As at 31-03-2025
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	324.89	365.39
(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	0.38	0.36
(ii) Trade Receivables			
(iii) Loans	4	171.16	215.57
(iv) Others (to be specified)	5	7.25	7.69
(i) Deferred Tax Assets (net)	6	70.27	43.38
(j) Other Non-current Assets	7	440.35	447.88
		1,014.30	**1,080.27**
2 Current Assets			
(a) Inventories	8	372.59	367.77
(b) Financial Assets			
(i) Investments	9	134.78	51.14
(ii) Trade Receivables	10	486.66	506.86
(iii) Cash and Cash Equivalents	11	285.98	77.94
(iv) Bank balances other than (iii) above			
(v) Loans	12	17.33	17.33
(vi) Others (to be specified)	13	-	50.00
(c) Current Tax Assets (net)	14	-	4.84
(d) Other Current Assets	15	143.48	126.61
		1,440.82	**1,202.49**
TOTAL		**2,455.12**	**2,282.76**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	779.13	742.03
(b) Other Equity	17	193.68	-129.28
(c) Money received against share warrants	18	-	35.00
		972.81	**647.75**
LIABILITIES			
1 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3.00	29.77
(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	149.23	189.23
(b) Provisions	21	235.52	151.70
(c) Deferred Tax Liabilities (net)			
(d) Other Non-current Liabilities			
		387.75	**370.70**
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	126.63	64.41
(ii) Trade Payables	23		
(A) Total outstanding dues of Micro enterprises and Small enterprises		119.94	74.86
(B) Total outstanding dues of Creditors other than Micro enterprises and Small enterprises		38.02	286.56
(iii) Other Financial Liabilities			
(b) Other Current Liabilities	24	129.01	143.48
(c) Provisions	25	672.86	695.00
(d) Current Tax Liabilities (net)		8.10	-
		1,094.57	**1,264.31**
TOTAL		**2,455.12**	**2,282.76**

For **Shah Doshi Patel & Associates LLP**
Chartered Accountants
(FRN: W101155)

Param Doshi, FCA
Partner
Mem. No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

For Gujarat Terce Laboratories Limited

Natwarbhai P Prajapati
Whole-Time Director
DIN: 00031187

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

Bhagirath Maurya
Chief Finance Officer

CS Ashka Solanki
Company Secretary

Statement of Profit and Loss

for the period ended 31st March 2026

(Figures in ₹ Lakhs)

	Particulars	Note No.	As at 31-03-2026	As at 31-03-2025
I	Revenue from Operations	26	4,747.27	5,019.52
II	Other Income	27	34.04	30.78
III	**Total Income (I + II)**		**4,781.31**	**5,050.30**
IV	**Expenses**			
	(a) Cost of Materials Consumed	28	607.49	920.13
	(b) Purchases of Stock-in-Trade		1,148.07	1,014.85
	(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	-42.15	-38.14
	(d) Employee Benefits Expenses	30	1,606.63	1,618.93
	(e) Finance Costs	31	17.95	41.54
	(f) Depreciation and Amortization Expenses	2	42.27	38.46
	(g) Other Expenses	32	1,052.43	1,115.48
	Total Expenses (IV)		**4,432.69**	**4,711.25**
V	**Profit/(Loss) before Exceptional Items and Tax (I - IV)**		**348.62**	**339.05**
VI	Exceptional Items	33	45.39	-
VII	**Profit/(Loss) before Tax (V - VI)**		**303.23**	**339.05**
VIII	**Tax Expenses**			
	1. Current Tax		108.78	16.36
	2. Deferred Tax		-25.72	78.84
	3. Provision for tax of earlier years under Direct Tax Vivaad se Vishwas Scheme		-	341.71
	Total Tax Expenses (VIII)		**83.06**	**436.91**
IX	**Profit/(Loss) for the period from Continuing Operations (VII - VIII)**		**220.17**	**-97.86**
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)**		**220.17**	**-97.86**
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)**		**220.17**	**-97.86**
XVI	**Earnings per Equity Share (for Continuing Operations) (Figures in ₹)**	34		
	Basic		2.92	-1.32
	Diluted		2.92	-1.26
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		2.92	-1.32
	2. Diluted		2.92	-1.26

For **Shah Doshi Patel & Associates LLP**
Chartered Accountants
(FRN: W101155)

Param Doshi, FCA
Partner
Mem. No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

For Gujarat Terce Laboratories Limited

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Whole-Time Director
DIN: 00031187

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

Bhagirath Maurya
Chief Finance Officer

CS Ashka Solanki
Company Secretary

Statement of Cash Flows

for the period ended 31st March 2026

(Figures in ₹ Lakhs)

	Particulars	As at 31-03-2026	As at 31-03-2025
A	**Cash Flow from Operating Activities**		
	Net Profit before tax (as per Statement of Profit and Loss)	**303.24**	**339.05**
	Adjustments for non-cash/non-trade items:		
	Depreciation & Amortization Expenses	42.27	38.46
	Finance Costs	17.95	41.54
	Interest received	-16.73	-25.60
	Net gain/loss on current investments	-5.56	-1.14
	Net gain/loss on disposal of tangible fixed assets	-0.28	-
	Operating profits before Working Capital Changes	**340.88**	**392.31**
	Adjusted For:		
	(Increase)/Decrease in trade receivables	20.19	59.45
	Increase/(Decrease) in trade payables	-203.46	-109.88
	(Increase)/Decrease in inventories	-4.81	25.07
	Increase/(Decrease) in other current liabilities	-14.47	-8.34
	(Increase)/Decrease in short term loans & advances	50.00	-50.50
	(Increase)/Decrease in other current assets	-16.87	6.24
	Cash generated from Operations	**171.47**	**314.35**
	Income Tax (Paid)/Refund	-	8.44
	Net Cash flow from Operating Activities (A)	**171.47**	**305.91**
B.	**Cash Flow from Investing Activities**		
	Purchase of tangible assets	-3.05	34.69
	Sale of tangible assets	0.90	-
	Non-current Investments (Purchased)/Sold	-0.02	26.94
	Current Investments (Purchased)/Sold	-83.64	-51.14
	Interest Received	16.73	25.60
	Net gain/loss on current investments	5.56	1.14
	Cash advances and loans made to other parties (net)	44.41	-3.18
	Other inflows/outflows of cash	8.32	11.49
	Net Cash used in Investing Activities (B)	**-10.79**	**45.54**
C.	**Cash Flow from Financing Activities**		
	Finance Cost	-17.95	-41.54
	Proceeds from issue of share warrants	-	35.00
	Proceeds from issue of equity shares	104.87	-
	Increase in/(Repayment of) Short-term Borrowings	84.29	-253.92
	Increase in/(Repayment of) Long-term borrowings	-83.84	-73.55
	Increase in/(Repayment of) Security Deposits	-40.00	51.50
	Net Cash used in Financing Activities (C)	**47.36**	**-282.51**
D.	**Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)**	**208.04**	**68.94**
E.	Cash & Cash Equivalents at Beginning of period	77.94	9.00
F.	Cash & Cash Equivalents at End of period	285.98	77.94
G.	**Net Increase/(Decrease) in Cash & Cash Equivalents (F-E)**	**208.04**	**68.94**

For **Shah Doshi Patel & Associates LLP**
Chartered Accountants
(FRN: W101155)

Param Doshi, FCA
Partner
Mem. No.: 185648
UDIN: 26185648PZNPJB1483
Place: Anand
Date: 29 May 2026

For Gujarat Terce Laboratories Limited

Natwarbhai P Prajapati
Whole-Time Director
DIN: 00031187

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

Bhagirath Maurya
Chief Finance Officer

CS Ashka Solanki
Company Secretary

Statement of Changes in Equity

for the period ended 31st March 2026

A. Equity Share Capital

Balance at the beginning of the reporting period Equity Shares of ₹10.00 each, Issued and Subscribed		Changes in Equity Share Capital during the year		Balance at the end of the reporting period	
No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
74,20,300.00	742.03	3,71,000.00	37.10	77,91,300.00	779.13

B. Other Equity (Figures in ₹ Lakh)

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	-290.84	-	-	-	-	-	-30.19	-	-129.27
Changes in Accounting Policy or Prior-period errors														-
Re-stated balance at the beginning of the reporting period	-	-	-	150.00	41.76	-290.84	-	-	-	-	-	-30.19	-	-129.27
Total Comprehensive Income for the year				102.77		220.17						-		322.94
Dividends														-
Transfer to Retained Earnings														-
Impairment losses recognised in respect of discontinued operations														-
Other Adjustments														-
Balance at the end of the reporting period	**-**	**-**	**-**	**252.77**	**41.76**	**-70.67**	**-**	**-**	**-**	**-**	**-**	**-30.19**	**-**	**193.67**

For **Shah Doshi Patel & Associates LLP**
Chartered Accountants
(FRN: W101155)

Param Doshi, FCA
Partner
Mem. No.: 185648
UDIN: 26185648PZNPJB1483
Place: Anand
Date: 29 May 2026

For Gujarat Terce Laboratories Limited

Natwarbhai P Prajapati
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DIN: 00031187

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DIN: 08088327

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Chief Finance Officer

CS Ashka Solanki
Company Secretary

Notes to Financial Statements
for the period ended 31st March 2026

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 2026, the Statement of Profit and Loss for the year ended 31 March 2026, the Statement of Cash Flows for the year ended 31 March 2026 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.

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

Notes to Financial Statements
for the period ended 31st March 2026

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, 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

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for the period ended 31st March 2026

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.

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 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 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

Notes to Financial Statements

for the period ended 31st March 2026

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 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.

Notes to Financial Statements

for the period ended 31st March 2026

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 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 2026

Note No. 2: Property, Plant and Equipment as at 31st March 2026

(Figures in ₹ Lakhs)

Assets	Useful Life (In Years)	Gross Block: Balance as at 1st April 2025	Gross Block: Additions during the year	Gross Block: Deletion during the year	Gross Block: Balance as at 31st March 2026	Accumulated Depreciation/ Amortisation: Balance as at 1st April 2025	Accumulated Depreciation/ Amortisation: Provided during the year	Accumulated Depreciation/ Amortisation: Deletion/ adjustments during the year	Accumulated Depreciation/ Amortisation: Balance as at 31st March 2026	Net Block: Balance as at 31st March 2026	Net Block: Balance as at 31st March 2025
Land:											
Factory Land		3.10	-	-	3.10	-	-	-	-	3.10	3.10
Buildings:											
Factory Building	30	158.21	-	-	158.21	93.43	4.24	-	97.67	60.54	64.77
Godown	30	65.59	-	-	65.59	23.93	2.16	-	26.09	39.50	41.66
Plant and Equipment:											
Block & Design	20	32.89	-	32.89	-	32.30	-	32.30	-	-	0.59
Electric Installation	20	65.61	-	-	65.61	21.91	4.19	-	26.10	39.51	43.70
Laboratory Equipment	20	41.92	-	-	41.92	33.75	0.61	-	34.35	7.57	8.18
Machinery	20	213.42	-	-	213.42	122.61	9.06	-	131.67	81.75	90.81
Furniture and Fixtures:											
Furniture	10	144.70	0.24	-	144.94	90.37	8.96	-	99.33	45.62	54.33
Vehicles:											
Vehicles	10	100.38	-	13.99	86.39	54.39	7.51	13.30	48.60	37.79	45.99
Office Equipment:											
Computer	3	37.24	1.23	-	38.47	29.73	3.14	-	32.87	5.60	7.51
Communication Appliances	3	12.03	1.58	-	13.60	7.27	2.42	-	9.69	3.91	4.75
Grand Total		**875.09**	**3.05**	**46.88**	**831.25**	**509.69**	**42.29**	**45.60**	**506.37**	**324.89**	**365.39**

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 3: Non-Current Investments

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Investment (At Cost)		
Fixed Deposits with Bank	0.38	0.36
Total	**0.38**	**0.36**

Note No. 4: Loans (Non-Current)

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Advances Recoverable in cash or kind or for value to be received		
(i) Other Loans		
(a) Unsecured, Considered Good	171.16	215.57
Total	**171.16**	**215.57**

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 31st March 2026	As at 31st March 2025
Security Deposits		
Unsecured, Considered Good	7.25	7.69
Total	**7.25**	**7.69**

Note No. 6: Deferred Tax Assets

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred Tax Assets (Net)	70.27	43.38
Total	**70.27**	**43.38**

Particulars	As at 31st March 2026	As at 31st March 2025
Details of Timing Difference (Asset):		
Deferred tax assets:		
Deferred Tax Assets on Provision for Gratuity	71.31	59.16
Deferred Tax Assets on Provision for Leave Encashment	16.80	2.71
Deferred Tax Assets on Provision for Bonus	2.55	3.17
Deferred Tax Assets on Provision for Doubtful Debts	0.25	-
Deferred Tax Assets on Non-payment of dues to MSMEs	-	1.02
Gross Deferred Tax Assets (A)	**90.91**	**66.06**
Deferred tax liabilities:		
Deferred Tax Liability on WDV of Fixed Assets	20.65	22.68
Gross Deferred Tax Liabilities (B)	**20.65**	**22.68**
Deferred Tax Assets (Net) (A-B)	**70.27**	**43.38**

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 7: Other Non-Current Assets

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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
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	**440.35**	**447.88**

Note No. 8: Inventories

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Raw Materials (At cost)	14.72	44.84
(b) Work-in-Progress (At cost)	1.09	10.69
(c) Finished Goods (other than those acquired for trading) (At cost or net realisable value w.e. is lower)	42.03	86.87
(d) Stock-in-Trade (acquired for trading) (At cost or net realisable value w.e. is lower)	301.13	204.54
(e) Stores, Spares & Other Items (At cost)	0.23	0.36
(f) Packing Material Stock	13.39	20.47
Total	**372.59**	**367.77**

The above includes goods in transit as under:

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Finished Goods	-	13.92
Total	**-**	**13.92**

Note No. 9: Current Investments

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Investment (At Cost)		
Investments in mutual funds (Quoted)		
Investment in mutual funds	134.78	51.14
Total	**134.78**	**51.14**

Note No. 10: Trade Receivables

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Undisputed Trade Receivables (considered good)	486.66	506.86
Undisputed Trade Receivables (considered doubtful)	1.01	-
Disputed Trade Receivables (considered good)	-	-
Disputed Trade Receivables (considered doubtful)	-	-
Provision for doubtful receivables	-1.01	-
Total	**486.66**	**506.86**

Notes to Financial Statements
for the period ended 31st March 2026

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)	467.16	0.20	-	0.01	19.30	486.66
Undisputed Trade Receivables (considered doubtful)	-	-	-	1.01	-	1.01
Disputed Trade Receivables (considered good)	-	-	-	-	-	-
Disputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
Provision for doubtful receivables	-	-	-	-1.01	-	-1.01

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)	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	-	-	-	-	-	-

Note No. 11: Cash and Cash Equivalents

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Cash on hand	7.86	6.91
(b) Balances with Banks		
(i) In current accounts	278.12	71.03
Total	**285.98**	**77.94**

Note No. 12: Loans (Current)

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Advances given to Employees (Interest Free)		
Unsecured, Considered Good	17.33	17.33
Total	**17.33**	**17.33**

Note No. 13: Other financial assets (Current)

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Advance for investment in mutual funds	-	50.00
Total	**-**	**50.00**

Note No. 14: Current Tax Assets (Net)

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Income Tax Refundable	-	4.84
Total	**-**	**4.84**

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 liabilties.

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 15: Other Current Assets

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Balances with Statutory Authorities	119.71	98.69
Prepaid Expenses	16.41	18.29
Advances to Suppliers	7.18	6.67
Stock of Advertisement Articles	-	2.96
Interest Accrued But Not Due	0.18	
Total	**143.48**	**126.61**

Note No. 16: Share Capital

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Authorised:		
11000000 Equity shares of ₹10.00 at par value (As on 31st March 2025: 11000000 shares)	1,100.00	1,100.00
Issued, Subscribed and Paid-up:		
7791300 Equity shares of ₹10.00 at par value (As on 31st March 2025: 7420300 shares)	779.13	742.03
Total	**779.13**	**742.03**

Reconciliation of shares outstanding at the beginning and at the end of the reporting period (Figures in ₹ Lakhs)

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	3,71,000	37.10	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	**77,91,300**	**779.13**	**74,20,300.00**	**742.03**

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.

Preferential allotment of shares during the year

During the year under audit, the company has issued 3,71,000 equity shares against warrants of the same number issued during the previous financial year to Mr. Aalap Prajapati. The warrants were redeemed on 16 December 2025 at ₹37.70 per equity share.

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

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Natwarbhai P Prajapati	6,35,817	8.16%	6,35,817	8.57%
Aalap N Prajapti	13,51,827	17.35%	9,80,827	13.22%
Abundant Tradelink Private Limited	10,75,900	13.81%	10,75,900	14.50%

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 17: Other Equity

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Securities Premium Reserve		
Opening Balance	150.00	150.00
Add: Addition during the year	102.77	-
Closing Balance	**252.77**	**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	-321.03	-223.18
Profit for the year	220.19	-
Loss for the year	-	-97.85
Closing Balance	**-100.85**	**-321.03**
Total	**193.68**	**-129.28**

Note No. 18: Money received against share warrants

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Money received against share warrants	-	35.00
Total	**-**	**35.00**

The company had issued 3,71,000 share warrants during the previous financial year, at a paid-up value of ₹9.425 per warrant, to Mr. Aalap Prajapati. The warrants were 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 31st March 2026	As at 31st March 2025
Term Loans		
From Banks	-	26.77
(i) Secured		
Loans & Advances from Directors & Related Parties		
Loans & Advances from Others		
(i) Unsecured	3.00	3.00
Total	**3.00**	**29.77**

Terms of repayment of loans:

1. 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 2026 is ₹ 5,58,582.77.
2. 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 2026 is ₹ 30,961.68.
3. Loans from Bank of Baroda (2820) and (3018) have been fully repaid during the current financial year.
4. 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.

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 20: Other Financial Liabilities

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Trade/Security Deposits received from Distributors	149.23	189.23
Total	**149.23**	**189.23**

Note No. 21: Provisions

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Long Term Provisions		
Provision for Gratuity	191.90	151.70
Provision for Leave Encashment	43.62	-
Total	**235.52**	**151.70**

Provision for Gratuity

	Particulars	As at 31st March 2026	As at 31st March 2025
a)	**Amount recognized in the Balance Sheet**		
	Opening Net Liability		
	Current Provision	83.35	30.47
	Long Term Provision	151.70	172.11
	Total Opening Liability	**235.05**	**202.58**
	Expenses Recognized in the Statement of Profit and Loss	79.05	59.74
	Less: Employee Benefits paid directly by the employer	-30.79	-27.27
	Liabilities/(Assets) recognized in the Balance Sheet	**283.30**	**235.05**
b)	**Expense/(Income) recognized in the Statement of Profit & Loss**		
	Current Service Cost	74.32	80.15
	Interest Cost on Net Benefit Obligation	18.67	15.37
	Past Service Cost - Vested Benefits recognized during the period	45.39	-
	Net Actuarial (Gain)/Loss in the year	-59.34	-35.78
	Amount recognised under Employee Benefits Expense	**79.05**	**59.74**

Provision for Leave Encashment

	Particulars	As at 31st March 2026	As at 31st March 2025
a)	**Amount recognized in the Balance Sheet**		
	Opening Net Liability		
	Current Provision	-	-
	Long Term Provision	-	-
	Total Opening Liability	-	-
	Expenses Recognized in the Statement of Profit and Loss	79.83	10.78
	Less: Employee Benefits paid directly by the employer	-13.09	-
	Liabilities/(Assets) recognized in the Balance Sheet	**66.74**	**10.78**

Notes to Financial Statements
for the period ended 31st March 2026

Note No. 22: Current Borrowings

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Loans repayable on demand		
From Banks		
(i) Secured	120.74	1.45
Current maturities of long-term debts	5.90	62.97
Total	**126.63**	**64.41**

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:

a. Mr. Natwarbhai P. Prajapati
b. Mr. Amritbhai P. Prajapati
c. 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 31st March 2026	As at 31st March 2025
Trade payables		
Due to Micro & Small Enterprises	119.94	74.86
Other than Micro & Small Enterprises	38.02	286.56
Total	**157.96**	**361.42**

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.

Current year (Figures in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed Trade Payables (MSME)	118.13	0.37	0.15	1.29	119.94
Undisputed Trade Payables (Others)	36.78	0.01	-	1.24	38.02
Undisputed Trade Payables (MSME)	-	-	-	-	-
Undisputed Trade Payables (Others)	-	-	-	-	-

Previous year (Figures in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed Trade Payables (MSME)	73.57	-	0.01	1.28	74.86
Undisputed Trade Payables (Others)	285.32	-	-	1.24	286.56
Undisputed Trade Payables (MSME)	-	-	-	-	-
Undisputed Trade Payables (Others)	-	-	-	-	-

Notes to Financial Statements

for the period ended 31st March 2026

Note No. 24: Other Current Liabilities

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory Remittances (Contribution to PF and ESIC, Professional Tax, GST, TDS Payable etc.)	36.83	35.84
Advances from Customers	9.58	8.52
Creditors for Expenses	77.38	92.16
Interest accrued on trade/security deposits	5.10	6.91
Interest accrued on long-term borrowings	0.03	-
Other current liabilities	0.09	0.05
Total	**129.01**	**143.48**

Note No. 25: Short-term Provisions

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for Other Employee Benefits	218.65	246.50
Provision for Gratuity	91.40	83.35
Provision for leave encashment	23.12	10.78
Provision for tax of earlier years under Direct Tax Vivaad se Vishwas Scheme	323.19	341.71
Other Provisions	16.50	12.67
Total	**672.86**	**695.00**

Note No. 26: Revenue from Operations

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Sale of products	4,747.27	5,019.52
Total	**4,747.27**	**5,019.52**

Note No. 27: Other Income

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Interest income	16.73	25.60
Net gain/loss on investments	5.56	1.14
Other non-operating income	11.74	4.04
Total	**34.04**	**30.78**

Particulars	As at 31st March 2026	As at 31st March 2025
Interest Income		
Interest on Bank Deposits	0.04	0.72
Interest on Other Loans	14.73	24.15
Interest on Overdue Trade Receivables (MSME)	1.96	0.73
Total	**16.73**	**25.60**
Other Non Operating Income		
Discount Earned (Net)	1.97	2.29
Insurance Claim on goods lost in transit	0.66	0.01
Profit on disposal of tangible fixed assets	0.28	-
Sale of scrap	2.10	-
Other income	6.73	1.74
Total	**11.74**	**4.04**

Notes to Financial Statements

for the period ended 31st March 2026

Note No. 28: Cost of materials consumed

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Raw Materials		
Opening Stock	44.84	100.10
Add: Purchase	489.67	709.42
Add: Freight inward	9.53	5.82
	544.03	**815.34**
Less: Closing Stock	14.72	44.84
Raw Material Consumed (A)	**529.31**	**770.51**
Packing Material		
Opening Stock	20.47	24.23
Add: Purchase	68.71	137.40
	89.18	**161.63**
Less: Closing Stock	13.39	20.47
Packing Material Consumed (B)	**75.79**	**141.15**
Stores & Spares		
Opening Stock	0.36	4.56
Add: Purchase	2.25	4.28
	2.61	**8.84**
Less: Closing Stock	0.23	0.36
Stores and Spares Consumed (C)	**2.38**	**8.48**
Cost of material consumed (A) + (B) + (C)	**607.49**	**920.13**

Note No. 29: Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Inventories at the end of the year:		
Finished goods	42.03	86.87
Work-in-Progress	1.09	10.69
Stock of Trading Goods	301.13	204.54
	344.25	**302.10**
Inventories at the beginning 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**
Net increase/(decrease) in Inventories	**-42.15**	**-38.14**

Note No. 30: Employee Benefits Expenses

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Salaries and Wages	1,289.61	1,377.83
Directors' Remuneration	118.09	81.98
Bonus	22.95	23.69
Contribution to Provident and Other Funds	53.60	54.45
Provision for Gratuity & Leave Encashment	108.76	70.52
Contribution to ESIC	4.51	-
Staff Welfare Expenses	9.10	10.46
Total	**1,606.63**	**1,618.93**

Notes to Financial Statements

for the period ended 31st March 2026

Note No. 31: Finance Costs

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Interest Expense on		
(i) Borrowings	4.23	23.05
(ii) Other (includes interest on government and other dues)	11.44	13.11
Other borrowing costs		
(i) Bank Charges	2.28	5.37
Total	**17.95**	**41.54**

Note No. 32: Other Expenses

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Auditors' Remuneration	1.55	1.35
Donation and Contributions	5.18	4.46
Freight and Forwarding Expenses	67.67	69.99
Goods Destroyed	3.44	1.88
Insurance expenses	34.32	33.32
Office Expenses	84.91	67.74
Other Manufacturing Expenses	41.18	30.01
Power and Fuel Expenses	13.22	15.25
Professional Expenses	59.96	56.00
Promotional expenses	219.17	311.83
Provision for doubtful debts	1.01	-
Rates and taxes	3.32	5.04
Rent	19.94	19.34
Repairs and Maintenance Expenses - Building	-	22.69
Repairs and Maintenance Expenses - Machinery	27.59	2.58
Sales Commission	81.81	85.26
Telephone Expenses	12.85	15.77
Travelling and Conveyance	375.32	372.97
Total	**1,052.43**	**1,115.48**

Note No. 33: Exceptional Items

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Past service cost recognised due to plan amendments arising from adoption of revised employee benefit provisions under the new labour codes	45.39	-
Total	**45.39**	**-**

Upon adoption of the revised employee benefit provisions under the labour codes, the defined benefit obligation has been remeasured to reflect the plan amendment, resulting in recognition of past service cost as per the actuarial valuation report.

Notes to Financial Statements

for the period ended 31st March 2026

Note No. 34: Earnings Per Share

(Figures in ₹ Lakhs)

Particulars	As at 31st March 2026		As at 31st March 2025	
	Basic	Diluted	Basic	Diluted
Net profit after tax attributable to equity shareholders	220.19	220.19	-97.85	-97.85
Weighted Average number of equity shares outstanding	75,28,042.00	75,28,042.00	74,20,300.00	77,91,300.00
Face value per equity share	10.00	10.00	10.00	10.00
Earnings per share	**2.92**	**2.92**	**-1.32**	**-1.26**

Note No. 35: 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	**1.32**	**0.95**	**Yes**	The current ratio improved primarily because current assets increased while current liabilities reduced during the year, strengthening the Company's short-term liquidity position.
(b) **Debt-Equity Ratio**	Long Term Debt + Short Term Debt	Shareholders' Equity	**0.13**	**0.15**	**No**	
(c) **Debt Service Coverage Ratio**	Profit after tax + Depreciation + Interest on long-term loans	Total Principal + Interest on long-term loans	**21.43**	**-0.77**	**Yes**	The ratio increased significantly as the previous year's EBITDA was adversely impacted by a one-time tax provision under the Direct Tax Vivad se Vishwas Scheme, whereas the current year reflects normalised operating performance.
(d) **Return on Equity Ratio**	Earnings After Interest, Tax, Depreciation & Amortisation	Average Shareholders' Equity	**0.27**	**-0.14**	**Yes**	The return on equity improved because the Company reported positive earnings in the current year compared to the previous year, which had been significantly reduced due to a one-time tax provision under the Direct Tax Vivad se Vishwas Scheme.
(e) **Inventory Turnover Ratio**	Turnover	Average Inventory	**12.82**	**13.10**	**No**	
(f) **Trade Receivables Turnover Ratio**	Net Credit Sales	Average Trade Receivable	**9.56**	**9.35**	**No**	
(g) **Trade Payables Turnover Ratio**	Net Credit Purchase	Average Trade Payable	**6.58**	**4.48**	**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	**33.38**	**-65.26**	**Yes**	The ratio increased mainly because shareholders' equity increased significantly during the year on account of issue of new shares as well as consistent profitability over the current and previous years, resulting in a higher turnover-to-equity multiple.

Notes to Financial Statements
for the period ended 31st March 2026

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%
(i)	Net Profit Ratio	Net Profit	Net Sales	0.05	-0.02	Yes	The net profit ratio improved because the previous year's profit after tax was significantly impacted by a one-time tax provision under the Direct Tax Vivad se Vishwas Scheme, whereas the current year reflects normalised profitability.
(j)	Return on Capital Employed	Earnings Before Interest & Tax	Total Assets-Current Liabilities	0.27	0.37	Yes	The return on capital employed declined due to an increase in capital employed during the year on account of issue of new shares, while EBIT remained broadly stable.
(k)	Return on Investment	Income generated from investments	Average investment	0.07	0.10	Yes	The return on investment decreased because the Company has invested in mutual funds, which are being held on the balance sheet date and hence, did not realise any gains from disposal. Further, unrealised losses have also been recognised on the fund units due to market fluctuations, resulting in a lower return on the investment base.

Note No. 36: Related Party Disclosures

A. Compensation paid to Key Managerial Personnel:

Particulars	Designation	Amount in ₹ Lakhs	
		31st March 2026	31st March 2025
Natwarbhai P. Prajapati	Chairman & Managing Director	36.10	36.00
Aalap N. Prajapati	Managing Director	88.09	60.11
Amritbhai P. Prajapati	Director	4.25	4.06
Bhagirath Maurya	Chief Finance Officer	7.92	7.35
Ripalben Sukhadiya	Company Secretary	0.98	2.25
Ashka Solanki	Company Secretary	5.15	0.00
Total		**142.49**	**109.77**

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

Notes to Financial Statements
for the period ended 31st March 2026

b. Transactions during the year:

Particulars	Amount in ₹ Lakhs	
	31st March 2026	31st March 2025
Salary Paid	21.44	17.16
Professional Fees	12.00	5.00
Loans advanced	0.00	2.00
Loans recovered	0.00	2.00
Interest on loan	0.00	0.10

c. Amounts Outstanding at the reporting date:

Particulars	Amount in ₹ Lakhs	
	31st March 2026	31st March 2025
Long-term Borrowings (Unsecured)	3.00	3.00

Note No. 37: 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 2026, no financial transactions have occurred relating to the Metal Division and there are no results to be declared for the same.

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 2026 are presented as follows:

Particulars	Amount in ₹ Lakhs	
Note No. 7: Other Non-Current Assets	As on 31st March 2026	As on 31st March 2025
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 20th May 2026, no impairment losses were identified in the value of property, plant and equipment.

Note No. 38: 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 filed appeals at various forums and eventually, the matters are now pending before the Hon. Gujarat High Court.

However, during the previous financial year, the Income Tax Department had launched a dispute resolution scheme, viz. the Direct Tax Vivaad se Vishwas scheme. The company had 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 had provided ₹ 341.71 lakh as tax item during the previous financial year.

Signature to notes 1 to 38.

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

For **Shah Doshi Patel & Associates LLP**
Chartered Accountants
(FRN: W101155)

Param Doshi, FCA
Partner
Mem. No.: 185648
UDIN: 26185648PZNPJB1483

Place: Anand
Date: 29 May 2026

For Gujarat Terce Laboratories Limited

Natwarbhai P Prajapati
Whole-Time Director
DIN: 00031187

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

Bhagirath Maurya
Chief Finance Officer

CS Ashka Solanki
Company Secretary

NOTES

CIN: L24100GJ1985PLC007753

GUJARAT TERCE

GUJARAT TERCE LABORATORIES LIMITED

REGISTERED OFFICE:
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