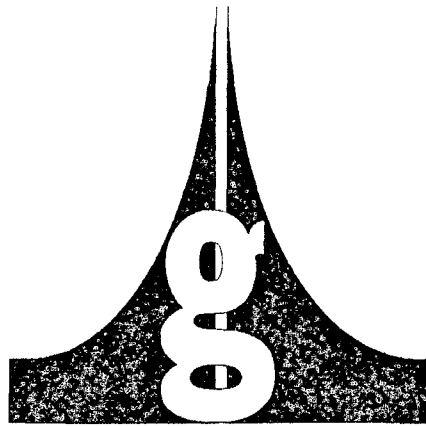


**GUJARAT TERCE
LABORATORIES LIMITED**



TWENTY FORTH ANNUAL REPORT 2008-2009

BOARD OF DIRECTORS

Shri Natwarbhai P. Prajapati
Chairman & Managing Director

Shri Amrutbhai P. Prajapati
Whole Time Director (CFO)

Shri Sureshbhai P. Prajapati
Director

Shri Gordhan G. Patel
Director

Shri Kanubhai S. Patel
Director

Shri Jayanti S. Prajapati
Director

Ms. Heta Shroff
Company Secretary

REGISTERED OFFICE/FACTORY :

122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. : Gandhinagar (N.G.)

ADMINISTRATIVE OFFICE :

6th Floor, Arjun Towers, Opposite Deepkala Junction, Near Chiripal House, Shivranjani Cross Road,
Satellite, Ahmedabad - 380 015

AUDITORS :

M/S. GOENKA TAPADIYA & ASSOCIATES
CHARTERED ACCOUNTANTS

SECRETARIAL AUDITOR:

Pinakin Shah

Practicing Company Secretary

C-103, Panchdhara Plaza, Satellite Road, Ahmedabad - 380015.

BANKERS :

BANK OF BARODA

Ellisbridge Branch, Ahmedabad.

REGISTRAR & SHARE TRANSFER AGENT:

Pinnacle Shares Registry Pvt. Ltd.

Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad - 380025.

NOTICE

Notice is hereby given that the Twenty Forth Annual General Meeting of the Members of Gujarat Terce Laboratories Limited will be held on Wednesday, 30th September, 2009 at 10.00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral Dist: Gandhinagar to transact the following business:

ORDINARY BUSINESS :

1. To receive consider & adopt the audited Balance Sheet as at 31st March 2009, the Profit & Loss Account for the year ended on that date and the Reports of the Directors' & the Auditors' thereon.
2. To appoint a Director in place of Shri Sureshbhai P. Prajapati, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors in place of retiring auditor and fix their remuneration.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to provisions of section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Pary & Co., Chartered Accountants, Ahmedabad, be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Goenka Tapadiya & Associates, Chartered Accountants, Ahmedabad, the retiring Auditors of the Company, who do not offer themselves for reappointment, to hold office from conclusion of this Annual General Meeting up to conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider & if thought fit to pass with or without modifications the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to provisions of section-31 and other applicable provisions of the Companies Act, 1956, if any, a new set of Articles of Association amended as placed before the meeting and initialed by the Chairman for identification purpose be & is hereby approved."

5. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Gordhan G. Patel whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Gordhan G. Patel for the office of Director, be and is hereby appointed as Director of the Company."

6. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Kanubhai S. Patel whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Kanubhai S. Patel for the office of Director, be and is hereby appointed as Director of the Company."

7. To consider & if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED THAT Shri Jayanti S. Prajapati whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing the candidature of Shri Jayanti S. Prajapati for the office of Director, be and is hereby appointed as Director of the Company."

By Order of the Board of Directors

30th June, 2009
Registered office:
122/2 Ravi Estate, Bileshwarpura,
Chhatral, Dist: Gandhinagar

N.P. Prajapati
Chairman & Managing Director

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Share transfer documents and all correspondence relating thereto, should be addressed to Registrar and Share Transfer Agents of the Company, M/s Pinnacle Shares Registry Private Ltd., Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad-380 025, Tel.: 079-22204226, 22200591, 22200582, Fax: +91-79-2220 29 63 E-mail girish.patel@psrpl.com.
4. Members who hold shares in physical form are requested to notify immediately any changes in their addresses to the Registrar and Share Transfer Agents at the above address and to their depository participants, in case shares are held in electronic mode.
5. Shareholders/proxies are requested to produce the attendance slip at the entrance of the Meeting Hall.
6. The Register of Members and Transfer Book of the Company will be closed from Wednesday, 23/09/2009 to Wednesday, 30/09/2009 [Both days inclusive].
7. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least five days in advance of the Annual General Meeting to enable the Management to keep the information ready at the meeting.
8. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
9. At the ensuing Annual General Meeting, Shri Sureshbhai P. Prajapati shall retire by rotation and being eligible, offers himself for reappointment. Shri Gordhan G. Patel, Shri Kanubhai S. Patel and Shri Jayanti S. Prajapati whose term of office as Additional Directors of the Company also expire at ensuing Annual General Meeting and also offer themselves for reappointment.

Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors to be reappointed are given below:

NAME	AGE	QUALIFICATION .	OTHER MEMBERSHIP
Shri Sureshbhai P. Prajapati (Businessman)	47 Years	B.Sc.	NIL
Shri Gordhan G. Patel	50 Years	Commerce Graduate	NIL
Shri Kanubhai S. Patel	49 Years	M.Com. , B.Ed.	NIL
Shri Jayanti S. Prajapati	58 Years	M.Com. , B.Ed.	NIL

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

Item no 4

The present Articles of Association of the Company was based on the Companies Act, 1956, as amended till that point of time. The Act has since been amended several times. Moreover certain other Acts also have affected various provisions of the Companies Act, 1956.

The directors of the Company believe that it is desirable that the Articles of Association of the Company be revised so that they fully reflect not only the law governing the company and rules and regulations made thereunder, but must also be in conformity with modern secretarial practices and must also comply with the requirements of the listing agreements of the stock exchanges on which the company's shares are listed.

Since the proposed alterations, deletions, insertions etc. to the present Articles of Association are numerous, it is more convenient to adopt an altogether new set of articles of association incorporating all the proposed alterations.

Gujarat Terce Laboratories Limited

Your directors commend the proposed resolution for your consideration and adoption of the new set of Articles of Association of the Company to replace of the existing Articles of Association of the company.

None of the Directors of the Company is concerned or interested in the said Resolution.

Item no 5, 6 & 7

Shri Gordhan G. Patel, Shri Kanubhai S. Patel and Shri Jayanti S. Prajapati were appointed by the Board of Directors as Additional Directors of the Company on 01/04/2009 and hold office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Shri Gordhan G. Patel, Shri Kanubhai S. Patel and Shri Jayanti S. Prajapati are eligible for reappointment and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing their candidature for the Office of Director.

The Board commends the Resolution in the interest of the Company.

None of the Directors of the Company, except Shri Gordhan G. Patel, Shri Kanubhai S. Patel and Shri Jayanti S. Prajapati, are concerned or interested in the said Resolution.

30th June, 2009

Registered office:

122/2 Ravi Estate, Bileshwarapura,
Chhatral, Dist: Gandhinagar

By Order of the Board of Directors

N.P. Prajapati

Chairman & Managing Director



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Forth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2009.

FINANCIAL RESULTS:

	2008-09 (Rs. in Lac)	2007-08 (Rs. in Lac)
Gross Income	1687.54	1330.64
Profit before Depreciation & Tax	23.49	30.81
Depreciation	17.03	15.08
Profit after Depreciation	6.46	15.73
Tax- Current	5.84	6.12
Deferred	-2.22	-5.21
Profit after tax	2.84	14.82
Profit brought forward from previous year.	46.91	32.09
Balance Carried To Balance Sheet	49.74	46.91

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance system of the Company is provided in the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

This Report includes discussion on the following matters within the limits set by the Company's competitive position:

INDUSTRY STRUCTURE & DEVELOPMENT

The Indian Pharmaceutical Industry today is in the front rank of India's science-based industries with wide ranging capabilities in the field of drug manufacture and technology. A highly organized sector, the Indian Pharma Industry is estimated to be worth \$ 4.5 billion, growing at about 8-9 % annually. It ranks very high in the third world, in terms of technology, quality and range of medicines manufactured. From simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicine is now made indigenously.

The Indian Pharmaceutical Industry has advantage of Competent workforce, Cost-effective chemical synthesis, solid Legal & strong Financial Framework, Information & Technology and Free Market Economy & Globalisation.

In order to stay competitive, Indian companies have to focus on how well it markets its products to several regions and distributes risks, forward and backward integration capabilities, R&D, consolidation through mergers and acquisitions, co-marketing and licensing agreements.

Opportunities & threats

Factors favouring the company are a strong marketing set up, low price and the advantage of the English language. The company operates in select states and vast market is yet to be taped.

The company continues to carry risks of competition in the industry. The company needs to attain the right product-mix for sustained future growth. It is an extremely fragmented market with severe price competition and government price control.

Operational & Financial Performance

The Company has only one business segment namely formulations. During the year 2008-09 net sales increased by 26.82% i.e. from Rs 1330.64 lac in 2007-08 to Rs 1687.54 in 2008-09. The profit of the Company has come down because of written off of Deferred Revenue Expenditure of Rs.22.59 lacs and Product Launching expenditure of Rs.5.65 lacs. Moreover the expenses towards employees have increased by 50 % due to launching of Company in Madhya Pradesh and Uttar Pradesh.

Capital

During the year under review the Company has issued 10,25, 000 Equity Shares of Rs. 10 each for cash at par on preferential basis to promoters and persons not associated with promoters. The said Shares are under lock-in as per Clause 13.3.1 of SEBI

Gujarat Terce Laboratories Limited

guidelines for preferential issues. The Mumbai Stock Exchange has listed the said Shares wide letter dated 22/10/2008 and issued Trading permission wide notice dated 16/12/2008 . The proceeds of the issue are utilised to meet long term working capital requirement.

Risk & Concerns

The Company has adopted risk management approach with an objective to balance risk & cost. The policy lays down a detailed structure for risk management & control in the company. There are few risk factors that are relevant to the business of your Company. The Company operates in a highly regulated industry & must comply with a broad range of dynamic regulatory controls, particularly in the regulated markets.

Internal Control System

The Internal Control System of the Company is adequate. The Company has set up detailed systems & procedure in all-important areas which act as guideline to its employees. The recommendations of the auditors on the efficacy of the internal control are implemented. Audit committee constituted by the Board of Directors continuously reviews the reports of the internal audit team. The shortcomings observed in the system are regularly monitored for corrections as well as prevention.

Human Resource

The Human Resource plays an important and vital role in the growth and success of an organization. The Human Resource Development is an integral part of the Company's Corporate Philosophy. The Company is committed to provide career oriented training to its employees at all levels with an added impetus to build leaders. The company continues to have extremely cordial personnel relations.

Cautionary Statement

Statement in the Management Discussion & Analysis Report describing the Company's objective, expectations or predictions may be forward looking within the meaning of applicable Securities Laws & Regulations. Actual performance may differ from those expressed or implied depending upon the economic conditions, the Government Policies & the other incidental/related factors.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub-Section (2AA) of Section 217 of Companies Act'1956 the Board of Directors of the Company hereby state and confirm that:

- (i) in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year and of the profit or loss of the Company for that period;
- (iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) We have prepared the annual accounts on a going concern basis.

DIRECTORS

Shri Sunil H. Talati, Shri Devang Nanavati and Dr Rupesh Mehta resigned from the Directorship w.e.f. 01/04/2009 due to their personal reasons. The Board is grateful to them for services rendered by them.

Shri Harisingh L. Chaudhary ceased to be director w.e.f. 30/06/2009 due to his sudden death. The Board expresses sincere condolences and recognizes his valued services to the Company.

Shri Gordhan G. Patel, Shri Kanubhai S. Patel and Shri Jayanti S. Prajapati were appointed as Additional Directors on 01/04/2009 and hold position till next Annual General Meeting. They being eligible for reappointment, offer themselves for reappointment. The company has received notice in writing under Section 257 of the Companies Act, 1956 from member/s proposing their candidature for the office of Director.

Shri Suresh P. Prajapati retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.



AUDITORS AND AUDITORS' REPORT:

The retiring auditors M/s Goenka Tapadiya & Associates, Chartered Accountants, Ahmedabad have desired that they would like to continue as auditors of the Company under their associate concern M/s Pary & Co., Chartered Accountants, Ahmedabad. It is proposed to appoint M/s Pary & Co., Chartered Accountants, Ahmedabad as auditors of the Company till the conclusion of Twenty Fifth Annual General Meeting. The Company has received certificate from M/s Pary & Co. auditors to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

EXPLANATION TO COMMENTS OF AUDITORS' REPORT:

The auditors have qualified their report in respect of retirement benefits, foreign currency transaction, doubtful debts and non-provisions for the diminution of market value of investment.

- a) The gratuity liability could not be worked out since company is not having the availability of actuary services.
- b) The management has not considered the profit of exchange rate fluctuation under the principles of conservatism.
- c) The provision for bad & doubtful debt is not made as the matter is under dispute.
- d) The amount of diminution is small and it does not affect the true and fair view of the Annual Accounts and hence no provision for diminution of market value of investment is made.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy

- I. The company has not made any investment [for energy conservation] and taken any specific measures to reduce energy cost per unit. However, it intends to conserve energy for future generation.
- II. Part A pertaining to conservation of energy is applicable to the Company.

Power and fuel consumption :

I. Electricity	<u>Current Year</u>	<u>Previous Year</u>
• Purchased		
Unit	12420	25625
Total Amount	96218	181440
Average Cost	7.75	7.08
Per unit of Production	0.0388	0.0096
• Own generation : N.A.		

NOTE: The Company has not used coal/furnace oil as fuel during the year and has not generated electricity internally.

B. Technology Absorption

There is no Research and Development activity carried out by the Company.

C. Foreign Exchange Earnings and Outgo:

The Company has earned total foreign exchange of Rs. 2.11 Lac by way of exports in the year 2008-09 and no amount was spent on import of raw material, travelling expenses and other matters.

PARTICULARS OF EMPLOYEES:

The information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time is nil.

ACKNOWLEDGMENTS:

The Board expresses its appreciation for continued co-operation and support extended to the Company by Bank of Baroda and customers. The Board also thanks the Medical Profession, the Trade and Consumers for their patronage of the Company's products. The Board also records its deep appreciation of the creditable services rendered by the Company's employees at all levels.

For and on behalf of Board of Directors

30th June, 2009

Registered office:

122/2 Ravi Estate,

Bileshwarpura, Chhatral Dist: Gandhinagar

N.P. Prajapati

Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

(As required by clause 49 of the Listing Agreement with the stock exchange)

MANDATORY REQUIREMENTS

1. Company's Philosophy & Code of Governance

The Company believes in setting good and ethical corporate governance practices. The Company is managed by the Managing Director under the supervision and control of Board of Directors.

Your Company's corporate governance policy is directed towards

- i. Adherence to ethical business practices.
- ii. Transparency in respect of board matters and disclosures to shareholders
- iii. Maximizing sustainable values to all its stakeholders including shareholders, customers, and employees.

2. Board of Directors

Composition of Board:

The composition of the Board is in conformity with clause 49 of the Listing Agreement. The Board consists of 6 [Six] members. The Company has Executive Chairman and half of the Board consists of Independent Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49), across all the Companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

The Composition of the Board as on 31/03/2009 was as under:

Directors	Category	Attendance Particulars			Other Committee Membership	
		Board Meeting	Last AGM	Other Directorships	Member	Chairman
Shri Natwarbhai P. Prajapati	CM & MD Executive	7	YES	NIL	NIL	NIL
Shri Sureshbhai P. Prajapati	DIR-IND	6	YES	NIL	NIL	NIL
Shri Amrutbhai P. Prajapati	WTD-FINANCE CFO	7	YES	NIL	NIL	NIL
Shri Sunil H. Talati*	CM & DIR- IND	1	NO	3	NIL	NIL
Shri Devang S. Nanavati*	DIR-IND	0	NO	NIL	NIL	NIL
Shri Kanubhai S. Patel **	DIR-IND	0	NO	NIL	NIL	NIL
Shri Dr Rupesh Mehta *	DIR-IND	1	NO	2	NIL	NIL
Shri Gordhanbhai G. Patel **	DIR- IND	0	NO	NIL	NIL	NIL
Shri Harisingh L. Chaudhary ***	DIR-IND	0	NO	NIL	NIL	NIL
Shri Jayanti S. Prajapati**	DIR-IND	0	NO	NIL	NIL	NIL

CM- Chairman, DIR-IND- Director Independent, MD- Managing Director, DIR-NON IND- Director Non Independent, WTD- Whole Time Director.

* Resigned w.e.f. 01/04/2009.

** Appointed w.e.f. 01/04/2009

*** Ceased due to death w.e.f. 30/06/2009

Details of Board Meetings held during the year 2008-09

7 (Seven) Board Meetings were held during the year and the gap between two meetings did not exceed four months.

Leave of absence was granted by the Board to the Directors who were absent at the respective Board Meeting(s).

Date of Meeting	No. of Directors Present
01/05/2008	4
30/06/2008	3
15/07/2008	3
31/07/2008	3
23/10/2008	3
26/12/2008	3
31/01/2008	3

The information as required under annexure I to clause 49 is being made available to the Board.



3. AUDIT COMMITTEE

The terms of reference, role and scope of this Committee, inter-alia, covers all the matters specified under section 292A of the Companies Act, 1956 and also all the matters listed under Clause 49 of the Listing Agreement with Stock Exchanges such as oversight of Company's financial reporting process, recommending the appointment/re-appointment of statutory auditors; reviewing with the management annual financial statements, quarterly financial statements and other matters as covered under role of audit committee in Clause 49. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

Composition:

The Audit Committee comprises of 3 Non Executive Directors & majority of them are independent. The members of Audit Committee have adequate financial/accounting knowledge.

The Audit Committee met four times during the year under review on 30/06/2008, 31/07/2008, 23/10/2008 and 31/01/2009. Company Secretary was present at all the meetings.

Name	Position	Category	Attendance
Shri Sunil H. Talati	Chairman	Non executive Chairman Independent Director	4
Shri Harisingh L. Chaudhary	Member	Non executive Independent Director	4
Shri Devang S. Nanavati	Member	Non executive Independent Director	4

4. REMUNERATION OF DIRECTORS

Terms of Reference:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/ Whole Time Directors.
- Reviewing performance of the Managing /Whole Time Director and recommending to the Board, the quantum of annual increments and annual commission.

Composition:

Its composition is as under:

Name of The Director	Position	Category
Shri Sunil H. Talati	Chairman	Non Executive Independent Chairman
Shri Devang S. Nanavati	Member	Independent- Non Executive
Shri Harisingh L. Chaudhary	Member	Independent- Non Executive

The Committee met on 31/07/2008 where all the members attended the meetings.

Remuneration policy:

The appointment of Managing Director is governed by the resolution passed by the Board of Directors and shareholders of the Company, which covers the terms of such appointment. Payment of remuneration to Managing Director is governed by the respective agreements executed between them and the Company. Remuneration paid to Managing Director is recommended by Remuneration Committee, approved by the Board and is within the limit. Remuneration package of Managing Director comprises of salary, perquisites and allowances as approved. Annual increments are linked to performance and to be decided by remuneration committee.

Presently, the Company does not have a scheme for grant for stock options or performance linked incentives for its Directors.

Details of remuneration to all the Directors for the year ended 31/03/2009.

Name of the Director	Salary [RS]	Service contract
Shri N. P. Prajapati, Managing Director	18,00,000/-	11/01/2008to 11/01/2012
Shri Amrutbhai P. Prajapati, Whole Time Director – Finance.	1,92,000/-	1/08/2006 to 1/08/2011

The Non-Executive Directors are paid fees of Rs. 2,000 for every meeting of the Board attended by them.

Gujarat Terce Laboratories Limited

5. SHAREHOLDERS/INVESTOR'S GRIEVANCES COMMITTEE

The committee consists of three Directors. Shri Sunil H. Talati is the non-executive Director heading the committee. Ms. Heta Shroff, Company Secretary is the compliance officer of the Committee.

This committee looks into the redressal of Shareholders/Investor's Grievances, if any like Transfer/ Transmission of Shares; Loss of Share Certificates; Non receipt of Annual Report etc. during the year. 5 [Five] complaints were received from the shareholders and all were redressed. The Company has no transfers pending at the close of the financial year.

The Committee met on 15/04/08, 30/4/08; 15/05/08, 31/05/08, 16/06/08, 30/06/08, 15/07/08, 31/07/08, 14/08/08, 30/08/08, 15/09/08, 22/09/08, 15/10/08, 31/10/08, 15/11/08, 29/11/08, 15/12/08, 31/12/08, 15/01/09, 31/01/09, 14/02/09, 28/02/09, 14/03/09 and 31/03/09 during the year under review.

Name	Designation	Attendance
Shri Sunil H. Talati	Non executive Independent	24
Shri Harisingh L. Chaudhari	Non executive Independent	24
Shri Devang Nanavati	Non executive Independent	24

6. DETAILS OF LAST THREE AGM

Meeting	Year	Venue of AGM	Date	Time	No. of Special Resolution Passed
21st AGM	2005-2006	122/2 Ravi estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	30/09/06	10.00 a.m.	
22nd AGM	2006-2007	122/2 Ravi estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	29/09/07	10.00 a.m.	
23rd AGM	2007-2008	122/2 Ravi estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	30/09/08	10.00 a.m.	1

No special resolution was required to be put through postal ballot last year.

No items of business relating to matters specified under clause 49 of the listing agreement with the stock exchange and/or provisions contained in Section 292A of the Companies Act, 1956 requiring voting by postal ballot is included in the notice convening forthcoming Annual General Meeting.

7. DISCLOSURE

i. Disclosures on materially significant related party transactions

The Company has no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., that may have potential conflicts with the interest of the Company at large. The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. For details about related parties' transactions, see Note No.15 of Notes on Accounts.

ii. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliance or penalties imposed on the Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

iii. Non mandatory requirements

Adoption of non mandatory requirements of clause 49 of the listing agreement is being reviewed by the Board from time to time.

8. Means of communication Quarterly results:

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma prescribed by clause 41 of the listing agreement within one month of the close of the respective period. The approved financial results are forthwith send to the Mumbai Stock Exchange and are published in Western Times



news paper, English/Gujarati editions within 48 hours of approval thereof. The same are not send to the shareholders separately.

The Company's financial results and official news releases are not displayed on the Company's website. No formal presentations were made to institutional investors or to the analysts during the year under review.

Management Discussion and Analysis forms part of the annual report, which is posted to the share holders of the Company.

9. General Shareholder Information:

- i. Date time and venue of –AGM** Wednesday, 30th September, 2009 at 10.00 a.m. at 122/2 Ravi Estate, Bileshwarpura, Chattral Dist: Gandhinagar.
- ii. Financial year** The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter except for the last quarter, for which results are declared by June as permitted under listing agreement.
- iii. Dates of Book Closure** Wednesday, 23/09/2009 to Wednesday, 30/09/2009 (Both days inclusive).
- iv. Dividend payment date** Not Applicable
- v. Listing of Stock Exchanges At** The Stock Exchange – Mumbai Phiroze Jeejeebhoy Towers, Dalal street, Mumbai-400 023
No. of Equity Shares 10,25,000 allotted on preferential basis on 15/07/2008, listed on 22/10/2008 and Trading permission issued on 16/12/2008 .
- vi. Stock Codes** 524314
- vii. High/Low of monthly Market Price of the Company's Equity**

Shares traded on the Mumbai Stock Exchange during the financial year 2008-09 is furnished below:

Month	High	Low
April-08	8.88	7.05
May-08	7.61	6.50
June-08	6.84	5.52
July-08	5.99	4.96
August-08	8.09	5.62
September-08	8.26	6.28
October-08	8.27	6.61
November-08	9.66	6.89
December-08	9.18	8.05
January-09	8.19	7.23
February-09	10.85	7.77
March-09	9.23	7.00

viii. Registrar & Transfer Agent

PINNACLE SHARES REGISTRY PRIVATE LIMITED

Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad-380 025

Tel.: 079-22204226, 22200591, 22200582 Fax: +91-79-2220 29 63 E-mail girish.patel@psrpl.com

Gujarat Terce Laboratories Limited

ix. Share Transfer System

The Company has appointed M/s Pinnacle Shares Registry Private Ltd. as registrar & transfer Agents for D-mat as well as physical share transfer work. Valid share transfer in physical form and complete in all respects were approved and registered within stipulated period.

x. Distribution of shareholding (as on March 31/03/2009)

a. On the basis of Shares held

Balance	PHYSICAL Holders	SHARES	D-MAT Holders	SHARES	TOTAL Holders	%	TOTAL Shares	%	
1	500	11130	1272350	3444	526241	14574	96.53	1798591	36.55
501	1000	118	100800	183	154481	301	1.99	255281	5.19
1001	2000	22	35100	97	150927	119	0.79	186027	3.78
2001	3000	3	7600	29	73852	32	0.21	81452	1.66
3001	4000	3	10100	17	58736	20	0.13	68836	1.40
4001	5000	3	14200	11	52869	14	0.09	67069	1.36
5001	10000	0	0	19	142228	19	0.13	142228	2.89
10001	9999999	0	0	19	2320816	19	0.13	2320816	47.17
		11279	1440150	3819	3480150	15098	100	4920300	100

b. On the basis of category

Category	No. of Shares Held	% to total Shares held
Promoters	1728485	35.13
Private Corporate Bodies	106974	2.17
Individual	3082141	62.64
N. R. I.	2700	0.06
TOTAL	4920300	100.00

xi. Dematerialization of shares & liquidity

Under the depository system the International Securities Identification Number (ISIN) allotted to the Company is INE520G01016. As of March 31, 2009, 70.73% of the total equity shares have been dematerialized. In order to afford full liquidity to the investor community, the Company has tied up with the NSDL and CDSL. Thus, the investors can exercise dematerialization and transfer actions through a recognized DP who is connected to NSDL or CDSL.

xii. Outstanding GDRs/ADRs/Warrants or any convertible instruments as at end March, 2009.

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end March, 2009.

xiii. Plant Locations

122/2 & 3, Ravi Estate, Bileshwarpura, Chattral Dist: Gandhinagar

xiv. Address for Correspondence

All enquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address:

6th Floor, Arjun Tower, Opp. Deepkala Junction, Nr. Chiripal House, Shivranjani Cross Road, Satellite, Ahmedabad-15
E-mail : gujtercead1@sancharnet.in or rejeshgtll@yahoo.in



**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF
THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT
DECLARATION BY MANAGING DIRECTOR**

To
The Shareholders,
Gujarat Terce Laboratories Ltd.

In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I, N.P. Prajapati Managing Director of Gujarat Terce Laboratories Ltd. hereby declare that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March, 2009.

For Gujarat Terce Laboratories Limited

Place : Ahmedabad
Dated : 30th June, 2009

(N. P. Prajapati)
Chairman & Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Gujarat Terce Laboratories Limited

I have examined all the relevant records of Gujarat Terce Laboratories Limited ["the Company"] for the purpose of certifying compliance of the conditions of the Corporate Governance under clause 49 of the Listing Agreement with the Stock Exchange for the financial year ended on 31st March 2009. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.

Place : Ahmedabad
Date : 30th June 2009

Pinakin Shah
Practising Company Secretary
F.CS. 2562, C.P. No 2932

AUDITORS' REPORT

To,
The Members,
Gujarat Terce Laboratories Limited
Ahmedabad

We have audited the attached Balance Sheet of Gujarat Terce Laboratories Limited as at 31st March 2009 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit.
- ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company so far as appears from our examination of such books.
- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the Books of Account.
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement read in conjunction with the notes on accounts, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 **except for Note No. 1 c & 1 j of Schedule R.**
- v) On the basis of the written representations received from the Directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to :
 - a) **Note No. 1 c of Schedule "R" regarding accounting for retirement benefits on cash basis.**
 - b) **Note No. 1 j of Schedule "R" regarding exchange rate fluctuation of foreign currency transactions.**
 - c) **The Company has not considered provision for bad & doubtful debts to the tune of Rs. 15,01,563, which are outstanding for more than 9 years from export sales of the company.**
 - d) **Note No. 12 of Schedule "R" regarding non-provision for the diminution of Rs. 43,368 in the market value of investments**

read together with the notes thereon, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009
- ii) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date and
- iii) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For, Goenka Tapadiya & Associates
Chartered Accountants

(Virendra Tapadiya)
Partner

Date : 30th June, 2009
Place : Ahmedabad

M.No. 114863



**ANNEXURE TO AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009 OF
GUJARAT TERCE LABORATORIES LIMITED**

1. a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b. As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme which, in our opinion, is reasonable looking to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
c. The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
2. a. As explained to us, inventories have been physically verified during the year by the management, except for inventories lying with outside parties, which have, however, been confirmed by them. In our opinion, the frequency of verification is reasonable.
b. The procedures explained to us, which were followed by the management for physical verification of inventories, are in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
c. On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of inventory. Discrepancies, which were noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of account.
3. a. The Company has not given any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, clauses (iii)(b),(c) and (d) of the Order are not applicable.
b. The Company has not taken any loans, secured or unsecured from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, clauses (iii)(f) & (g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods. During the course of our audit, no major weakness in internal control, has come to our notice.
5. a. On the basis of the audit procedures performed by us, and according to the information, explanations and representations given to us, we are of the opinion that the transactions in which directors were interested and which were required to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not entered into any transactions exceeding the value of Five Lacs Rupees in respect of any party during the year that need to be entered in the Register in pursuance of Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public and thus, paragraph 4(vi) of the said order is not applicable
7. In our opinion, the company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.
9. a. The company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues applicable to it, **except in few cases there has been delay in depositing such dues.** According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they became payable.

Gujarat Terce Laboratories Limited

- b. According to the information and explanation given to us, the dues outstanding of sales tax, income tax, customs duty, wealth tax, excise duty and cess on any account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount of disallowance (Rs. in lacs)	Period to the amount Relates	Forum where dispute is pending
Sales Tax	Purchase Tax	Rs. 122753	A.Y. 2003-04	Comm. Of Sales Act Tax (Appeals)
Sales Tax	Purchase Tax	Rs. 105904	A.Y. 2004-05	Comm. Of Sales Act Tax (Appeals)

10. The Company has neither accumulated losses at the end of the financial year nor has incurred cash losses in the financial year under report and in the immediately preceding financial year.
11. On the basis of the records examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
12. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and any other securities.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order are not applicable to the company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order are not applicable to the company.
15. According to information and explanations given to us and the representations made by the management, the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
18. The Company has made Rs. 10250000 Preferential Allotment of shares to various parties including Companies covered in the register maintain U/s. 301 of the Companies Act, 1956 during the year.
19. On the basis of the records and documents examined by us, the company has not issued any secured debentures during the year.
20. The Company has not raised any money by way of public issue during the year and therefore paragraph 4(xx) of the Order is not applicable.
21. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the company has been noticed or reported during the course of our audit during the year.

For, Goenka Tapadiya & Associates
Chartered Accountants

(Virendra Tapadiya)
Partner
M.No. 114863

Date : 30th June, 2009
Place : Ahmedabad

**BALANCE SHEET AS AT 31ST MARCH, 2009**

Particulars	Schedule	As at 31.03.2009		As at 31.03.2008	
		Rs.	Rs.	Rs.	Rs.
I SOURCES OF FUNDS					
1. SHAREHOLDER'S FUND					
(a) Share Capital	A	48995200		43745200	
(b) Reserves & Surplus	B	8711461		8427691	
			57706661		52172891
2. DEFERRED TAX LIABILITY (NET)			2348238		2570149
3. LOAN FUNDS					
(a) Secured Loans	C	24400048		15294758	
(b) Unsecured Loans	D	9139813		8074587	
			33539861		23369345
TOTAL			93594760		78112385
II APPLICATION OF FUNDS					
1. FIXED ASSETS					
(a) Gross Block	E	34238637		34310007	
(b) Less : Depreciation		19141982		17646565	
(c) Net Block		15096655		16663442	
Capital Work in process		775810		775810	
			15872465		17439252
2. INVESTMENTS	F		116645		116645
3. CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories	G	44475299		27557915	
(b) Sundry Debtors	H	41248135		42921525	
(c) Cash & Bank balances	I	4473586		4902745	
(d) Loans & Advances	J	22436977		17507651	
			112633997		92889836
Less : Current Liabilities & Provisions	K		37287127		35156823
Net Current Assets			75346870		57733013
4. Miscellaneous Expenditure	L		2258780		2823475
TOTAL			93594760		78112385
Significant Accounting Policies & Notes on Accounts	R				

As per our Audit Report of even date attached

For Goenka Tapadiya & Associates

Chartered Accountants

(Virendra Tapadiya)

Partner

Mem. No. 114863

Date : 30th June, 2009

Place : AHMEDABAD

For and on behalf of the Board of Directors

Gujarat Terce Laboratories Limited**N. P. Prajapati**

Chairman & M.D.

A. P. Prajapati

Wholetime Director

Heta Shroff

Company Secretary

Gujarat Terce Laboratories Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Schedule	For the year ended 31.03.2009		For the year ended 31.03.2008	
		Rs.	Rs.	Rs.	Rs.
I INCOME :					
Sales & Other Income	M	168754295		133063664	
Increase/ (Decrease) in Stock	N	12903173		1267549	
TOTAL		181657468		134331213	
II EXPENDITURE :					
Purchases		82286612		62287968	
Consumption of Raw Materials	O	382320		1093221	
Manufacturing & Other Expenses	P	93042874		64578580	
Interest & other Finance charges	Q	3596556		3290656	
TOTAL		179308362		131250425	
Profit before Depreciation & Tax		2349106		3080788	
Less : Depreciation	E	1702766		1507905	
Profit after Depreciation but before Tax		646340		1572883	
Less : Current Tax/ FBT		196931		552905	
Excess/Less Provision of Income Tax of Previous Year		387550	584481	59537	612442
Deferred Tax Liability / (Asset)		(221911)		(521449)	
Profit after Taxation		283770		1481890	
Profit Brought forward from last year		4690517		3208627	
Amount available for appropriation		4974287		4690517	
Surplus carried to Balance Sheet		4974287		4690517	
Earning per Share (Basic & Diluted)		0.058		0.380	
Significant Accounting Policies & Notes on Accounts	R				

As per our Audit Report of even date attached

For Goenka Tapadiya & Associates

Chartered Accountants

(Virendra Tapadiya)

Partner

Mem. No. 114863

Date : 30th June, 2009

Place : AHMEDABAD

For and on behalf of the Board of Directors

Gujarat Terce Laboratories Limited

N. P. Prajapati

Chairman & M.D.

A. P. Prajapati

Wholtime Director

Heta Shroff
Company Secretary



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE A		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
5000000 Equity shares of Rs. 10 each	50000000	50000000
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
49,20,300 (Previous year 38,95,300 Equity shares of Rs. 10 each) Equity shares of Rs. 10 each	49203000	38953000
Less : Call in arrears	207800	207800
Share Application Money	0	5000000
TOTAL	48995200	43745200
SCHEDULE B		
<u>RESERVES & SURPLUS</u>		
Profit & Loss Account	4974287	4690517
General Reserve	3737174	3737174
TOTAL	8711461	8427691
SCHEDULE C		
<u>SECURED LOANS</u>		
Bank of Baroda - Working Capital Loan (Secured by way of Equitable mortgage of Land & Building, Office premises and hypothecation of all the existing and future movable machineries, Stock and Book Debts of the Company. Also secured by personal guarantee of the Directors Shri N.P. Prajapati, Shri A.P.Prajapati and Shri S.P.Prajapati. It is further secured by the equitable mortgage of residential bungalow of Shri N.P. Prajapati)	22857958	12810440
Bank Of Baroda (T/L)	1462000	2332853
ICICI Car Finance (Secured by way of Hypothecation of Car)	80090	151465
TOTAL	24400048	15294758
SCHEDULE D		
<u>UNSECURED LOANS</u>		
From Others	9139813	8074587
TOTAL	9139813	8074587

Gujarat Terce Laboratories Limited

SCHEDULE E FIXED ASSETS

Particulars	Gross Block					Depreciation				Net Block	
	Rate	Op. Bal. as on 01.04.08	Addition during the year	Sales / subsidy dur.the year	Balance as on 31.03.09	Op. Bal. as on 01.04.08	Dep. written back	Prov. During the year	Balance as on 31.03.09	As on 31.03.09	As on 31.03.08
Factory Land		309909	0	0	309909	0	0	0	0	309909	309909
Factory building	3.34%	10037058	0	0	10037058	3800322	0	335238	4135560	5901498	6236736
Office building	1.63%	250030	0	0	250030	75410	0	4075	79485	170545	174620
Vehicles	9.50%	1366979	50395	295715	1121659	1120690	207349	131658	1044999	76660	246289
Laboratory Equipments	4.75%	3207489	0	0	3207489	2059942	0	152356	2212298	995191	1147547
Electric Installation	4.75%	1979387	0	0	1979387	1289018	0	94021	1383039	596348	690369
Machineries	4.75%	11260075	0	0	11260075	5711668	0	534854	6246522	5013553	5548407
Furniture	6.33%	1032866	0	0	1032866	571384	0	65380	636764	396102	461482
Block & Design	4.75%	3289230	0	0	3289230	1743716	0	156238	1899954	1389276	1545514
Computer	16.21%	1343421	173950	0	1517371	1111502	0	228946	1340448	176923	231919
Communication Appl.	4.75%	162913	0	0	162913	162913	0	0	162913	0	0
Sterlin Resort (Time Share)		70650	0	0	70650	0	0	0	0	70650	70650
TOTAL		34310007	224345	295715	34238637	17646565	207349	1702766	19141982	15096655	16663442
PREVIOUS YEAR		34400904	265544	356441	34310007	16366106	227446	1507905	17646565	16663442	18034798

As at
31.03.2009
Rs.

As at
31.03.2008
Rs.

SCHEDULE F INVESTMENTS

3199 Master Shares of Unit Trust of India of Rs. 10/- each (Market Value - Current year - Rs. 72777 Previous year - Rs. 97601)	116145	116145
Samir Members Association	500	500
TOTAL	116645	116645

SCHEDULE G INVENTORIES

(As Valued, Verified and certified by the management of the Company)

Raw Material (At Cost)	946957	1275486
Stock in Process (at estimated cost)	9944	55234
Finished Goods (at cost or realisable value whichever is lower)	31783203	18834740
Stores, Spares & Other items (At cost)	11735195	7392455
TOTAL	44475299	27557915



	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
--	----------------------------	----------------------------

SCHEDULE H
SUNDRY DEBTORS

(Unsecured but considered good)

- Outstanding for more than 6 months	13097666	18985232
- Outstanding for less than 6 months	28150469	23936293
TOTAL	41248135	42921525

SCHEDULE I
CASH & BANK BALANCES

Cash on hand	1370792	3320243
Balances with Schedule Bank		
(a) In Current Account	773241	621949
(b) In Fixed Deposit	1433679	64679
(c) In Share Issue Account	888406	888406
(d) In Foreign Currency Account	7468	7468
TOTAL	4473586	4902745

SCHEDULE J
LOANS & ADVANCES

(Unsecured but considered good)

Advances receivable in cash or in kind or for value to be received	11607224	6158450
Staff Loan	10378643	11195851
Advances for Capital Expenditure	108052	108052
Deposit	343058	45298
TOTAL	22436977	17507651

SCHEDULE K
CURRENT LIABILITIES & PROVISIONS

Due to Micro and Small Enterprises	33573735	32158599
Provision for taxes	2050413	552905
Other Provisions	634878	2063851
Other Liabilities	1028101	381468
TOTAL	37287127	35156823

SCHEDULE L
MISCELLANEOUS EXPENDITURE (To the extent not written off)

Deferred Revenue Expenditure	2258780	2823475
	2258780	2823475

Gujarat Terce Laboratories Limited

	For the Year Ended 31.03.2009 Rs.	For the Year Ended 31.03.2008 Rs.
SCHEDULE M		
<u>SALES & OTHER INCOME</u>		
Domestic Sales	168369557	131871433
Export Sales	210570	459564
Job Charges	0	169059
Duty Drawback / Rebate	0	16500
Rate difference	0	124165
Profit on sale of Machinery	0	210805
Kasar -Vatav	124623	1378
Interest	42508	210760
Dividend Income	7038	0
TOTAL	168754295	133063664
SCHEDULE N		
<u>INCREASE / (DECREASE) IN STOCK</u>		
Work in Process		
Closing Stock	9944	55234
Less : Opening Stock	55234	48045
	(45290)	7189
Finished Goods		
Closing Stock	31783203	18834740
Less : Opening Stock	18834740	17574380
	12948463	1260360
TOTAL	12903173	1267549
SCHEDULE O		
<u>CONSUMPTION OF RAW MATERIALS</u>		
Opening Stock	1275486	1641282
Add : Purchase (Net)	53791	727425
	1329277	2368707
Less : Closing Stock	946957	1275486
TOTAL	382320	1093221



	For the Year Ended 31.03.2009 Rs.	For the Year Ended 31.03.2008 Rs.
--	---	---

SCHEDULE P**MANUFACTURING & OTHER EXPENSES**

Printing & Stationary Exp.	1392388	913009
Postage & Telephone Exp.	1817383	1464763
Travelling & Conveyance	10157401	6785077
Insurance Exp.	161603	315756
Travelling Expenses (Director) (Foreign Travelling - Current year - Nil, Previous Year - Rs. Nil)	66141	293789
Advertisement Exp.	27404815	14550591
Power & Fuel	182529	229320
Sales Promotion Exp.	9209865	8409485
Sales Tax	9546276	7925381
Personnel Exp.	23770502	15797461
Directors' Remuneration & Sitting Fees	2008000	1383000
Packing Exp. (Net)	174370	1724413
Stores & Spares (Net)	2219	7158
Job-work	0	13572
Excise duty expense	168325	22878
Laboratory Chemicals (Net)	8027	36133
Freight, forwarding & clearing Exp.	2257137	2041769
Machinery Repairs	0	12661
Repairs & Maintenance (others)	451277	318405
Registration Exp.	47516	10700
Rate difference	888727	0
Legal & Professional Charges	1300484	748913
Auditors Remuneration		
- For Statutory and Tax Audit	36000	36000
Exchange Rate Fluctuation	6713	14017
Expired Goods	185706	0
Block & Design Exps.	18396	35661
Conference Exp.	81399	374281
Municipal Tax	7998	7043
Loss on sale of vehical	26366	0
Product Lonching Exps. W/off	564695	0
Misc. Exp.	1100616	1107344
TOTAL	93042874	64578580

SCHEDULE Q**INTEREST & OTHER FINANCE CHARGES**

Interest		
- on Bank working capital	2112529	1820874
- on Bank Term Loan	247110	366600
- on other borrowings	907044	1006126
Bank Charges	329873	97056
TOTAL	3596556	3290656

Gujarat Terce Laboratories Limited

SCHEDULE – R

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Significant Accounting policies forming part of the Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date.

a) Basis for preparation of Financial Statements

The financial statements have been prepared under historical cost convention on accrual basis in compliance with all material aspect of the applicable Accounting Standards in India and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company, and are consistent with those used in the previous year.

b) Income Recognition

All Income are accounted for on accrual basis. Sales are accounted including Sales Tax.

c) Expenditure

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities. Gratuity is accounted on payment basis or as and when the liability to pay arises, whichever event occurs earlier.

d) Fixed Assets

Fixed Assets are stated at cost of acquisition less the accumulated depreciation and impairment of loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

e) Depreciation

Depreciation on Fixed assets has been provided under the Straight line method as per rates prescribed in Schedule XIV of the Companies Act, 1956.

f) Investments

Investments are classified as long term investments. It is carried at cost. Provision for diminution in value of long term investment is made on each investment individually only if such decline is other than temporary.

g) Inventories

Inventories are valued as under

Raw Material	:	At Cost
Stock in Process	:	At estimated Cost
Finished Goods	:	At cost or realisable value whichever is less
Stores, Spares & other items	:	At Cost

h) Raw Material

Raw Material is accounted net of Excise Duty.

i) Miscellaneous Expenditure

Expenditure incurred for the product launching to develop the new market division of Central U.P. and Madhya Pradesh are treated as deferred revenue expenditure as it have enduring benefits. The management envisage the enduring benefits to the business for five years, it is amortized over a period of five years from the year of expenditure.

j) Foreign Currency Transactions

The foreign currency balances receivable/ payable as at the year end for the current year transactions are converted at the closing rate. Following the principles of conservatism, the management does not consider the profit of exchange rate fluctuation on outstanding balances for more than one year.



k) Taxes on Income

Tax expense comprises of current, deferred and fringe benefit tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the income tax act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets in case of unabsorbed losses and unabsorbed depreciation are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

Fringe benefit tax is provided in accordance with the provisions of the Income Tax Act, 1961.

l) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

m) Borrowing Costs

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the profit and loss account.

n) Contingent Liabilities and Provisions

Contingent liabilities are possible but not probable obligations as on the balance sheet date based on the available evidence.

Provisions are recognized when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

2. Contingent Liabilities not provided for :	2008-09	2007-08
	Rs.	Rs.
a) Unutilised Letter of Credit	Nil	Nil
b) Counter guarantees furnished by the Company in respect of Bank Guarantee	Nil	Nil
c) Estimated amount of contracts to be executed on capital account and not provided for	1500000	1500000
3. Previous year's figures have been regrouped/ rearranged wherever necessary to confirm to the current years classification.		
4. None of the employees of the Company was in receipt of or entitled to receive emoluments in aggregate at a rate of not less than Rs. 200000/- p.m. (P.Y. – Rs. 200000/- p.m.) (if employed for part of the year) or Rs. 2400000/- or more p.a. (P.Y. – Rs. 2400000/- or more p.a.) (if employed for full year) (Previous Year - Nil).		
5. Details of C.I.F. Value of Imports, Expenditure in Foreign currency and earnings in foreign currency are as under :	2008-09	2007-08
	Rs.	Rs.
a. C.I.F Value of Imports		
Raw Material	Nil	Nil
Machineries	Nil	Nil
b. Expenditure in foreign currency		
Sales Commission & Other Expenses	Nil	61864
c. Earning in Foreign Currency		
- Export Sales	210570	459564

Gujarat Terce Laboratories Limited

6. Sundry Creditors, Sundry Debtors, Deposits, Loans & Advances recoverable in Cash or kind are subject to confirmation.
7. The amount in Balance Sheet and Profit & Loss account are rounded off to the nearest rupee.
8. Managerial Remuneration
 - a. The Company, has been advised that the computation of net profit (for the purpose of calculation of Directors remuneration u/s 349 of the Companies Act, 1956) need not be enumerated since no commission has been paid to the directors and only remuneration has been paid to the directors.
 - b. Details of payments and provisions on account of remuneration to Managing Director and Whole time Director are included in Profit & Loss account being in the limit of minimum managerial remuneration prescribed by Central Government

	2008-09	2007-08
	Rs.	Rs.
(i) Salary	1992000	1368000
(ii) Other perquisites	15000	15000

9. Balances in Share Allotment money, Foreign currency account and current account with Bank of Baroda is subject to reconciliation. It is taken on the basis of balances as per the books of the Company, as the Statement and certificates are not provided by the Bank.
10. Liability for Excise Duty on Finished Goods is accounted as and when they are cleared from factory premises. No provision for Excise Duty is made in the accounts for goods manufactured and lying in bonded warehouses in Factory premises.
11. Company has adopted method of treatment of Modvat Credit in account as prescribed in guidance note on accounting treatment for MODVAT by ICAI. Excise Duty paid on inputs is debited to modvat credit receivable account, so the Purchase cost of inputs (Raw Material) is net of Excise duty. Therefore the inputs consumed (Raw Material) and the inventory of inputs (Raw Material) is valued on the basis of purchase cost net of Excise duty. The debit balance in modvat credit receivable account is shown on the Assets side under the head "Loans & Advances".
12. Investments are classified as long term investments and it is carried at cost. The management is of the view that diminution in value of investment of Rs. 43,368 as on 31st March 2009 is temporary and therefore no provision has been made.
13. The Company owes Rs. 59,08,008/- to Small and Micro Enterprises for more than 30 days.
14. As per AS 22 on Accounting for taxes on income issued by ICAI, the Company has transferred deferred tax asset as on 31st March, 2009 of Rs. 221911/- for the year by crediting to Profit & Loss A/c. The components of deferred tax asset for the current financial year is :

Deferred Tax Liability	Deferred Tax Liability / (assets) as at 1.4.2008	Current year change / (credit)	Deferred Tax Liability / (assets) as at 31.3.2009
(A) Difference between book and Tax depreciation	2779709	(221798)	2557911
(A)	2779709	(221798)	2557911
(B) Deferred Tax assets	209560	113	209673
(B)	209560	113	209673
Deferred Tax Liability Net (A-B)	2570149	(221911)	2348238



15. Related Party Disclosure

Information about related parties as required by AS – 18 are as under

Related Party	Relationship	Description of Transaction	Payment (Rs.)
1) Mr. N.P. Prajapati	Chairman & M.D.	Managerial Remuneration	1800000 (1200000)
2) Mr. A.P. Prajapati	Director	Managerial Remuneration	192000 (168000)
3) Mr. Suresh P. Prajapati	Director	Sitting Fees	12000 (3000)
4) Mr. Devang Nanavati	Director	Sitting Fees	0 (2000)
5) Mr. Sunil H. Talati	Chairman	Sitting Fees	2000 (2000)
6) Dr. Rupesh Mehta	Director	Sitting Fees	2000 (2000)

Previous years' figures are given in bracket

18. Segment Reporting

The Company is engaged in manufacturing of Tablets, Capsules, Syrup & Injection pertaining to the product group Pharmaceuticals. The Company is selling its product in Domestic as well as International Market. However, the Company is not managed as Segment organization and the location of operations of the Company and its related assets and liabilities are based at one place. This does not provide a reasonable basis for identification/ allocation of segment results/ segment assets/ segment liabilities. Hence there is only one reportable Business Segment viz. Pharmaceuticals.

19. Earning per Share

The numerators and denominators used to calculate the Basic and Diluted Earning per Share are as follows :

	31.03.2009	31.03.2008
a) Earning for the year (Rs.)	283770	1481890
b) Basic and Weighted average No. of Equity Shares outstanding During the year	4920300	3895300
c) Nominal value of Equity Shares	Rs. 10	Rs. 10
d) Basic and Diluted Earning per Share	0.058	0.380

20. Details of Raw Material consumed

	As on 31.03.2009		As on 31.03.2008	
	% of total Consumption	Value (Rs.)	% of total Consumption	Value (Rs.)
a) Imported	—	—	—	—
b) Indigenous	100%	382320	100%	1093221
Total		382320		1093221

21. Consumption of Raw Materials and Packing Materials during the period under review :

	As on 31.03.2009		As on 31.03.2008	
	Qty. (in kgs)	Amount Rs.	Qty. (in kgs.)	Amount Rs.
Cefalexin	NIL		49.685	196293
Azithromycin	NIL			
Others (none of which individually accounts for more than 10% of the total consumption)		382320		896928
Total		382320		1093221

Gujarat Terce Laboratories Limited

22 Details of Capacity, Production, Stock and Sale

	Tablets (in Lacs)				Capsules (in Lacs)				Syrup (in Lacs)			
	31.03.09		31.03.08		31.03.09		31.03.08		31.03.09		31.03.08	
	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
Installed Capacity	2700	Nil	2700	Nil	1080	Nil	1080	Nil	—	—	—	—
Licensed Capacity	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	—	—	—	—
Production	3.37	—	21.54	—	—	—	5.01	—	—	—	00.05	—
Purchases	—	—	—	—	—	—	—	—	—	—	—	—
Op. Stock	3.33	3.01	16.28	11.57	0.07	0.24	2.12	01.84	0.02	00.17	00.30	02.89
Cl. Stock	2.04	2.72	3.33	3.01	0.03	0.24	0.07	00.24	0.002	0.01	00.02	00.17
Sales	4.66	11.66	34.49	39.06	0.04	0.92	7.06	08.30	0.018	0.49	0033	15.31

	Injection (in Lacs)				Trading Capsules (in Lacs)				Trading Tin (in Lacs)			
	31.03.09		31.03.08		31.03.09		31.03.08		31.03.09		31.03.08	
	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
Installed Capacity	—	—	—	—	—	—	—	—	—	—	—	—
Licensed Capacity	—	—	—	—	—	—	—	—	—	—	—	—
Production	—	—	00.79	—	—	—	—	—	—	—	—	—
Purchases	—	—	—	—	59.69	68.64	52.04	46.31	0.21	5.58	00.26	06.57
Op. Stock	00.25	00.25	0.081	02.63	13.99	11.41	09.84	07.18	00.08	01.89	00.02	00.47
Cl. Stock	0.06	0.01	00.25	00.52	15.42	13.86	13.99	11.41	0.05	1.41	00.08	01.89
Sales	0.19	3.45	01.35	07.45	58.26	123.10	47.89	97.25	0.24	26.24	00.20	11.77

	Trading Injection (in Lacs)				Trading Syrup (in Lacs)				Trading Tablets (in Lacs)			
	31.03.09		31.03.08		31.03.09		31.03.08		31.03.09		31.03.08	
	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
Installed Capacity	—	—	—	—	—	—	—	—	—	—	—	—
Licensed Capacity	—	—	—	—	—	—	—	—	—	—	—	—
Production	—	—	—	—	—	—	—	—	—	—	—	—
Purchases	11.99	144.28	09.37	108.61	16.63	148.40	12.83	120.75	416.31	454.94	299.45	340.64
Op. Stock	04.02	56.47	02.99	38.22	02.68	34.76	01.86	23.40	76.53	79.88	87.94	87.52
Cl. Stock	4.17	66.59	04.02	56.47	3.31	43.47	02.68	34.76	109.04	189.52	76.53	79.88
Sales	11.84	420.08	08.34	189.03	16.00	276.44	12.01	239.69	383.80	826.82	310.86	715.44

Signature to Schedule A to R

As per our Audit Report of even date attached

For Goenka Tapadiya & Associates

Chartered Accountants

(Virendra Tapadiya)

Partner

Mem. No. 114863

Date : 30th June, 2009

Place : AHMEDABAD

For and on behalf of the Board of Directors

Gujarat Terce Laboratories Limited

N. P. Prajapati

Chairman & M.D.

A. P. Prajapati

Wholetime Director

Heta Shroff

Company Secretary



**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

1 Registration Details

Registration No.	L24230GJ1985PLC007753
State Code No.	04
Balance Sheet Date	31-03-2009

2 Capital Raised During the year (Amount in Rs. Thousands)

Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	10250

3 Position of Mobilisation and Deployment of funds (Amount in Rs. Thousands)

Total Liabilities	93595
Total Assets	93595

Sources of Funds

Paid up Capital	48995
Reserves & Surplus	8712
Secured Loans	24400
Unsecured Loans	9140
Deferred Tax Liabilities	2348

Application of Funds

Net Fixed Assets	15872
Investments	117
Net Current Assets	75347
Misc. Expenditure	2259

4 Performance of Company (Amount in Rs. Thousands)

Turnover/ (Incl. Other Income)	168754
Total Expenditure	168108
Profit before Tax	646
Profit / (Loss) after Tax	284
Earning per Share	0.058
Dividend (Proposed)	Nil

5 Generic Names of Three Principal Products/Services of company (as per monetary term)

Item Code No. (ITC Code)	:	30041000
Product Description	:	Pharmaceutical Formulations
Item Code No. (ITC Code)	:	30039001
Product Description	:	Ayurvedic Medicines

As per our Audit Report of evc date attached

For Goenka Tapadiya & Associates
Chartered Accountants

(Virendra Tapadiya)
Partner

Mem. No. 114863

Date : 30th June, 2009

Place : Ahmedabad

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

N. P. Prajapati
Chairman & M.D.

A. P. Prajapati
Wholetime Director

Heta Shroff
Company Secretary

Gujarat Terce Laboratories Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING MARCH 31, 2009

(Rs. in Thousand)

	2009 Rs.	2008 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	646.34	1572.88
Adjustments for :		
Depreciation	1495.42	1280.46
Deferred Revenue Expenditure	564.70	(2823.48)
Provision for tax	(584.48)	(612.44)
Income / expenses treated seperately		
Interest Income	42.51	210.76
Interest Expenses	3596.56	3290.66
Profit on sale of machinery	0.00	(210.81)
Loss on sale of assets	26.37	0.00
Operating Profit before working Capital changes	5702.39	2286.51
Changes in Working Capital		
(Increase)/ Decrease in Inventories	(16917.38)	(6884.14)
(Increase)/ Decrease in Trade Receivables	1673.39	(6180.71)
(Increase)/ Decrease in Loans & Advances	(4929.33)	(730.93)
Increase/ (Decrease) in Current Liabilites	2130.30	6190.77
Net change in working capital	(18043.02)	(7605.01)
Net cash flow from operating activities (A)	(12340.63)	(5318.50)
B. Cash flow from Investing activities		
Purchase/ subsidy of Fixed Assets	(224.35)	(265.54)
Interest Income	42.51	210.76
Proceeds from sale of Fixed Assets	269.35	567.25
Net Cash flow used in investing activities (B)	87.51	512.46
C. Cash flows from financing activities		
Increase/ (Decrease) in Bank working capital	10047.52	290.52
Increase / (Repayment) of Term Loans	(942.23)	(537.68)
Increase / (Decrease) in Share Capital	5250.00	5000.00
Increase/ (Decrease) in unsecured loans	1065.23	1420.05
Interest Expenses	(3596.56)	(3290.66)
Net Cash flow from financing activities (C)	11823.96	2882.24
Net Increase/ (decrease) in cash & cash equivalent (A+B+C)	(429.15)	(1923.79)
Cash & cash equivalent at the beginning of the year	4902.74	6826.53
Cash & cash equivalent at the end of the year	4473.58	4902.74

For and on behalf of the Board
Gujarat Terce Laboratories Limited

Date : 30th June, 2009
Place : Ahmedabad

N. P. Prajapati A. P. Prajapati Heta Shroff
Chairman & M.D. Wholetime Director Company Secretary

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of Gujarat Terce Laboratories Limited for the year ended March 31, 2009. The Statement has been prepared by the Company in accordance with the requirements of Clause No. 32 of the listing agreement with various Stock Exchanges and is based on and is derived from the Audited Profit and Loss Account and Balance Sheet of the Company for the year ended March 31, 2009 covered by our Report dated 30.06.2009 to the members of the Company.

For, Goenka Tapadiya & Associates
Chartered Accountants
(Virendra Tapadiya)

Date : 30th June, 2009
Place : Ahmedabad

Partner
M.No. 114863



Gujarat Terce Laboratories Limited

Registered Office : 122/2 Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain attendance slip on request.

L. F. No. / ID No. :	No. of Shares
Name :	
Address :	

I hereby record my presence at the 24th ANNUAL GENERAL MEETING of the Company to be held on Wednesday the 30th day of September, 2009 at 10.00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar.

Signature of the Shareholder / Proxy

--

----- (Tear Here) -----

Gujarat Terce Laboratories Limited

Registered Office : 122/2 Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar

PROXY FORM

I/We _____ of _____ being a member

of **Gujarat Terce Laboratories Limited**, hereby appoint _____ of _____

or failing him _____ of _____

as my/our proxy in my/our absence to attend vote for me/us and on my/our behalf at the Twenty fourth Annual General Meeting of the Company to be held on Wednesday the 30th day of September, 2009 at 10.00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar.

Singed this _____ Day of _____ 2009

Signature : _____ Revenue Stamp

L. F. No. / ID No. :	Name :
No. of Shares :	Address :
Proxy No. :	

NOTE :

The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

BOOK - POST

TO, _____

If undelivered please return to :

Gujarat Terce Laboratories Limited
Registered Office : 122/2, Ravi Estate,
Bileshwarpura, Chhatral, Dist. Gandhinagar

GANAPATI (079) 26568111, 30024853