207/LG/SE/AUG/2024/GBSL

August 31, 2024

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001
Scrip Code: 509079

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Symbol: GUFICBIO

Subject: Annual Report for the Financial Year 2023-2024 along with the Notice of 40th Annual General Meeting

Dear Sir/Madam,

This is to inform that the 40th Annual General Meeting (**"AGM"**) of the Company is scheduled to be held on **Wednesday, September 25, 2024 at 3.30 P.M. (IST)** through Video Conference / Other Audio Visual Means ("VC/OAVM").

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company including Business Responsibility and Sustainability Report for the Financial Year 2023-24 along with the Notice of the 40th AGM.

The Annual Report and the Notice of 40th AGM are being sent to the members whose email-ids are registered through electronic mode and the same are also uploaded on the Company's website at www.gufic.com.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Gufic Biosciences Limited

Ami Shah
Digitally signed by Ami Shah
Date: 2024.08.31 19:05:27 +05'30'

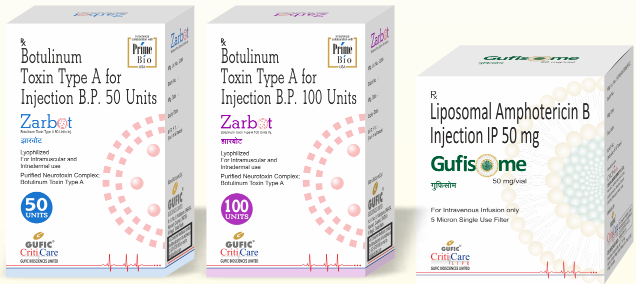
Ami Shah
Company Secretary & Compliance Officer
Membership No.: A39579

Encl.: As above

GUFIC®
BIOSCIENCES LIMITED

40th Annual Report 2023-2024

GUFIC CRITI CARE / CRITI CARE LIFE DIVISION PRODUCTS



MULTI SPECIALITY DIVISION

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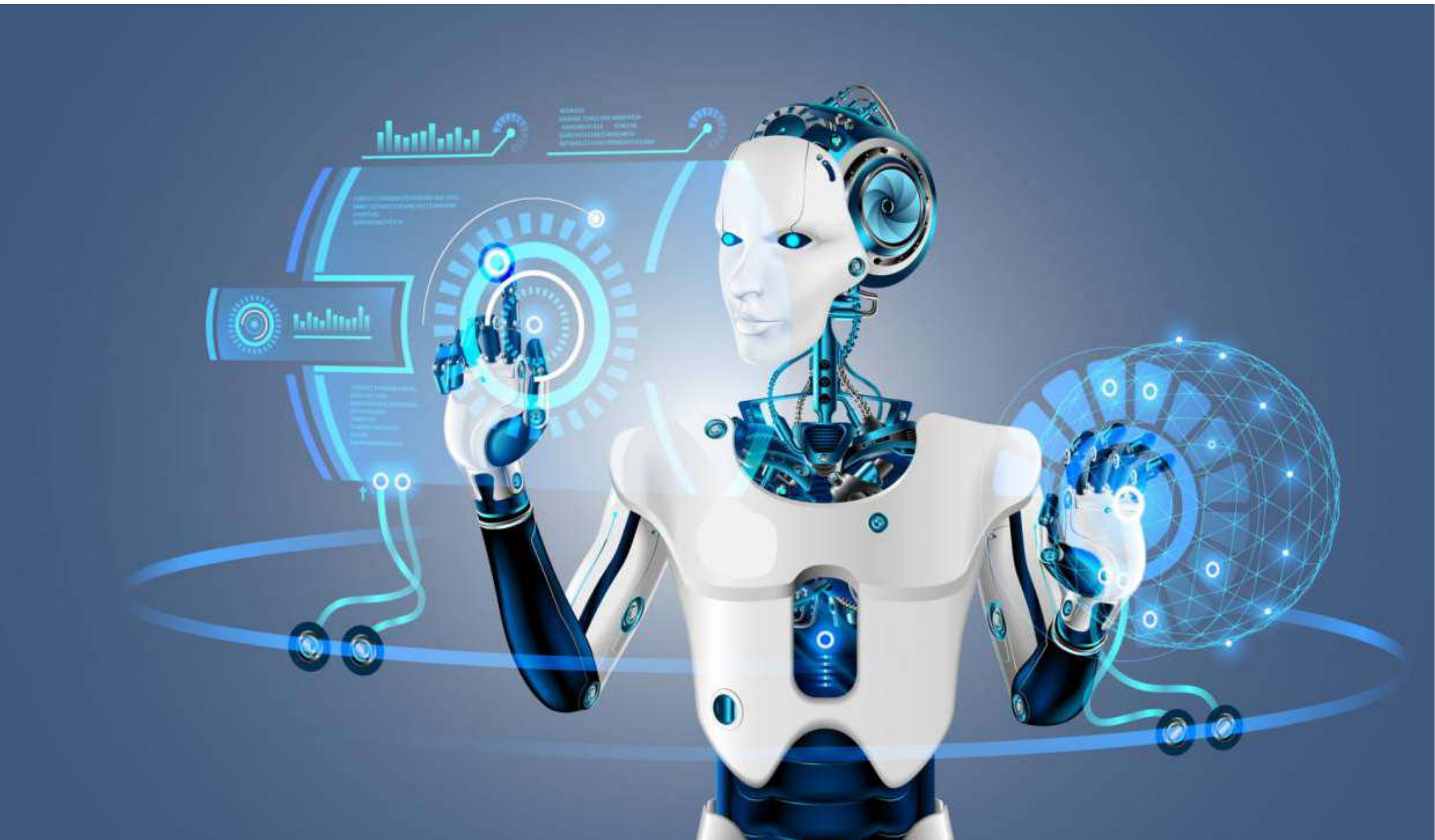


CORPORATE INFORMATION

FOUNDER
Late Shri Pannalal S. Choksi

BOARD OF DIRECTORS (AS ON MARCH 31, 2024)

Mr. Jayesh P. Choksi	Chairman & Managing Director
Mr. Pranav J. Choksi	Chief Executive Officer & Whole Time Director
Mr. Pankaj J. Gandhi	Whole Time Director
Mr. Dilip B. Ghosh	Whole Time Director
Mr. Gopal M. Daptari	Independent Director
Dr. Anu S. Aurora	Independent Director
Mr. Shreyas K. Patel	Independent Director
Mr. Shrirang V. Vaidya	Independent Director
Dr. Rabi N. Sahoo	Independent Director
Dr. Balram H. Singh	Non-Executive Non-Independent Director

KEY MANAGERIAL PERSONNEL (OTHER THAN DIRECTORS)

Mr. Devkinandan B. Roonghta	Chief Financial Officer
Ms. Ami N. Shah	Company Secretary & Compliance Officer

STATUTORY AUDITOR
Mittal Agarwal & Co

COST AUDITOR
Kale & Associates

SECRETARIAL AUDITOR
Manish Ghia & Associates

BANKERS
- The Saraswat Co-operative Bank Limited
- State Bank of India
- HDFC Bank Limited
- UCO Bank
- Axis Bank Limited
- ICICI Bank Limited

REGISTRAR AND TRANSFER AGENTS
LINK INTIME INDIA PRIVATE LIMITED, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
•Tel No.: (022) 4918 6270 •Fax: (022) 4918 6060 •Email: rnt.helpdesk@linkintime.co.in

CORPORATE IDENTIFICATION NUMBER
L24100MH1984PLC033519

REGISTERED OFFICE ADDRESS
37, First Floor, Kamala Bhavan II, S. Nityanand Road,
Andheri (East), Mumbai – 400 069, Maharashtra, India.
- E-mail: corporaterelations@guficbio.com
- website: www.gufic.com

CORPORATE OFFICE ADDRESS
SM House, 11 Sahakar Road, Vile Parle (East),
Mumbai - 400 057, Maharashtra, India.
- Tel.: 022-6726 1000
- Fax: 022 - 6726 1067 / 68

PLANTS

GUJARAT
Unit-1: Survey No. 195/3 and 171 Paiki, National Highway No. 48, Near Grid, Kabilpore Navsari - 396424, Gujarat

Unit-2: Survey No. 171, National Highway No. 48, Near Grid Kabilpore, Navsari - 396424, Gujarat

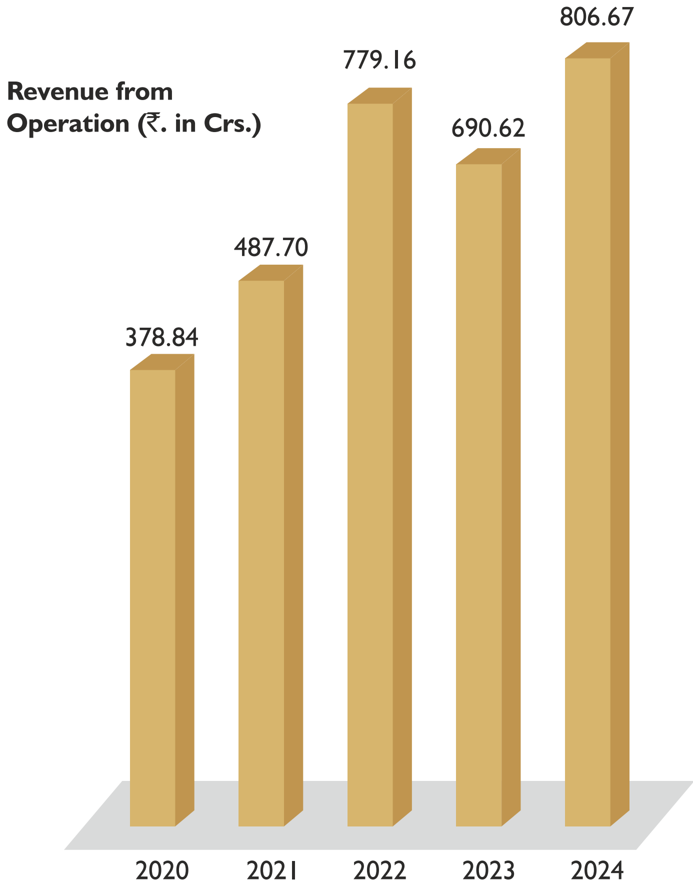
KARNATAKA
703, Belgaum Industrial Estate, Udhyambag, Belgaum - 590008

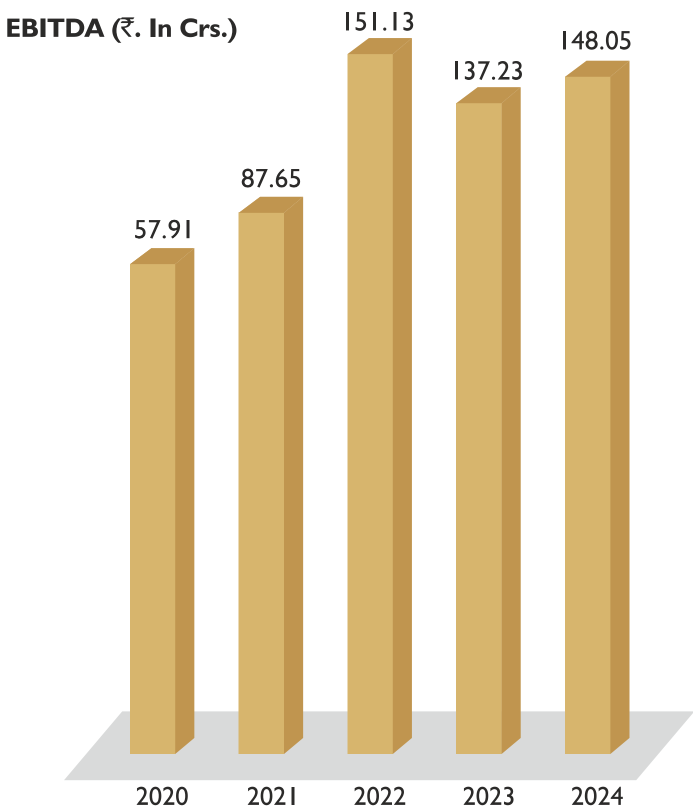
MADHYA PRADESH
Smart Industrial Park, Plot no.48, Near NATRIP, Pithampur, Dhar- 454775, Madhya Pradesh

40TH ANNUAL GENERAL MEETING

DAY & DATE	TIME	MODE
Wednesday, 25th September, 2024	03.30 P.M.	Video Conferencing/ Other Audio Visual Means (VC/OAVM)

FINANCIAL HIGHLIGHTS





BOARD OF DIRECTORS

Mr. Jayesh P. Choksi
Chairman & Managing Director

Mr. Pranav J. Choksi
Chief Executive Officer &
Whole Time Director

Mr. Dilip B. Ghosh
Whole Time Director
(Ceased w.e.f June 28, 2024)

Mr. Pankaj J. Gandhi
Whole Time Director

Dr. Anu S. Aurora
Independent Director

Late Shri Shrirang V. Vaidya
Independent Director
(Ceased w.e.f. April 01, 2024)

Dr. Rabi N. Sahoo
Independent Director
(Ceased w.e.f. June 29, 2024)

Mr. Shreyas K. Patel
Independent Director

Mr. Gopal M. Daptari
Independent Director

Dr. Balram H. Singh
Non-Executive Non-Independent Director
(Ceased w.e.f. August 15, 2024)

Mr. Kamal K. Seth
Additional Director (Non-Executive Independent)
(Appointed w.e.f. June 27, 2024)

REWARDS AND RECOGNITIONS

Gufic has been recognized as one of
"The Region's Top 200 Small and Midsize Companies"
at the Forbes Asia "Best Under a Billion" awards ceremony,
which took place in Manila, Philippines on November 21, 2023.

From the Desk of the Chairman & Managing Director

"As we look back on our legacy, we are inspired to continue pushing the boundaries of what is possible in healthcare."

Dear Shareholders and Stakeholders,

As we commemorate around 24 years of Gufic's journey, we stand on the strong foundation of our core principles: incubating life, uplifting life and protecting life. These are not just ideals; they are the guiding forces behind every decision we make and every innovation we pursue. In an ever-evolving healthcare landscape, our commitment to these principles remains as strong as ever, driving us towards a future of continued growth and impact.

Over the past two decades, Gufic has grown from a modest pharmaceutical venture into a recognized leader in the industry. Our journey has been marked by numerous milestones, from pioneering life-saving therapies to expanding our footprint across global markets. Each of these achievements is a testament to the dedication of our teams and the trust placed in us by our stakeholders. As we look back on our legacy, we are inspired to continue pushing the boundaries of what is possible in healthcare.

Our Four Pillars: Driving Innovation and Excellence

Our business is built around four primary pillars, each representing a key area where we see tremendous potential to make a meaningful impact on global health: Critical Care (Life-Saving Injectables), Assisted Reproductive Technologies (ART), Toxins and Science-Based Nutraceuticals. These pillars are not just business segments; they embody our mission to address some of the most pressing medical challenges of our time.

Pillar One: Critical Care (Life-Saving Injectables)

India's healthcare infrastructure is expanding rapidly, with a nationwide effort to add 2.4 million hospital beds. As access to life-saving antibacterial improves, so does the risk of antimicrobial resistance (AMR).At Gufic, we are addressing this challenge head-on with a two-pronged strategy. We are conducting large-scale scientific engagements to promote the correct use of these critical medicines while also focusing on the development of novel antifungals and first-in-class antibiotics. Our goal is clear: to improve patient outcomes and protect lives by ensuring that the medical community has access to safe and effective anti-infective therapies.

Pillar Two: Assisted Reproductive Technologies (ART)

Infertility is a global issue that affects millions, and India bears a significant portion of this burden. With approximately 15 to 20 million couples in India struggling with infertility, the demand for effective and accessible treatments has never been greater. Gufic is committed to being a trusted partner in the field of ART, providing critical hormonal and support therapies that enhance the success rates of IVF cycles. We are also investing in cutting-edge research to develop recombinant products and innovative treatments for conditions such as recurrent implantation failure and endometriosis. Through these efforts, we hope to bring the joy of parenthood to countless families, fulfilling our mission of incubating life.

Pillar Three: Toxins

Botulinum toxin is a remarkable natural substance with the power to transform lives. While it is widely known for its cosmetic applications, it also has significant therapeutic potential in treating severe neurological conditions that impair quality of life. In India, many of these conditions remain under-treated, and it is our aim to change that. Through clinical trials, training programs, and scientific engagements, Gufic is working to democratize access to botulinum toxin, ensuring that more patients can benefit from its life-enhancing properties.

Pillar Four: Science-Based Nutraceuticals

Gufic has long been a pioneer in the development of Boswellia serrata-based nutraceuticals, which have proven effective in managing various types of pain. Our commitment to scientific research continues to drive the creation of new products that harness the therapeutic potential of natural ingredients. From bronchial asthma to osteo-muscular pain, we are dedicated to providing science-backed solutions that address widespread medical conditions and improve the quality of life for our patients.

Sustainability and Social Responsibility

As we innovate, we also recognize our responsibility towards the environment and society. Sustainability is woven into the fabric of our operations, from sourcing raw materials responsibly to minimizing our carbon footprint through energy-efficient practices. Our Corporate Social Responsibility (CSR) initiatives are focused on improving healthcare access in underserved communities, promoting education and supporting environmental conservation efforts. At Gufic, we believe that doing well and doing good are not mutually exclusive as they are integral to our long-term success.

Strategic Vision and Future Growth

Looking ahead, we are committed to strengthening our core pillars while exploring new opportunities for growth. Our investment in state-of-the-art manufacturing facilities, such as the new plant in Indore, positions us to meet increasing global demand while maintaining the highest standards of quality. We are also exploring strategic partnerships and collaborations that align with our mission and expand our reach into new markets.

Acknowledgements and a Shared Future

None of our achievements would have been possible without the unwavering support of our shareholders, employees, partners, and all stakeholders. Your trust and dedication have been the cornerstones of our success. As we move forward, we are committed to delivering continued value, driving innovation, and making a positive impact on society. Together, we will build on our legacy to create a healthier, brighter future for all.

Thank you for being a part of Gufic's journey.

Yours faithfully,
For Gufic Biosciences Limited

Jayesh P. Choksi
Chairman & Managing Director

BOARD'S REPORT

Dear Members,

Your Directors take immense pleasure in presenting the 40th Annual Report on the business and operations of the Company, along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended March 31, 2024.

FINANCIAL SUMMARY AND HIGHLIGHTS

The Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2024, have been prepared in accordance with the Indian Accounting Standards (Ind AS), Section 133 and other applicable provisions of the Companies Act, 2013 ("Act") as well as the relevant applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and subsequent amendments thereto.

The key highlights of financial performance of the Company, for the financial year ended March 31, 2024 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated
	2023-24	2022-23	2023-24
Total Revenue from Operations	80,666.57	69,062.08	80,666.57
Other Income	217.72	257.39	217.72
Total Income	**80,884.29**	**69,319.47**	**80,884.29**
Profit / (Loss) before Depreciation & Amortization, Finance Cost, exceptional item and tax	**14,804.86**	**13,722.52**	**14,804.86**
(Less): Depreciation and Amortization expense	1,701.72	2,228.10	1,701.72
(Less): Finance Costs	1,535.99	822.33	1,535.99
Profit / (Loss) before Exceptional items and Tax	**11,567.15**	**10,672.09**	**11,567.15**
Add /(Less): Exceptional items	-	-	-
Profit / (Loss) before tax	**11,567.15**	**10,672.09**	**11,567.15**
(Less): Tax Expense: Current Tax	2,840.00	2,821.00	2,840.00
Deferred Tax	316.54	(119.39)	316.54
Income Tax earlier years	(202.95)	-	(202.95)
Profit / Loss for the year (1)	**8,613.55**	**7,970.48**	**8,613.55**
Other Comprehensive Income / (Loss) (2)	**(40.39)**	**(0.53)**	**(40.39)**
Total Comprehensive Income (1+2)	**8,573.17**	**7,969.95**	**8,573.17**

FINANCIAL PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS

The Company's total revenue from operations stood at ₹ 80,667.57 lakhs in the financial year 2023-24, thereby showing an increase as compared to ₹ 69,062.08 lakhs in the previous financial year 2022-23. The Profit before Interest, Tax, Depreciation & Amortization (EBIDTA) was Rs. 14,804.86 lakhs in the year under review as compared to ₹ 13,722.52 lakhs in the financial year 2022-23. However, the EBIDTA margin for the financial year 2023-24 was18.4% as compared to 19.8% in the previous financial year.

During the year, the domestic market accounted for 89.07% of the Company's turnover, with exports contributing 10.93%. Going forward, the Company is focused on expanding its revenue from the export market.

The Net Profit of the Company, during the year under review, was ₹ 8,613.55 lakhs as compared to ₹ 7,970.48 lakhs in the previous financial year.

The Consolidated financial statements comprise of financials of the Company and its subsidiary company in United Kingdom viz., Gufic UK Limited. Since, there was no activities undertaken by the said subsidiary in the financial year 2023-24, the total revenue and profit remain consistent across both Standalone and Consolidated Financials.

Overall, the financial year 2023-2024 was positive for the Company, reflecting strong financial performance and notable strides in strategic growth. The Company is steadfast in its commitment to providing innovative and high-quality healthcare solutions while maximizing value for our stakeholders.

A detailed analysis of performance for the year including the major developments, if any, has been included in the Management Discussion and Analysis Report, which forms a part of the Annual Report.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business during the year under review and it continues to operate only in one segment i.e. Pharmaceutical.

TRANSFER TO RESERVES

During the financial year under review, the Company has not proposed to transfer any amount to the General Reserve.

DIVIDEND

Your Board of Directors are pleased to recommend a final dividend of ₹ 0.10/- (10%) per equity share having face value of ₹ 1/- each fully paid-up for the financial year ended March 31, 2024, subject to the approval of members at the ensuing 40th Annual General Meeting ("AGM"). The Final Dividend, if approved, will be paid, within 30 (thirty) days from the date of the AGM to those Members whose name appears in the Register of Members as on the book closure date mentioned in the Notice convening the AGM. In view of the changes made under the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the Members, therefore, the Company shall, accordingly, make the payment of the Dividend after deduction of tax at source.

The total dividend pay-out for the financial year ending March 31, 2024 would amount to Rs. 1,00,27,750.60/-.This recommended dividend pay-out is in accordance with the Company's Dividend Distribution Policy, details of which is available on the website of the Company and the same can be accessed at following link:

http://gufic.com/wp-content/uploads/2021/08/Dividend%20Distribution%20Policy.pdf

SHARE CAPITAL

During the period under review, the Company has neither issued any equity shares with differential voting rights as to dividend, voting or otherwise nor granted any stock options nor sweat equity shares nor made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees nor bought back its shares.

(I)ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS

During the year under review, your Company issued and allotted 33,33,000 fully paid-up equity shares of the Company having face value of ₹ 1/- each at the price of ₹ 300/- (Rupees Three Hundred Only) per equity share including premium of ₹ 299/- (Rupees Two Hundred And Ninety-Nine Only) per equity share to M/s. Motilal Oswal Financial Services Limited, Non Promoter of the Company on a preferential basis. The details regarding the utilization of funds raised through the aforementioned preferential allotment are provided in the Report on Corporate Governance , which forms part of this Annual Report.

The aforesaid newly issued shares rank pari-passu in all aspects with the existing equity shares of the Company.

Post Completion of the issuance, the Issued, Subscribed and Paid up share capital of the Company has increased from ₹9,69,44,506/- divided into 9,69,44,506 Equity Shares of face value of ₹ 1/- each to ₹ 10,02,77,506/- divided into 10,02,77,506 Equity Shares of face value of ₹ 1/- each. There has been no change in the authorized share capital of the Company.

(II)GUFIC BIOSCIENCES LIMITED EMPLOYEES STOCK OPTION PLAN 2023

The Gufic Biosciences Limited Employees Stock Option Plan 2023 ("Gufic ESOP 2023") was duly approved by the shareholders at its 39th AGM held on September 29, 2023. Your Company has subsequently obtained In-Principle Approval from BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE") to issue, grant, offer and allot at any time, Stock Options to eligible employees not exceeding 5,00,000 Stock Options convertible into equivalent number of equity shares, upon exercise.

Gufic ESOP 2023 is designed to reward, retain and engage employees while fostering a sense of ownership, performance, and alignment with the Company's long-term goals. This strategic initiative aims to encourage sustained contributions towards the Company's growth and profitability.

The Nomination & Remuneration Committee of your Company, designated as Compensation Committee, oversees the administration and monitoring of Gufic ESOP 2023, implemented by your Company in accordance with the Act and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ("the SEBI SBEB & SE Regulations").

The Nomination & Remuneration Committee, designated as Compensation Committee, at their meeting held on June 27, 2024 has approved grant of 6,000 (Six thousand) stock options under Gufic ESOP 2023 to the eligible employees.

A certificate from the Secretarial Auditor in accordance with Regulation 13 of the SEBI SBEB & SE Regulations is annexed to this report as **"Annexure A"** and can also be accessible on the Company's website at following link:

http://gufic.com/Notice/SBEB_Certificate_2024.pdf

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

During the period under review, the Company has 3 (three) foreign Wholly Owned Subsidiaries and 1 (one) Indian Subsidiary. The details are as below:

Name of the Company	Country	Incorporation Date
Gufic UK Limited (GUL)	United Kingdom	15.03.2022
Gufic Ireland Limited (GIL)	Ireland	02.03.2023
Gufic Prime Private Limited (GPPL)	India	18.11.2023
Veira Life FZE (VLF)	Dubai	25.03.2024

- As of March 31, 2024, neither investment have been made in GIL, GPPL and VLF nor they have begun their business operations. Consequently, there was no need to consolidate the accounts of GIL, VLF and GPPL with the Company for the financial year ending March 31, 2024.
- On September 13, 2023, the Company made an investment in GUL by subscribing to its shares. Consequently, the consolidated financial results for the financial year ended March 31, 2024, have been prepared by the Company considering the financials of GUL.
- In order to enhance the operational flexibility for GUL, the Board of Directors of the Company considered and approved further investment in GUL for the amount of 49,000 pounds and consequently increase the Subscribed Share Capital of GUL from 1000 Ordinary shares of 1 pound each to 50,000 Ordinary shares of 1 pound each. The additional capital was invested by the Company on July 12, 2024.
- On April 25, 2024, the Company made an investment in GPPL by subscribing to its shares aggregating to 88% of its total paid up share capital.

In accordance with Section 129(3) of the Act, the Consolidated Financial Statements of the Company has been prepared and forms part of the Annual Report. Further, a separate statement containing the salient features of financial statements of subsidiary in the prescribed Form AOC-1 is annexed to this report as **"Annexure B".**

As on March 31, 2024, the Company has no material subsidiaries. Further, the Company's "Policy on Material Subsidiaries" can be accessed at http://gufic.com/wp-content/uploads/2022/07/Policy_on_Material_Subsidiary.pdf

In accordance with fourth proviso of Section 136(1) of the Act, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company at www.gufic.com. Further, as per fifth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company at https://gufic.com/media/investors/gufic-uk-limited/. Shareholders interested in obtaining a physical copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at mgr_legal@guficbio.com / corporaterelations@guficbio.com.

Your Company does not have any Associate Company or Joint Venture. Further, no Company ceased to be Subsidiary or Associate or Joint Venture of the Company, during the financial year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / Re-appointment / Continuation Of Directorship

During the year under review, the Board at its meeting held on August 11, 2023 and shareholders at its 39th AGM of the Company held on September 29, 2023 through Special Resolution, approved the continuation of directorship of the following directors:

- Mr. Jayesh P. Choksi (DIN: 00001729) as Chairman & Managing Director of the Company on attaining the age of 70 years on March 29, 2024, on the existing terms and conditions duly approved in the 35th AGM held on September 30, 2019.
- Mr. Gopal M. Daptari (DIN: 07660662) as a Non-Executive Independent Director of the Company who shall attain the age of 75 years on October 29, 2024, until the expiry of his current term.

The following Directors are proposed to be appointed/ re-appointed at the ensuing AGM, the brief details of which are mentioned in the Notice of 40th AGM forming part of this Annual Report:

Appointment

- The Board of Directors of the Company at its Meeting held on June 27, 2024, approved appointment of Mr. Kamal Kishore Seth (DIN: 00194986), who has attained the age of 75 years, as an Additional Director in the category of Non Executive Independent Director, not liable to retire by rotation, to hold office for the term of 5 (five) consecutive years with effect from June 27, 2024, subject to the approval of the shareholders at the ensuing AGM through special resolution. Upon receipt of the said shareholder's approval, Mr. Seth shall be re-designated as an Independent Director of the Company for the term of 5 years with effect from June 27, 2024.

Re- appointment

- The Board of Directors at its Meeting held on August 14, 2024 approved re-appointment of Mr. Jayesh P. Choksi (DIN: 00001729) as a Chairman & Managing Director, who has attained the age of 70 years for a period of 5 (five) years commencing from 1st April, 2025 to 31st March, 2030 (both days inclusive)on the terms and conditions mentioned in the Notice convening the 40th AGM, subject to the approval of the shareholders through special resolution.
- The Board of Directors at its Meeting held on August 14, 2024 approved re-appointment of Mr. Pranav Choksi (DIN: 00001731) as a Whole Time Director designated as "Whole Time Director and Chief Executive Officer" for a period of 5 (five) years commencing from 1st April, 2025 to 31st March, 2030 (both days inclusive)on the terms and conditions mentioned in the Notice convening the 40th AGM, subject to the approval of the shareholders through special resolution.

Cessation

- With deep regret, we report the sad demise of our Independent Director Mr. Shrirang Vaidya (DIN: 03618800), on April 01, 2024. His sudden and unexpected demise is an irreparable loss to the Company. The Board of Directors and Employees of the Company extend heartfelt sympathy, sorrow and condolences to his family.
- Mr. Dilip Ghosh (DIN: 00412406) resigned as a Whole Time Director (Key Managerial Personnel) of the Company with effect from close of business hours on June 27, 2024, owing to his health issues.
- Dr. Rabi Sahoo (DIN: 01237464) ceased to be the Independent Director of the Company with effect from close of business hours on June 28, 2024, due to completion of his second term as an Independent Director.

Your Directors would like to place on record their highest gratitude and appreciation for the guidance given by the aforesaid officials to the Board during their association as directors of the Company.

During the year under review, there were no cessation of any of the Directors. Apart from above, there were no changes in the Directors or Key Managerial Personnel of the Company.

Re-appointment of Director retiring by Rotation

In accordance with the provisions of Section 152(6) of the Act read with the rules made thereunder and in terms of Articles of Association of the Company, Mr. Pankaj Gandhi (DIN :00001858), Whole Time Director of the Company is liable to retire by rotation at the ensuing 40th AGM and being eligible, offered himself for re-appointment. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended his appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations read with Secretarial Standard – 2 on General Meetings relating to the aforesaid appointment/re-appointment of directors are given in the Notice of AGM.

Key Managerial Personnel ("KMP")

Pursuant to Section 203 of the Act, the Key Managerial Personnel ("KMP's") of the Company as on date of this report are Mr. Jayesh P. Choksi, Chairman & Managing Director; Mr. Pranav J. Choksi, Chief Executive Officer and Whole Time Director; Mr. Pankaj J. Gandhi, Whole Time Director; Mr. Devkinandan B. Roonghta, Chief Financial Officer and Ms. Ami N. Shah, Company Secretary & Compliance Officer.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the schedules and rules issued thereunder, as well as Regulation 16(1)(b) of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed 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 judgement and without any external influence.

All Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ("IICA") and have passed the proficiency test, if applicable. They have also confirmed compliance of Schedule IV of the Act and the Company's Code of Conduct.

Based on disclosures provided by them, none of them are disqualified/debarred from being appointed or continuing as Directors of the Company by any order of Ministry of Corporate Affairs / SEBI or any other statutory authorities.

In the opinion of the Board, all the Independent Directors of the Company possess the highest standard of integrity, relevant expertise and experience, including the proficiency required to best serve the interest of the Company.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company has in place a Policy on criteria for Appointment of Directors, KMP's and Senior Management Personnel and Evaluation of their performance. The Policy is available on the Company's website and can be accessed at http://gufic.com/wp-content/uploads/2016/08/AppointmentofDirectorsKMP201718.pdf

The said Policy lays down guiding principles for selection and appointment of Directors, KMP's and Senior Management

Personnel and for determining qualifications, positive attributes and formulating Remuneration Policy for Executive and Non-Executive Directors of the Company.

The details of the said policy are included in the Report on Corporate Governance forming part of this Report. There has been no change in the aforesaid policy during the year under review.

Further, neither the Managing Director nor its Whole Time Director draws any remuneration or commission from any of the subsidiary companies.

FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of SEBI Listing Regulations, the Company has put in place a Familiarization Programme for the Independent Directors to familiarise them with the Company, nature of industry in which the Company operates, business model, risks and challenges associated with the business and such other relevant information, which would enable them to take well informed decisions, discharge the responsibilities and functions conferred on them. Details of Familiarisation Programme imparted during the financial year under review has been uploaded on the Company's website and can be accessed at http://gufic.com/wp-content/uploads/2024/04/Familarisation%20Programme%202023-24.pdf

Your Company ensures that every new Independent Director upon appointment to the Board, undergoes an introductory programme designed to familiarize them with the Organization. This includes visits to the manufacturing plant, interactive sessions with functional heads through which they can understand the Company's objective, business operations, current progress and future prospects etc. Further, during the meeting of the Board, the Directors receive comprehensive updates on Company performance, industry scenario, business strategy, associated risks, relevant statutory amendments, Company's policies and procedures, etc.

The format of the terms and conditions outlined in the letter of appointment, which defines their role, function, duties and responsibilities, provided at the time of appointment can be accessed at following link:

http://gufic.com/wp-content/uploads/2022/05/Terms%20and%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf

PERFORMANCE EVALUATION

In compliance with the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the Annual Performance evaluation of Individual Directors, Committees of the Board and the Board as a whole in accordance with the framework and criteria laid down by the NRC. A structured questionnaire was prepared separately for the Board, Committees and Individual Directors, inter-alia covering various parameters viz. composition and structure of the Board, responsibilities, attendance including participation of the Directors at the Board and Committee meetings, governance and compliance as a whole, quality of deliberations and effectiveness of the procedures and all other factors. The above criteria are broadly based on the SEBI Guidance Note on Board Evaluation.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Further, Independent Directors at their separate meeting had evaluated performance of Non-Independent Directors, Board as a whole, Chairman of the Board and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

The manner in which the evaluation has been carried out and matters incidental thereto, have been detailed in the Report on Corporate Governance, which forms part of this report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 7 (Seven) times during the year under review. Details of the meetings of the Board of Directors along with other details are provided in the Report on Corporate Governance, which forms part of this Report. The intervening gap between the two consecutive Board meetings did not exceed 120 days as prescribed under Section 173 of the Act, Regulation 17 of SEBI Listing Regulations and Secretarial Standard on Board Meetings (SS-1) issued by the Institute of Company Secretaries of India ("ICSI").

COMMITTEES OF THE BOARD

During the year under review, the Board of Directors at its meeting held on May 29, 2023 have constituted the Executive Committee to expedite all matters relating to business operations and for dealing with various urgent operational matters. This includes availing banking facilities, opening bank accounts, delegating operational powers to the employees, appointing authorized representatives to represent the Company before various statutory authorities and other routine administrative matters.

To effectively discharge the obligations and to comply with the statutory requirements, the Company has in place 6 (six) Committees of the Board as on March 31, 2024 viz.:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Nomination & Remuneration Committee;

4. Risk Management Committee;
5. Stakeholders' Relationship Committee; and
6. Executive Committee

The details of all the Committees along with their composition, terms of reference, meetings held during the year and attendance at the meetings are disclosed in the Report on Corporate Governance that forms part of this Annual Report.

AUDIT COMMITTEE

As on March 31, 2024, the Audit Committee comprises of 6 (Six) members which is in compliance with the provisions of the Act and SEBI Listing Regulations. The details pertaining to composition of the Audit Committee along with other details are included in the Report on Corporate Governance, which forms part of this Annual Report.

MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of the Independent Directors was held on November 09, 2023. The details of the meeting held are included in the Report on Corporate Governance, which forms part of this report.

CODE OF CONDUCT

The Board of Directors at its meeting held on August 11, 2023 amended the Code of Conduct for the Board of Directors and Senior Management ("Code") including a revised definition of senior management. The Code places a strong emphasis on maintaining integrity in both workplace and business practices, promoting honest and ethical conduct, and fostering diversity and fairness, among other important principles. The Code can be accessed at following link: http://gufic.com/wp-content/uploads/2024/05/Code%20of%20conduct%20for%20directors%20and%20Senior%20Management%20Personnel.pdf

The members of the Board and Senior Management of your Company have submitted their affirmation on compliance with the Code of Conduct of the Company during the Financial Year 2023-24, as required under the provisions of SEBI Listing Regulations. A declaration to that effect duly signed by Mr. Pranav J. Choksi, Chief Executive Officer and Whole Time Director, pursuant to Regulation 17(5) read with Schedule V of the SEBI Listing Regulations forms part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statement relates and date of this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations provided to them and pursuant to the provisions of Section 134(3) (c) read with Section 134(5) of the Act, your Directors hereby state and confirm that:-

a. in the preparation of the annual accounts/financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year March 31, 2024 and of the profit of your Company for that period;

c. proper and sufficient care has been taken 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. the annual accounts/ financial statements have been prepared on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

During the year under review, the Company has successfully implemented Systems, Applications and Products in data processing ("SAP") which has been effectively utilized for day-to-day transaction, accounting and financial reporting. Investment in advanced automation systems has streamlined accounting and financial closing procedures across various domains, enhancing accuracy and expediting financial reporting while minimizing manual intervention. Automated financial statement preparation ensures end-to-end system-driven reporting across the Group, thereby reducing the potential for manual errors.

The Company has adequate internal control system and mechanism which is commensurate with nature of its business, size, scale and complexity of its operations. The Company has implemented a comprehensive framework which includes formulation of Standard Operating Procedures (SOPs), Procedures and Controls, which are regularly audited to safeguard its assets, ensure the accuracy and reliability of financial reporting, enhance operational efficiency and ensure compliance with applicable laws and regulations. Clear roles and responsibilities have been defined for each process establishing accountability and promoting efficiency throughout the organization. The Company has also set up Management Information System (MIS) to facilitate informed decision making. The Company continues to have periodical internal audits conducted of all its functions and activities to ensure that systems and processes are followed across all areas.

Internal Financial Controls are an integral part of the risk management framework and process that address financial and financial reporting risks. The Company has in place adequate internal financial controls with reference to the Financial Statement.

The management diligently considers and takes appropriate actions on the recommendations made by the Internal Auditors, Statutory Auditors and the Audit Committee. The Audit Committee on a quarterly basis reviews the adequacy and effectiveness of the Company's Internal Controls and monitors the implementation of recommendations of the Auditors, if any.

The Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively as intended.

REPORTING OF FRAUDS

During the year under review, none of the Auditors has reported to the Audit Committee any instances of fraud committed in the Company by its officers or employees, as required under Section 143 (12) of the Act.

DEPOSITS

During the financial year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no amount on account of principal or interest on public deposits was outstanding as on March 31, 2024.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2024, are set out in Notes to the Financial Statements of the Company provided in this Annual Report.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to provisions of Section 124 and other applicable provisions, if any, of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after completion of 7 (seven) years. Accordingly, during the year under review, unpaid or unclaimed dividend amounting to ₹ 43,042/- (Rupees Forty-Three Thousand and Forty-Two Only) was transferred by the Company to the IEPF.

In accordance with the IEPF Rules, the shares on which the dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, 5344 unclaimed shares were transferred to IEPF during the year under review.

The Company has issued individual notices to the members whose equity shares are liable to be transferred to IEPF within the stipulated time frame in the current financial year i.e. 2024-25 to claim their dividend on or before October 10, 2024. Details of unclaimed dividends and shareholders whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company at http://gufic.com/media/investors/unclaimed_shares/gufic-iepf/Transfer%20of%20Shares/

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year under review with related parties were in its ordinary course of business and on an arm's length basis and in accordance with the Company's policy on Related Party Transactions.

The approval of the Audit Committee was sought for all Related Party Transactions and prior omnibus approval is obtained for transactions which are repetitive in nature and/ or entered in the ordinary course of business and are at arm's length. A statement of related party transactions is placed before the Audit Committee and the Board of Directors for their review on a quarterly basis. There are no materially significant related party transactions made by the Company, which may have potential conflict with the interest of the Company. All the related party transactions entered during the year under review, were in compliance with the provisions of the Act and SEBI Listing Regulations.

Apart from remuneration and sitting fees, there is no pecuniary transaction with any director, which had potential conflict of interest with the Company.

During the period under review, the Company has not entered into any contracts/ arrangements/ transactions with related parties which qualify as material in accordance with the Policy of the Company on Materiality of Related Party Transactions and hence there is no information to be provided in Form AOC-2 as required under Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Policy on Related Party Transactions as formulated/ amended from time to time, by the Board is available on the Company's website at http://gufic.com/wp-content/uploads/2016/08/Related%20Party%20Transactions%20Policy.pdf

Attention of Members is also drawn to Note 39 of the Financial Statements for the year ended March 31, 2024 which sets out the related party disclosures as per the Ind AS-24.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act. As on March 31, 2024, the CSR Committee comprises of 4 (Four) members which is in compliance with the provisions of the Act. The details pertaining to composition of the CSR Committee along with other details are included in the Report on Corporate Governance, which forms part of this Annual Report. The role of the Committee is to review the CSR Policy, indicate activities to be undertaken by the Company towards CSR and formulate a transparent monitoring mechanism to ensure implementation of projects and activities undertaken by the Company towards CSR.

The key philosophy of the CSR initiative of the Company is to promote development through social and economic transformation. During the period under review, the Company spent CSR amount in the areas of promoting healthcare, education, sports and animal welfare. The CSR Policy of the Company are available on the website of the Company and can be accessed at http://gufic.com/wp-content/uploads/2021/08/Corporate%20Social%20Responsibility%20Policy.pdf

M/s. P S Choksi Foundation, a company limited by guarantee under Section 8 of the Act, was incorporated on June 7, 2024. Your Company is a subscriber to the Memorandum of Association of this foundation, which will serve as an implementing agency for the Company's CSR activities as prescribed under Schedule VII of the Act.

The Annual Report on CSR containing, details of CSR Policy, composition of CSR Committee, CSR expenditure and web-link thereto on the website of the Company, as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **"Annexure C"** of this Report.

CONSERVATION OF ENERGY

1. Steps taken by the Company or impact on conservation of energy

- **Setting optimum frequency for all air conditioning units** to promote energy savings. Additionally, higher-efficiency air conditioning units have been installed in to further enhance power savings.
- Have in place motion sensors for lighting load optimisation. Higher-wattage CFL lights have been replaced with lower-wattage LED lights to support power-saving efforts.
- Implementing energy-efficient practices by ensuring power factor between 0.99 to 1.0
- **Installation of energy meters** for the new plant and new machines to facilitate continuous monitoring of kilowatt-hours (kWh) and utilizing an Online Energy Monitoring System to track daily consumption, enabling analysis and reduction of excess power use by comparing it with production levels.
- **Installed water level controllers and level sensors** in the bore well that supplies water to the facility to reduce water wastage.
- Automation panel with temperature sensors, flow meters and Variable Frequency Drives (VFDs) has been designed for new cooling tower pumps and fans to support energy-efficient operations for chillers.

2. Steps taken for utilizing alternate source of energy

- Replacing conventional fuels is a positive step towards adopting a more sustainable and eco-friendly approach to energy consumption which includes Transitioning to biomass briquettes for steam generation.
- Express feeders in main RAW power source has been treated beneficial in terms of efficiency, reliability and overall power distribution system.
- Utilizing DG sets and UPS power as an alternative power sources to ensure uninterrupted operations during power outages.

3. Capital investment on energy conservation equipment

During the year under review, the Company did not make any specific capital investments in energy conservation. However, the Company remains committed to continuously exploring and integrating new technologies and tools aimed at saving energy, reducing consumption, and utilizing renewable energy sources.

TECHNOLOGY ABSORPTION

(I) Efforts made towards technology absorption

a. **Updating and improving processes and systems** used for existing products.

b. **Adopting a green chemistry-based approach** for product development and analysis.

c. **Developing and introducing new green novel drug delivery system technologies** to enhance safety, efficacy, bioavailability, and the molecular ADME properties of both existing and new products.

d. **Focusing on the development and launch of new drug delivery systems,** with a special emphasis on lyophilized products

e. **Researching and developing novel drug delivery systems** such as microspheres, liposomes, nanoemulsions, etc.

f. **Developing various biological products** like oral COVID vaccines, oral dengue vaccines, etc.

g. **Working on more than 70 products for domestic and regulated markets,** with comprehensive R&D detailing and market research data

h. **Maintaining product quality from initial R&D** by utilizing a Quality by Design (QbD) approach for regulated markets.

i. **Filing patents for different NDDS-based projects,** including liposomes, nanoemulsions, etc.

j. **Conducting accelerated and real-time stability studies** of products to ensure quality throughout their shelf life.

(II) Benefits derived as a Result of R & D

a. Successfully launched more than 30 Generic products in the domestic and international market in the financial year 2023-24.

b. About 25 products are poised for commercialisation in the financial year 2024-25.

c. More than 70 New products are under development.

d. Development of new drug delivery systems and devices to improve patient benefit.

e. Development of products for import substitution.

(III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Details of technology imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
Penem Product in dual chamber bag	2020-21	Yes	Product Launched
Super purified Menotropin	2021-22	Yes	Product Launched
Super purified Urofollitropin	2023-24	No	Product under development

(IV) Expenditure incurred on Research and Development

₹ in Lakhs

Particulars	2023-24	2022-23
Capital Expenditure	124.84	214.17
Revenue Expenditure	541.25	515.59
Total	**666.09**	**729.76**

FOREIGN EXCHANGE EARNINGS AND OUT-GO

₹ in Lakhs

Particulars	2023-24	2022-23
Earnings in foreign currency	9,105.15	8,603.22
Out-go in foreign currency	20,483.07	27,156.19

RISK MANAGEMENT

The Company has in place a Risk Management Policy and framework to identify and assess risks associated with the business and ensure that there exists a proper management process to mitigate or minimize the same. The Board has constituted Risk Management Committee which oversees the implementation of Risk Management policy as well as risk management and mitigation framework. As on March 31, 2024, the Risk Management Committee comprises of 7 (Seven) members which is in compliance with the provisions of the Act and SEBI Listing Regulations. The Committee also diligently monitors and reviews the effectiveness of the risk management plan on an ongoing basis. Additionally, the Audit Committee also have an oversight on financial risks. Together, these committees ensures that a robust risk management framework is in place.

Your Board of Directors reviews the risk management policy, at least once in two years, to adapt to evolving industry dynamics and increasing complexity. The Company takes a proactive approach to risk mitigation, systematically addressing major risks through appropriate actions and measures.

The risk management policy adopted by the Company can be accessed on the Company's website at http://gufic.com/wp-content/uploads/2024/08/Risk-Management-Policy.pdf

The details pertaining to composition of the Risk Management Committee along with the meetings held during the year and other details are included in the Report on Corporate Governance, which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are provided in "**Annexure - D"** to this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with Section 177 of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has in place a vigil mechanism i.e. Whistle Blower Policy for directors and employees to report genuine concerns about unethical behavior, actual or suspected violation, malpractices, corruption, fraud or unethical conduct, leak of unpublished price sensitive information, violation of Code of Conduct, etc. to the Chairperson of Audit Committee without any fear of reprimand, retaliation, victimization or unfair treatment.

The Vigil Mechanism provides for direct access to the Chairperson of the Audit Committee. The policy is reviewed by the Audit Committee from time to time. The details of the policy are made available on the website of the Company at the following link: http://gufic.com/wp-content/uploads/2016/08/WHISTLE_BLOWER_POLICY.pdf.

It is affirmed that during the financial year 2023-24, no employee or director was denied access to the Audit Committee. Further, no concerns or irregularities have been reported by employees/directors till date.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant or material orders were passed by the regulators or courts or tribunals which could impact the 'going concern' status and the future operations of the Company.

AUDITORS & AUDIT REPORT

a) Statutory Auditor

M/s. Mittal Agarwal & Co., Chartered Accountant (FRN: 131025W) were appointed as the Statutory Auditors of the Company by the Shareholders at the 36th AGM of the Company to hold office for a period of 5 (five) consecutive years commencing from the conclusion of the 36th AGM until the conclusion of 41st AGM. The Statutory Auditors have confirmed their independent status and eligibility to act as a Statutory Auditor of the Company, pursuant to applicable provisions of the Act. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI, pursuant to SEBI Listing Regulations.

Auditor's Report for the year under review forms part of this annual report. There is no qualification, reservation or adverse remark in their report on Financial Statement for FY 2023-24. The Notes on financial statements referred to in Auditor's Report are self-explanatory and do not call for any further comments.

b) Cost Auditor

The Company is required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Act and accordingly, such accounts and records are made and maintained by the Company.

The Board has, on recommendation of Audit Committee, appointed M/s. Kale & Associates, Cost Accountants, Mumbai (Firm Registration No. 001819) to audit the cost records of the Company for the financial year 2024-25 pursuant to Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Record and Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force). The Cost Auditors have confirmed that their appointment is in accordance with the applicable provisions of the Act and rules framed thereunder and that they are not disqualified to be appointed as the Cost Auditors of the Company for the year ending March 31, 2025. As per the said provisions, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders at the ensuing AGM. Accordingly, a resolution seeking ratification by members for their remuneration, forms part of the Notice convening 40th AGM. The Board recommends the same for approval of Members.

In compliance with Section 148 of the Act and Rule 6 of the Companies (Cost Records and Audit) Rules, 2014, Cost Audit Report in the Form CRA - 4 (XBRL mode) for the financial year ended March 31, 2023, was filed by the Company with the Central Government on October 05, 2023. The Cost Auditors' Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark. The Cost Audit Report for the year ended March 31, 2024 shall be filed within the prescribed timeline in due course.

c) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration on

Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, the Board of Directors of the Company appointed M/s. Manish Ghia & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2023-24.

The Secretarial Audit Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report are self-explanatory and do not require any further explanation. The Secretarial Audit Report in the prescribed Form No. MR – 3 is annexed to this Report as "**Annexure – E**".

The Annual Secretarial Compliance Report for the financial year ended March 31, 2024, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of SEBI Listing Regulations, was submitted to the concerned Stock Exchange(s) on May 21, 2024 which is within the prescribed timeline. The said Report does not contain any qualification, reservation or adverse remark.

d) Internal Auditor

The Company has its in-house Internal Audit team within the organization led by the Chief Internal Auditor, Mrs. Saroj R. Kirdolia, Chartered Accountant .

Significant audit observations and corrective actions by the Internal Auditor thereon are presented to the Audit Committee of the Board and reviewed on quarterly basis. Based on report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with all the applicable mandatory Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India ("ICSI").

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website at : https://gufic.com/Notice/Annual%20Return%202023-24%20Form%20MGT%207.pdf

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as prescribed under Part B of Schedule V read with Regulation 34 of the SEBI Listing Regulations is provided in a separate section and forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report of the Company for the Financial Year 2023-24 forms a part of this Annual Report as required under Regulation 34(2)(f) of SEBI Listing Regulations. The Board of Directors have also adopted a Business Responsibility and Sustainability Policy ("BRSR Policy") which is available on the website of the Company at http://gufic.com/wp-content/uploads/2023/05/Business%20Responsibility%20Policy.pdf

REPORT ON CORPORATE GOVERNANCE AND CERTIFICATE

The Company demonstrates unwavering dedication to upholding the utmost standards of Corporate Governance and diligently follows the regulations prescribed by the Securities and Exchange Board of India ("SEBI"). Furthermore, the Company have integrated numerous exemplary governance practices and aims to continually augment long-term shareholder value while ensuring utmost regard for minority rights in every aspect of our business choices.

Report on Corporate Governance along with certificate received from M/s. Manish Ghia & Associates, Practicing Company Secretaries and Secretarial Auditors of the Company confirming compliance of conditions of Corporate Governance for the year ended March 31, 2024 forms part of this Annual Report.

CYBER SECURITY INCIDENCE

Due to the rising frequency of cyber attacks, your Company periodically reviews the cyber security maturity and continuously enhance the processes and technology controls to align with evolving threat scenarios. Your Company's technology environment is equipped with real-time security monitoring and essential controls across end user machines, network, applications and data layers.

Cyber security constitutes a critical component of our risk management framework and receives focused attention from the Board of Directors and management. Additionally, the Board of Directors receives periodic reports on our cyber security incidents as needed.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

Prevention of Sexual harassment forms an integral part of our commitment to provide an equal opportunity and harassment-free workplace. Your Company has established an Internal Complaints Committee ("ICC") dedicated to promptly addressing sexual harassment complaints and ensuring their timely resolution. We uphold a zero-tolerance policy towards sexual harassment.

Your Company has adopted a comprehensive policy on the prevention, prohibition, and redressal of sexual harassment which is aligned with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules framed thereunder. This policy outlines clear guidelines for the redressal and investigation processes to be followed by complainants and the ICC when handling sexual harassment issues in the workplace. The policy extends its coverage to all employees, including permanent, temporary, contractual and trainees. New employees participate in detailed orientation programs designed to raise awareness and foster sensitivity, contributing to a respectful workplace environment.

During the year under review, no complaints of sexual harassment were reported to the Company. The Company has duly submitted the Annual Returns to the relevant local authorities, as mandated by the POSH Act.

GREEN INITIATIVE

As a responsible Corporate Citizen, the Company embraces the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report and Notices to the Shareholders at their e-mail address registered with the Depository Participant (DPs) and Registrar and Share Transfer Agent.

We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA / Company, to receive soft copies of the Annual Report and other information disseminated by the Company. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA/ Company, by sending KYC updation forms duly signed by the shareholder(s) with required details.

We invite Shareholders who haven't registered their e-mail addresses to join this initiative and support environment sustainability.

HUMAN RESOURCES

Your Company values its employees as crucial resources driving the organization's growth. The Company takes pride in the commitment, competence and dedication exhibited by its employees across all facets of our operations.

Attracting, developing and retaining top talent remains a key strategic imperative and the organization maintains a steadfast focus in this regard. We have established objective and transparent processes for Recruitment, Selection, Performance Management and Talent Management.

In our competitive industry, we recognize the importance of cultivating a workforce that is consumer-focused, performance-driven and future-ready. The Company is dedicated to nurturing, enhancing and retaining our top talent through robust learning and organizational development initiatives, fostering a performance culture that enables our people to thrive. Moreover, the Company has fortified its focus on enhancing the overall well-being of the employees.

Industrial relations remained cordial throughout the year under review.

CODE FOR PREVENTION OF INSIDER TRADING

The Board of Directors has formulated a Code of Conduct for Insiders ("Code of Conduct") and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Code of Fair Disclosure") to regulate, monitor and report trading activities by its designated person and their immediate relatives. The Company also maintains a Policy on Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI). This Policy specifies the procedures to be followed by Designated Persons while dealing in shares of the Company when in possession of UPSI. The Codes outlines their obligations and responsibilities of Designated Persons, maintenance of the structured digital database, pre-clearance procedures, mechanism to prevent insider trading, handling and disclosure of UPSI for legitimate purposes, consequences of violations. The Company has also maintained Structured Digital Database (SDD) to ensure compliance with the statutory requirements. The Company ensures that the Designated Persons are familiarized about the Code of Conduct and trained on maintaining SDD. Further, the Compliance Officer has received requisite disclosure from the Directors and Designated Persons in compliance with the Code from all the designated persons.

The aforementioned Codes can be accessed on the website of the Company at the following web link:

Code of Conduct: http://gufic.com/wp-content/uploads/2020/06/Conduct-for%20Insider%20Trading.pdf

Code of Fair Disclosure:

http://gufic.com/wp-content/uploads/2016/08/Code%20of%20Fair%20Disclosure%20and%20determination%20of%20Legitimate%20Purpose.pdf

CREDIT RATING

The details of the Credit Rating received by the Company have been provided in the Report on Corporate Governance, forming part of this Annual Report.

GENERAL DISCLOSURES

During the year under review, the Board of Directors confirm that no disclosure or reporting is necessary for the following, as there were no transactions / events of such nature:

a. no application has been made under the Insolvency and Bankruptcy Code, 2016, as amended, hence, the requirement to disclose the details of application made or any proceeding pending under the said Code along with their status as at the end of the Financial Year is not applicable.

b. the requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done, while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable as there was no such valuation done.

c. there was no revision of financial statements and Board's Report of the Company.

d. the Company has not failed to implement any corporate action.

e. there were no agreements entered by the Company which comes within the purview of Regulation 30A of SEBI Listing Regulations.

f. the trading of securities of the Company were not suspended by the stock exchanges.

ACKNOWLEDGEMENTS

Your Board of Directors extends its heartfelt appreciation and acknowledgement to all stakeholders, employees and partners whose dedication and commitment have been instrumental in achieving significant milestones for Gufic. We recognize the relentless efforts and resilience demonstrated by our employees across all levels, whose hard work and dedication have propelled us towards our business goals. This past year has seen notable achievements, thanks to the collective efforts of our team and the unwavering support of our stakeholders. We remain committed to nurturing these relationships and pursuing growth opportunities together.

We are deeply grateful to our shareholders for their continued trust and support in our strategic direction. Their support has been integral to our consistent progress and success. Our partnerships with customers, suppliers, and business associates have proven invaluable, providing crucial support and collaboration that enabled us to navigate challenges and sustain our position in the industry.

In conclusion, we sincerely appreciate everyone involved in Gufic's journey. Together, we look forward to a future marked by sustained growth and shared success.

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Jayesh P. Choksi
Chairman & Managing Director
DIN: 00001729

Place: Mumbai
Date: August14, 2024

"ANNEXURE A" TO THE BOARD'S REPORT

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities and Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
GUFIC BIOSCIENCES LIMITED
Shop - 37, First Floor, Kamala Bhavan II,
S Nityanand Road, Andheri East,
Mumbai - 400069

We, Manish Ghia & Associates, Company Secretaries in practice, have been appointed as the Secretarial Auditor vide a resolution passed at their meeting held on November 9, 2023 by the Board of Directors of Gufic Bioscience Limited having CIN: L24100MH1984PLC033519 and having its registered office at Shop - 37, First Floor, Kamala Bhavan II, S Nityanand Road, Andheri East, Mumbai - 400069 (hereinafter referred to as "the Company"). This certificate is issued under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), for the financial year ended on March 31, 2024.

We have been requested by the Company to certify that the **Gufic Biosciences Limited -Employee Stock Option Plan, 2023** ("Gufic ESOP 2023") as approved by the Board of Directors of the Company at their meeting held on August 11, 2023 and by the members vide special resolution passed at the 39th Annual General Meeting held on September 29, 2023 (collectively hereinafter referred to as **"Scheme"**) has been implemented by the Company in accordance with the Regulations and the approval of members.

Management Responsibility:

It is the responsibility of the management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

For the purpose of verifying that the implementation of the Scheme by the Company is in accordance with the Regulations and in accordance with the approval of members, we have examined the following documents:

1. The Scheme received from the Company;
2. The Memorandum and Articles of Association of the Company;
3. Resolution passed at the meeting of the Board of Directors held for approving the Scheme;
4. Shareholders resolution passed at the 39th Annual General Meeting for approving the Scheme;
5. Applicable e-forms submitted to the Registrar of Companies;
6. Resolution passed at the meeting of the Committee held for approving the Scheme;
7. Detailed Terms and Conditions of the Scheme as approved by Committee;
8. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations; and
9. Relevant provisions of the Regulations, Companies Act, 2013 and the rules made thereunder.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the implementation of the Scheme is in accordance with the Regulations to the extent applicable, and in accordance with the resolution passed by the members of the Company at their meeting held on September 29, 2023.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Manish Ghia & Associates
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: August 14, 2024
UDIN: F006252F000963868

"ANNEXURE B" TO THE BOARD'S REPORT
FORM NO. AOC-I
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

₹ in Lakhs

Name of subsidiary	Gufic UK Limited
Date of incorporation/ acquisition of subsidiary	Date of incorporation: March 15, 2022 Date of investment: September 13, 2023
Reporting Period	April 2023- March 2024
Reporting currency	GBP
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	105.24
Share Capital	1.04
Reserves & Surplus	-
Total Assets	1.04
Total Liabilities	1.04
Investments	-
Turnover	-
Profit before Taxation	-
Provision for Taxation	-
Profit after Taxation	-
Proposed Dividend	-
% of shareholding	100%

1. **Names of subsidiaries which are yet to commence operations:** Gufic UK Limited

   Note: As on March 31, 2024, the Company have neither made investment in Gufic Ireland Limited, Veira Life FZE and Gufic Prime Private Limited nor they have begun their business operations. Hence, the details of the said companies are not specified.

2. **Names of subsidiaries which have been liquidated or sold during the year:** Nil

Part "B" : Associates and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors of
Gufic Biosciences Limited

Sd/-
Jayesh Choksi
Chairman & Managing Director
DIN: 00001729

Sd/-
Pranav Choksi
CEO & Whole Time Director
DIN: 00001731

Sd/-
D.B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary
Mem. no. A39579

Place: Mumbai
Date: May 29, 2024

"ANNEXURE C" TO THE BOARD'S REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules,2014]

1. Brief outline on CSR policy of the Company

Gufic's Corporate Social Responsibility (CSR) policy reflects its commitment to corporate social responsibility by establishing guidelines for executing socially beneficial programs aimed at the welfare and sustainable development of the community. Gufic is dedicated to enhancing the quality of life and positively impacting society and its operational areas through a focus on social responsibility, ethics and environmental sustainability. The Company's CSR efforts are aligned with Schedule VII of the Companies Act, 2013 ("Act"), covering key areas such as healthcare, education and animal welfare, among others.

Our CSR initiatives are designed to support the development and upliftment of underprivileged and economically disadvantaged groups. These activities are carried out both directly by the Company and through various implementing agencies. The CSR Policy ensures compliance with the Act and rules made thereunder. The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

2. Composition of CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Gopal M. Daptari	Chairman of CSR Committee / Independent Director	2	2
2	Mr. Shreyas K. Patel	Member of CSR Committee / Independent Director	2	2
3	Mr. Jayesh P. Choksi	Member of CSR Committee / Chairman & Managing Director	2	1
4	Mr. Pranav J. Choksi	Member of CSR Committee / Chief Executive Officer and Whole Time Director	2	2

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

Sr. No.	Particulars	Weblink
1	CSR Committee	http://gufic.com/media/investors/composition-of-board/
2	CSR Policy	http://gufic.com/wp-content/uploads/2021/08/Corporate%20Social%20Responsibility%20Policy.pdf
3	CSR Project	http://gufic.com/media/investors/updates/csrproject/

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Impact assessment report was not applicable in FY 2023-24 for the CSR projects undertaken by the Company.

5. (a) Average net profit of the company as per section 135(5): ₹ 9704.46 Lakhs

(b) Two percent of average net profit of the company as per section 135(5): ₹ 194.09 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: ₹ 82.42 Lakhs

(e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 111.67 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project): ₹ 271.01 Lakhs*

(b) Amount spent in Administrative Overheads: NIL

© **Amount spent on Impact Assessment, if applicable:** NA

(d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 271.01 Lakhs

*Includes amount of ₹ 82.42 lakhs excess spent during the financial year 2022-23. Further, the contribution of ₹ 5 lakhs made towards CSR activities through an implementing agency during the Financial Year 2022-23 but not utilized within the said year, has been utilized in the Financial Year 2023-24. Thus, the said amount of ₹ 5 lakhs have also been considered.

(e) CSR amount spent or unspent for the financial year:

₹ in Lakhs

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
271.01	NIL	NA	NA	NIL	NA

(f) Excess amount for set off, if any:

₹ in Lakhs

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	194.09
(ii)	Total amount spent for the Financial Year	271.01
(iii)	Excess amount spent for the financial year [(ii)-(I)]	76.92
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	76.92

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount in unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any.		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
NIL								

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year (Yes/No) : No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Jayesh P. Choksi
Chairman & Managing Director
DIN: 00001729

Place : Mumbai
Date : August 14, 2024

For and on behalf of the CSR Committee
of Gufic Biosciences Limited

Sd/-
Gopal M. Daptari
Chairman of CSR Committee
DIN: 07660662

"ANNEXURE D" TO THE BOARD'S REPORT

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Information as per Rule 5(1) of Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the percentage increase/(decrease) in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2023-24:

Sr. No.	Name	Designation	% increase remuneration in the year ended March 31, 2024	Ratio of the remuneration of each Director to the median remuneration of the employees
1	Mr. Jayesh P. Choksi	Chairman & Managing Director	19.34	13.93
2	Mr. Pranav J. Choksi	Chief Executive Officer & Whole Time Director	117.18	12.80
3	Mr. Pankaj J. Gandhi	Whole Time Director	9.93	5.04
4	Mr. Dilip B. Ghosh	Whole Time Director	-	6.17
5	Mr. Devkinandan Roonghta	Chief Financial Officer	-	-
6	Ms. Ami N. Shah	Company Secretary	15.89	-

The remuneration paid to Independent Directors consist of only sitting fees paid to them for attending the meetings of the Board. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

1. The percentage increase in the median remuneration of the employees for the financial year 2023-24 is 13.11%.

2. The Company has 1903 employees on the rolls of Company as on March 31, 2024

3. **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:**

   Average percentile increase in the remuneration for all employees other than managerial personnel was 12.22%, while the average increase in the managerial remuneration was 33.97% The employees were awarded increment in the financial year 2023-24 keeping in view company's progress, service performance, future prospects keeping align with market benchmarks and economy scenario etc. The significant increase in managerial remuneration, particularly for Mr. Jayesh Choksi, Chairman & Managing Director, and Mr. Pranav Choksi, CEO & Director, is attributed to the fact that their remuneration was increased after almost three years since the last increment, thereby accounting for the difference. There are no other exceptional circumstances influencing this adjustment.

4. **Affirmation that the remuneration is as per the remuneration policy of the Company :**

   The Board of Directors of the Company affirm that the remuneration paid is as per the remuneration policy of the Company.

Note: In the above calculation, the definition of employees also include permanent workers on the payroll of the Company.

II. Information as per Rule 5(2) of Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration of top ten employees of the Company

A statement showing the names and other particulars of top ten employees in terms of remuneration drawn forms part of this Report. In terms of first proviso to Section 136(1) of the Act, the Annual Report and Annual Financial Statements are being sent by email to the Members and others entitled thereto, excluding the aforesaid information. Further, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at mgr_legal@guficbio.com / corporaterelations@guficbio.com

2. No employees who were employed throughout the financial year 2023-24 were in receipt of remuneration exceeding Rupees One Crore and Two Lakhs.

3. No employees who were employed for a part of the financial year 2023-24 were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, exceeding Rupees Eight Lakhs and Fifty Thousand per month.

4. No other employees who were employed throughout the financial year 2023-24 or part thereof were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Jayesh Choksi
Chairman & Managing Director
DIN 00001729

Place: Mumbai
Date: August 14, 2024

"ANNEXURE E" TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2024
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gufic Biosciences Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gufic Biosciences Limited** (CIN: L24100MH1984PLC033519) and having its registered office at Shop - 37, First Floor, Kamala Bhavan II, S Nityanand Road, Andheri East, Mumbai – 400069 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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 March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

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

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

(iv) 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;

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(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) 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; **(Not applicable to the Company during the audit period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Listing Regulations)

(vi) The Following laws are specifically applicable to the Company based on their sector/industry.

(a) The Drugs and Cosmetics Act, 1940 and rules made thereunder.

(b) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made thereunder.

(c) Drugs (Prices Control) Order

(d) National Pharmaceutical Pricing Policy, 2012

(e) The Legal Metrology Act, 2009 and rules made thereunder.

(f) The Narcotic Drugs and Psychotropic Substances Act, 1985.

(g) The Poisons Act, 1919

(h) The Food Safety and Standards Act, 2006

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above and in respect of laws specifically applicable to the company based on their sector/industry, in so far as requirement relating to licencing, submission of returns etc.

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. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for few meetings which was held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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

We further report that during the audit period

1. "Gufic Biosciences Limited Employees Stock Options Plan 2023" (the "Gufic ESOP 2023") has been approved by the Board of Directors of the Company at their meeting held on August 11, 2023 and by the members vide special resolution passed at the 39th Annual General Meeting held on September 29, 2023;

2. The Board of Directors at their meeting held on August 11, 2023 had approved the incorporation of subsidiary named "Gufic Prime Private Limited" under the Act (date of incorporation: November 18, 2023). However, during the year under review, the Company has not made investment in the subscribed share capital of Gufic Prime Private Limited;

3. The Board of Directors at their meeting held on September 27, 2023 had approved the Incorporation of Wholly Owned Subsidiary in Dubai, UAE named "Veira Life FZE" (date of incorporation: March 25, 2024). However, the Company is yet to make investment in the subscribed share capital of Veira Life FZE. Accordingly, the said subsidiary is yet to become operative;

4. The Board of Directors at their meeting held on October 11, 2023 has allotted 33,33,000 equity shares of face value of ₹ 1/- each at a price of ₹ 300/- (including premium of ₹ 299/- per Equity share) to M/s. Motilal Oswal Financial Services Limited, Non-Promoter of the Company on Preferential basis.

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

For Manish Ghia & Associates
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: August 14, 2024
UDIN: F006252F000963758

Annexure 'A' to Form No. MR-3 - SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gufic Biosciences Limited
Mumbai

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

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

For Manish Ghia & Associates
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: August 14, 2024
UDIN: F006252F000963758

REPORT ON CORPORATE GOVERNANCE

1. GUFIC'S PHILOSOPHY ON CODE OF GOVERNANCE

At Gufic, we firmly believe that strong corporate governance is fundamental to achieving sustainable performance, long-term corporate objectives and enhancing stakeholder value. Our commitment to transparency, timely disclosures and robust accounting practices, coupled with a strong and independent Board, is essential in maintaining trust and maximizing corporate value. We recognize that effective governance is a continuous journey and are committed to maintaining the highest standards through sound management practices and strict legal compliance.

Our philosophy aims to positively impact lives around the world by embodying core values such as Quality, Reliability, Consistency, Trust, Humility, Integrity, Passion and Innovation. These values are integral to our way of life and serve as the foundation for our Corporate Governance practices. We are committed to applying these principles in all interactions with our stakeholders, including shareholders, employees, consumers, suppliers and regulatory authorities. As a pharmaceutical company, we are dedicated to providing access to affordable and innovative medicines. In our pursuit of this mission, we foster an environment of innovation and continuous learning while striving for excellence in governance and sustained performance.

We believe that robust governance is vital for attaining our long-term goals and fulfilling stakeholder expectations. Our Code of Conduct for Directors and Senior Management, along with the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons, reflect our unwavering commitment to ethical business practices and integrity.

In compliance with Regulation 34 read with the Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, detailed Report on Corporate Governance is set below:

2. BOARD OF DIRECTORS

The Board of Directors ("Board") is pivotal to our corporate governance framework, ensuring that management consistently prioritizes the long-term interests of shareholders and other stakeholders alike. We maintain an active, well-informed and independent Board that upholds the highest standards of governance. The Board holds ultimate responsibility for the Company's strategy, management, general affairs, direction and performance, guided by robust oversight and continuous benchmarking against industry best practices. Under the leadership of the Chairman, the Board fosters effective communication among Directors, providing strategic guidance and overseeing management policies to uphold the Company's best interests at all times.

(A) Composition and size of the Board

Your Company maintains a proactive and diverse Board, composed of experienced and qualified members who prioritize the interests of all stakeholders and uphold our corporate governance principles. Additionally, the Board actively reviews and enhances its governance practices to align with industry best practices and regulatory requirements, ensuring transparency and accountability in all operations.

As on March 31, 2024, the Board comprises of ten (10) Directors, of which two (2) are Executive Promoter Directors including one (1) Chairman & Managing Director, two (2) Executive Non-Promoter Directors, one (1) Professional Non-Executive Non-Independent Director and five (5) Independent Directors including one (1) Woman Independent Director. The composition of the Board complies with the provisions of Section 149 and 152 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI Listing Regulations. Your Company maintains an optimal balance of Executive and Non-Executive Directors, including Independent Directors and a Woman Director. As part of its succession planning efforts, the Board regularly evaluates its composition to ensure alignment with the Company's strategy and long-term requirements.

The Board comprises members with diverse backgrounds spanning business management, medicine, banking & finance and financial management. Members' varied backgrounds enable a broader understanding of regulatory environments and global market trends, aiding in strategic positioning and compliance. The Board's diversity enhances the Company's reputation as an inclusive and forward-thinking organization, attracting talent and partnerships that further fuel growth and innovation.

None of the Directors on the Board:

- holds directorship in more than twenty companies (Public or Private) including maximum limit of ten public companies;
- serves as a Director or as an Independent Director in more than seven listed companies; and
- who are the Executive Directors serve as Independent Directors in more than three listed companies.

During the year under review, following appointments/ re-appointments of Directors took place:

The Board at its meeting held on August 11, 2023 and shareholders at the 39th Annual General Meeting ("AGM") of the Company held on September 29, 2023 through Special Resolution, approved the continuation of directorship of the following directors:

1. Mr. Jayesh P. Choksi (DIN:00001729) as Chairman & Managing Director of the Company on attaining the age of 70

years on March 29, 2024, on the existing terms and conditions duly approved in the 35th AGM held on September 30, 2019.

2. Mr. Gopal M. Daptari (DIN: 07660662) as a Non-Executive Independent Director of the Company who shall attain the age of 75 years on October 29, 2024, until the expiry of his current term.

During the financial year 2023-24, there have been no resignations from the Company by any of the Directors, including the Independent Directors. Thus, disclosure of detailed reasons for the resignation of Independent Director along with their confirmation that there are no material reasons other than those provided by them, is not applicable.

(B) Non-Executive Director's compensation and disclosures

Except Dr. Balram H. Singh, all other Non-Executive Directors are Independent Directors in the Company. No fees or compensations are paid to the Non-Executive Directors, which requires prior approval of the shareholders in a general meeting. The Independent Directors are compensated with only sitting fees, travel expenses for attending the Board Meeting and reimbursement of expenses, if any, incurred on behalf of the Company.

During the year under review, none of the Non-Executive Directors were responsible for the day-to-day affairs of the Company.

(C) Details of Directors, their Attendance and other Directorships/Committee Memberships

During the year under review, Seven (7) meetings of the Board were held i.e., on May 29, 2023; August 11, 2023; September 01, 2023; September 27, 2023; October 11, 2023, November 09, 2023 and February 14, 2024. The necessary quorum was present for all the meetings. The gap between the two Board Meetings was within the period prescribed under Section 173 of the Act and Regulation 17 of the SEBI Listing Regulations and necessary quorum was present in all the meetings of the Board. During the financial year 2023-24, one resolution by way of circulation was also passed on April 17, 2023.

Names and categories of the Directors on the Board, number of Directorship and Committee Chairmanship/ Membership held by them in public companies, shareholding details and their attendance in the Board Meetings and Annual General Meeting (AGM) during the Financial Year 2023-24 are given herein below:

Name of the Director	Category	Attendance			No. of equity shares held in the Company as on 31.03.2024	No. of Directorship in other Companies ^	No. of Chairmanship / Membership in Committees ^ ^		Directorship in other Listed Entities along with the Category of Directorship
		Number of Board Meetings		AGM held on 29.09.2023					
		Entitled to attend	Attended				Chairman-ship	Member-ship	
Executive Director									
Mr. Jayesh P. Choksi	Promoter, Chairman & Managing Director	7	5	Yes	246,90,829	1	Nil	2	Nil
Mr. Pranav J. Choksi	Promoter, Chief Executive Officer (CEO) & Whole Time Director	7	7	Yes	72,68,626	Nil	Nil	2	Nil
Mr. Pankaj J. Gandhi	Non-Promoter, Whole Time Director	7	7	Yes	0	Nil	Nil	Nil	Nil
Mr. Dilip B. Ghosh	Non-Promoter, Whole Time Director	7	7	Yes	72,000	Nil	Nil	Nil	Nil
Non-Executive Director									
Mr. Shreyas K. Patel	Non- Promoter, Independent Director	7	6	Yes	2,600	1	Nil	2	Nil
Mr. Gopal M. Daptari	Non-Promoter, Independent Director	7	6	Yes	0	Nil	Nil	1	Nil
Mr. Shrirang V. Vaidya	Non-Promoter, Independent Director	7	7	Yes	0	Nil	1	1	Nil
Dr. Balram H. Singh	Non-Promoter, Non-Executive Non-Independent Director	7	3	Yes	0	Nil	Nil	Nil	Nil
Dr. Rabi N. Sahoo	Non-Promoter, Independent Director	7	7	Yes	0	Nil	1	1	Nil
Dr. Anu S. Aurora	Non-Promoter, Independent Director	7	7	Yes	0	Nil	Nil	1	Nil

^ Excludes Directorship in Foreign Companies, Private Companies and Companies under Section 8 of the Act.

^ ^ For the purpose of the Chairmanship and Membership of Committees, only the Audit Committee and Stakeholders Relationship Committee of Public Limited Companies are considered as per Regulation 26(1)(b) of the SEBI Listing Regulations, including this Company.

(D) Disclosure of Relationship between Directors inter-se

Mr. Pranav J. Choksi, CEO & Whole Time Director is the son of Mr. Jayesh P. Choksi, Chairman & Managing Director of the Company. Except the aforementioned Directors, none of the Directors are related to each other and there are no inter se relationships between the Directors.

(E) Disclosure for Shares and Convertible Instruments held by Non-Executive Directors

The details of the shareholding of the Directors are as stated in the above table. Further, the Company has not issued any convertible instruments and hence, the disclosure pertaining to holding of convertible instruments in the Company by the Non-Executive Directors does not arise.

(F) Appointment / Re-appointment of Directors

Brief profile of Directors seeking appointment/re-appointment at the forthcoming AGM as required under Regulation 36 of the SEBI Listing Regulations is annexed to the Notice convening the 40th AGM and forming part of this Annual Report.

(G) Chart or Matrix setting out Skills/Expertise/Competence of Board

The Board comprises of professionals of eminence and stature from diverse fields and they collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board's decision-making process.

The Board on recommendation of NRC has identified the following skills /expertise / competencies fundamental for its effective functioning and below table demonstrates skill & competencies possessed by the Directors of the Company:

Areas of Skills /Expertise	Directors who possess the said skills									
	Jayesh Choksi	Pranav Choksi	Pankaj Gandhi	Dilip Ghosh	Shreyas Patel	Gopal Daptari	Shrirang Vaidya	Balram Singh	Rabi Sahoo	Anu Aurora
Visioning and Strategic Planning	√	√	√	√	√	√	√	√		
Industry Knowledge	√	√	√	√	√	√	√	√	√	√
Financial Management and Accounting	√	√	√	√	√	√	√			√
Corporate Governance and Regulatory Requirements	√	√	√	√	√	√	√			
Sales & Marketing	√	√	√	√	√			√	√	√
Leadership Skills	√	√		√	√	√		√		√
International Business Knowledge	√	√		√	√			√	√	√
Networking Skills	√	√	√	√	√	√	√	√	√	√
Risk Management	√	√	√	√	√	√	√	√	√	√

The Board of the Company possesses the required skills and expertise for running the operations of the Company and the marks indicated hereinabove against names of the respective Board Members signify their specific skill/ expertise/ competency in the above-mentioned areas.

(H) Confirmation as regards to independence of Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In accordance with Regulation 25(8) of the SEBI Listing Regulations, all Independent Directors, at the first meeting of the Board in which they participate as Directors and thereafter at the first meeting of the Board in every financial year, have confirmed that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act and the rules framed thereunder. The Independent Directors have further stated that they are not aware of any circumstances 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 Company has also received confirmation from all the existing Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs (IICA) pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors)

Rules, 2014. Based on the disclosures/ declarations received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions of Independence as specified in the Act as well as the SEBI Listing Regulations and are independent of the Management.

(I) Compliance as to applicable laws

As on March 31, 2024, all the Directors have made necessary disclosures confirming that they comply with the provisions relating to maximum number of directorship as specified in Regulation 17A of the SEBI Listing Regulations and Section 165 of the Act and the provisions relating to committee positions as specified in Regulation 26 of the SEBI Listing Regulations.

As per the requirements of Regulation 17 of the SEBI Listing Regulations, the Board of the Company has met at least four times a year and maximum time gap between any two meetings were not more than one hundred and twenty days. The meeting of the Board and the AGM are always held in Mumbai, where the registered office of the Company is situated. The Board Meetings of the Company are governed by a structured agenda and notes which are circulated to the Directors at least seven days before the meeting except for few meetings held on shorter notice for urgent matters and notes related to Unpublished Price Sensitive Information with the consent of majority of the Directors including at least one Independent Director, if any. Wherever it is not practicable to attach any document to the agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. The Board Members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information and supporting documents to enable the Board to take informed decision. Apart from the Board members, the Chief Financial Officer ("CFO") and the Company Secretary ("CS") attend all the Board Meetings. The CS is responsible for convening the Board and Committee meetings, preparation and circulation of Agenda and other documents and recording of the Minutes of the meetings. The CS acts as interface and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

Each Director informs the Company on an annual basis about the board and board committee positions they occupy in other companies, and notifies the Company of any changes regarding their directorships. Pursuant to Section 152 of the Act & Rules made thereunder, Mr. Pankaj Gandhi, Whole Time Director of the Company retires by rotation at the forthcoming AGM and being eligible, seeks re-appointment.

(J) Independent Director Familiarisation Programme

The Company provides formal letters of appointment to the Independent Directors at the time of appointment, outlining their roles, responsibilities and duties to be undertaken by him/her as an Independent Director of the Company along with the copies of the Code of Business Conduct, Insider Trading Code and other policies as may be applicable to them. The terms and conditions of their appointment are disclosed on the Company's website at following link: http://gufic.com/wp-content/uploads/2022/05/Terms%20and%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including finances, sales, marketing of the Company's major business segments, overview of business operations, business strategy and risks involved. The CEO and CFO also engages in one-on-one discussion with newly appointed Directors to familiarize them with the Company's operations. The Board members are timely updated regarding important regulatory amendments applicable to the Company.

The details of the familiarization programme imparted to Independent Directors can be accessed from the website of the Company at http://gufic.com/wp-content/uploads/2024/04/Familarisation%20Programme%202023-24.pdf

3. SENIOR MANAGEMENT:

Details of Senior Management personnel of the Company as on March 31,2024 are as follows:

Sr. No.	Name of the Employee	Designation
1.	Mr. Nagesh Yarrabathina	Chief Operating Officer
2.	Mr. Ashok Dev	President - Operation
3.	Mr. Shekhar Aley	Senior Vice President - Critical Care SBUs, Nepal & Institution
4.	Mr. Rasik Kulkarni	Senior Vice President - Ferticare & Ferticare Life & Aesthaderm
5.	Mr. Pinak Padhya	Associate Vice President - Sales & Marketing
6.	Mr. Gaurang Pancholi	Associate Vice President - Operation
7.	Mr. Devkinandan Roonghta	Chief Financial Officer
8.	Mrs. Hemal Desai	Head - Taxation
9.	Ms. Ami Shah	Company Secretary & Senior Manager - Legal
10.	Mr. Sunil Desai	Head - Human Resource Department

During the period under review, there were no changes in the Senior Management.

Disclosures have also been received from the Senior Management that there were no such transactions during the Financial Year 2023 - 2024 having potential conflict with the interests of the Company at large either by them or their relatives.

4. COMMITTEES OF THE BOARD

To effectively discharge the obligations and to comply with the statutory requirements, the Board has in place Five mandatory committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee as at March 31, 2024. During the period under review, the Board has also constituted Executive Committee to expedite the day-to-day operations and address various urgent operational matters. The Board Committees deal with specific areas/ activities as mandated by applicable regulations and provides appropriate recommendations to the Board. The Committee operates under the supervision of the Board. The Committee meetings are scheduled before the board meeting and convened as necessary for the specific matters. The chairperson of the respective committee then reports the Board on the discussions and outcomes of the committee meetings. During the year under review, all recommendations of the Committees have been accepted by the Board. The minutes of the Committee Meetings are placed before the Board in the subsequent Board meetings for their information and noting.

A. Audit Committee

The Audit Committee plays a critical role in promoting transparency, integrity and accountability in the company's financial operations and reporting practices. The Committee assesses the effectiveness of internal controls and risk management processes to safeguard assets, ensure compliance with laws and regulations and mitigate financial risks.

The terms of reference of the Committee are in accordance with Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act and major terms of reference, inter alia, includes the following:

- Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Review with the management the quarterly / half-yearly / annual, unaudited / audited financial results / statements and Limited Review Reports / Audit Reports of the Statutory Auditors before recommending for approval by the Board with particular reference to:
  a. matters required to be included in the director's responsibility statement to be included in board's report in terms of Section 134(3)(c) of the Act;
  b. changes, if any, in the accounting policies and practices and reasons for the same;
  c. major accounting entries involving estimates based on the exercise of judgment by management;
  d. significant adjustments made in the financial statements arising out of audit findings;
  e. compliance with listing and other legal requirements relating to financial statements;
  f. disclosure of any related party transactions;
  g. modified opinion(s), if any, in the draft audit report;
- Reviewing management discussion and analysis of financial condition and results of operations;
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
- Review of internal audit reports relating to internal control weaknesses;
- Review of the appointment, removal and terms of remuneration of the chief internal auditor;
- Review of statement of deviations:
  a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- Scrutiny of inter-corporate loans and investments made by the Company;
- Review with the management the performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Overseeing and review the functioning of vigil mechanism (implemented by the Company as Whistle Blower Policy);
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- Review, discuss and monitor the observations reported by Statutory / Internal Auditors and their compliance;
- Review and recommend to the Board the appointment / reappointment, remuneration and terms of appointment of Auditors of the Company after due consideration of their independence and effectiveness;
- Approving the payment towards additional services rendered by the Statutory Auditors except those enumerated in section 144 of the Act;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approve, and / or any subsequent modification of transactions of the Company with related parties;
- Review of utilization of loans and / or advances from/ investment by the holding company in the subsidiary in excess of Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- To supervise implementation of Code of Conduct for Insider Trading and policies relating thereto;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and risk management systems and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as stated in SEBI Listing Regulations.

Composition of Audit Committee

As on March 31, 2024, the Audit Committee comprises of Six Directors, which includes four Independent Directors viz., Mr. Shrirang V. Vaidya, Mr. Shreyas K. Patel, Mr. Gopal M. Daptari, Dr. Anu S. Aurora and two Executive Directors viz. Mr. Jayesh P. Choksi, Chairman & Managing Director and Mr. Pranav J. Choksi, CEO & Whole Time Director of the Company. Mr. Shrirang V. Vaidya holds the Chairmanship of the Committee. All the members, including Chairman of Audit Committee are financially literate and have the ability to read and understand the financial statements. The composition of Audit Committee is in compliance with the requirements of Regulation 18 of the SEBI Listing Regulations and the Act.

The invitees in the Audit Committee Meetings includes Chief Financial Officer (CFO), Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and recorded in the next meeting of the Audit Committee and Board. During the year under review, there were no changes in the composition of Audit Committee.

During the Financial Year 2023-2024, 6 (Six) meetings of the Audit Committee were held i.e. on May 29, 2023; August 11, 2023; September 01, 2023; September 27, 2023; November 09, 2023 and February 14, 2024.

The details of meetings attended by the Members during the year under review, are as below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Mr. Shrirang V. Vaidya	Chairman	Independent Director	6	6
Mr. Shreyas K. Patel	Member	Independent Director	6	5
Mr. Gopal M. Daptari	Member	Independent Director	6	5
Dr. Anu S. Aurora	Member	Independent Director	6	6
Mr. Jayesh P. Choksi	Member	Executive Director	6	5
Mr. Pranav J. Choksi	Member	Executive Director	6	6

The maximum gap between two meetings was within the period prescribed under Regulation 18 of the SEBI Listing Regulations and the Act. The necessary quorum was present at every Audit Committee Meeting.

The Chairperson of the Audit Committee attended the AGM of the Company held on September 29, 2023 to respond to the shareholder's queries.

B. Nomination & Remuneration Committee

The Nomination and Remuneration Committee (“NRC”) of the Company is constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the NRC are in accordance with Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations which, *inter alia*, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, Key Managerial Personnel and other employees;
- For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  a. use the services of an external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
- To recommend whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board all remuneration, in whatever form, payable to Senior Management.

Composition of NRC

As on March 31, 2024, the NRC comprises of three Independent Directors. The Committee is chaired by Mr. Shrirang V. Vaidya and has Mr. Shreyas K. Patel and Mr. Gopal M. Daptari as its members. The Chairperson of the NRC attended the last AGM of the Company held on September 29, 2023. During the Financial Year 2023-2024, 2 (Two) meetings of the NRC were held i.e. on August 11, 2023 and September 27, 2023.

The Company Secretary acts as Secretary of NRC.

The details of meetings attended by the Members during FY 2023-24 are as below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Mr. Shrirang V. Vaidya	Chairman	Independent Director	2	2
Mr. Shreyas K. Patel	Member	Independent Director	2	2
Mr. Gopal M. Daptari	Member	Independent Director	2	2

During the year under review, the NRC has not passed any resolution by way of circulation.

Performance Evaluation of Board, Committees and Directors:

During the financial year 2023-24, the Board has carried out the annual performance evaluation of its own performance, its Committees and the Independent Directors as per the criteria formulated by NRC which is in line with the provisions of the Act and the SEBI Listing Regulations. The said evaluation was based on the parameters such as level of engagement, contribution, attendance, acquaintance with business, effective participation, communication inter se between board members, expertise, knowledge, etc.

The evaluation process is conducted through questionnaire having qualitative parameters and feedback based on ratings. The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The Board evaluated the performance of the Committees after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness and structure of committee meetings, independence of the committee etc.

The NRC and the Board reviewed the performance of individual Directors based on criteria such as knowledge, competency, fulfilment of functions, availability and attendance, initiative, integrity, contribution, independence and independent views and judgment.

The Independent Directors in their separate Meeting evaluated the performance of Non-Independent Directors, Chairman and Board as a whole. The Independent Directors 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 above evaluations were then discussed in the Board meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated. The Board expressed their satisfaction with the overall performance of the Board, its Committees and Directors individually. The Board also assessed the fulfilment of the independence criteria by the Independent Directors of the Company and their independence from the management pursuant to SEBI Listing Regulations.

REMUNERATION OF DIRECTORS:

Based on the recommendation of the NRC, the Board has adopted a "Policy on criteria for Appointment of Directors, KMPs and Senior Management Personnel And Evaluation of their performance" determining the criteria for appointment of Directors, KMPs and Senior Management Personnel with regard to qualifications, positive attributes, independence and other criteria as laid down under the Act and SEBI Listing Regulations and formulating Remuneration Policy for Executive and Non-Executive Directors of the Company. The policy can be accessed on the following link: http://gufic.com/wp-content/uploads/2016/08/AppointmentofDirectorsKMP201718.pdf

The remuneration of Executive Directors comprises fixed components viz. Salary & Perquisites. NRC recommends to the Board, periodic revision in remuneration of Executive Directors based on remuneration policy of the Company and the Board fixes their remuneration taking into consideration their performance, contribution towards the growth of the Company, dedication in fulfilling their duties as Directors, industry standards vis a vis growth of the Company. The revisions made are well within the limits as prescribed under the Act. While deciding the remuneration, NRC ensures that they are reasonable and sufficient to attract, retain, reward and motivate the best and qualified managerial personnel. Executive Directors are not paid sitting fees for attending Board/Committee meetings.

The Independent Directors are entitled to receive remuneration by way of sitting fees for participation in the Board meetings, of such sum as may be approved by the Board within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings and other Company's affairs.

The details of remuneration for the year ended March 31, 2024 to the Executive and Non-Executive Directors are as follows:

Sr. No	Name of Director	Salary/ Remuneration (p.a) in ₹	Perquisites / Allowances (₹)	Performance Linked Bonus / Commission (₹)	Stock Options	Sitting Fees	TOTAL
1.	Mr. Jayesh P. Choksi	47,83,116	39,600	0	0	0	48,22,716
2.	Mr. Pranav J. Choksi	43,92,732	39,600	0	0	0	44,32,332
3.	Mr. Pankaj J. Gandhi	17,43,432	0	0	0	0	17,43,432
4.	Mr. Dilip B. Ghosh	20,96,616	39,600	0	0	0	21,36,216
5	Mr. Shreyas Patel	0	0	0	0	60,000	60,000
6	Mr. Gopal Daptari	0	0	0	0	60,000	60,000
7	Mr. Shrirang Vaidya	0	0	0	0	70,000	70,000
8	Dr. Bal Ram Singh	0	0	0	0	0	0
9	Dr. Rabi Sahoo	0	0	0	0	70,000	70,000
10	Dr. Anu Aurora	0	0	0	0	70,000	70,000

Besides this, all the Whole Time Directors to whom remuneration is paid are also entitled to encashment of leave as per Company policy and gratuity, as per the rules of the Company.

Service contracts, Notice Period and Severance Fees

The employments with the Executive Directors are contractual. Each of the Executive Directors is appointed for a term of 5 years, subject to the approval of the shareholders, wherever required, and they are entitled to terminate the service contracts by giving not less than three months' prior notice in writing, except for certain unforeseen circumstances. Moreover, there is no separate provision for payment of severance fees to the Directors.

During the Financial Year 2023-24, the Company paid sitting fees of ₹10,000/- per meeting to its Independent Directors for attending Board meeting.

During the year under review, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company, other than sitting fees, travelling expenses and reimbursement of expenses, if any. Further, no stock options were granted to any Directors during the financial year 2023-24.

C. Stakeholders Relationship Committee

The Company has duly constituted Stakeholders Relationship Committee ('SRC") as per the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations.

The terms of reference of the SRC are in accordance with Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations which, *inter alia*, includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Composition of SRC

As on March 31, 2024, the SRC comprises of three directors viz. Dr. Rabi N. Sahoo, Independent Director, Mr. Jayesh P. Choksi, Chairman & Managing Director and Mr. Pranav J. Choksi, Chief Executive Officer and Whole Time Director of the Company. Dr. Rabi Sahoo acts as the Chairman of the SRC.

Ms. Ami Shah, Company Secretary acts as the Compliance Officer of the Company. Dr. Rabi Sahoo, Chairperson of the committee attended the last AGM of the Company held on September 29, 2023.

During the Financial Year 2023-24, the Committee met two times i.e. on August 11, 2023 and February 14, 2024.

The details of meetings attended by the Members during FY 2023-24 are as below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Dr. Rabi N. Sahoo	Chairman	Independent Director	2	2
Mr. Jayesh P. Choksi	Member	Executive Director	2	2
Mr. Pranav J. Choksi	Member	Executive Director	2	2

Summary of Investors Complaints received and resolved to the satisfaction of the shareholders during the Financial Year 2023-2024.

Particulars	No. of Complaints
Complaints pending at beginning of the year	NIL
Complaints received during the year	NIL
Complaints disposed off during the year	NIL
Complaints not resolved to the satisfaction of the shareholders	NIL
Complaints pending at the end of the year	NIL

D. Corporate Social Responsibilty (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee constituted in accordance with the provisions of Section 135 of the Act. The terms of reference of the CSR Committee, *inter alia,* includes the following:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- Monitor the CSR Policy of the Company from time to time;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the amount spent on the CSR initiatives of the Company as per the CSR policy;
- Discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors

from time to time.

Composition of CSR Committee

As on March 31, 2024, the CSR Committee comprises of four members out of which two are Independent Directors. The Committee is chaired by Mr. Gopal M. Daptari, Independent Director and have Mr. Shreyas K. Patel, Independent Director, Mr. Jayesh P. Choksi, Chairman & Managing Director and Mr. Pranav J. Choksi, Chief Executive Officer and Whole Time Director as its Members. During the financial year under review, the Committee met twice i.e. on August 11, 2023 and October 11, 2023.

The details of meetings attended by the Members during FY 2023-24 are given below:

Name of the Members	Designation	No. of Meetings	
		Entitled to Attend	Attended
Mr. Gopal M. Daptari	Chairman	2	2
Mr. Shreyas K. Patel	Member	2	2
Mr. Jayesh P. Choksi	Member	2	1
Mr. Pranav J. Choksi	Member	2	2

E. Risk Management Committee

The Company has constituted a Risk Management Committee ("RMC") in line with the provisions of Regulation 21 of SEBI Listing Regulations. The terms of reference of the RMC are in accordance with Regulation 21 read with Part D of Schedule II of SEBI Listing Regulations which, inter alia, include the following:

- To formulate a detailed risk management policy which shall include:
  a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.

Composition of RMC

As on March 31, 2024, the RMC comprises of seven members which are as follows:

Name of the Members	Designation	Category
Mr. Jayesh Choksi	Chairman & Managing Director	Chairman
Mr. Pranav Choksi	CEO & Whole Time Director	Member
Mr. Shrirang Vaidya	Independent Director	Member
Mr. Gopal Daptari	Independent Director	Member
Mr. Devkinandan Roonghta	Chief Financial Officer	Member
Mr. Nagesh Yarrabathina	Chief Operating Officer	Member
Mr. Ashok Dev	President-Operations	Member

During the Financial Year 2023-24, the RMC met three times i.e. on May 2, 2023; October 21, 2023 and February 14, 2024.

The details of meetings attended by the Members during FY 2023-24 are as below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Mr. Jayesh Choksi	Chairman	Executive Director	3	3
Mr. Pranav Choksi	Member	Executive Director	3	3
Mr. Shrirang Vaidya	Member	Independent Director	3	3
Mr. Gopal Daptari	Member	Independent Director	3	2
Mr. Devkinandan Roonghta	Member	Chief Financial Officer	3	3
Mr. Nagesh Yarrabathina	Member	Chief Operating Officer	3	3
Mr. Ashok Dev	Member	President-Operations	3	3

F. Executive Committee:

The Company has constituted Executive Committee to expedite all matters relating to business operations and for dealing with various urgent operational matters. This includes availing banking facilities, opening bank accounts, delegating operational powers to the employees, appointing authorized representatives to represent the Company before various statutory authorities and other routine administrative matters.

Composition of Executive Committee

As on March 31, 2024, the Executive Committee comprises of four members. The Committee is chaired by Mr. Jayesh Choksi, Chairman & Managing Director and have Mr. Pranav Choksi, Chief Executive Officer and Whole Time Director, Mr. Pankaj Gandhi, Whole Time Director and Mr. Dilip Ghosh, Whole Time Director as its Members. During the financial year under review, the Committee met four times i.e. on June 22, 2023; August 7, 2023; January 5, 2024 and March 15, 2024.

The details of meetings attended by the Members during FY 2023-24 are given below:

Name of the Members	Designation	No. of Meetings	
		Entitled to Attend	Attended
Mr. Jayesh P. Choksi	Chairman	4	4
Mr. Pranav J. Choksi	Member	4	4
Mr. Pankaj J. Gandhi	Member	4	4
Mr. Dilip B. Ghosh	Member	4	4

SEPARATE INDEPENDENT DIRECTORS MEETING

During the year under review, one (1) separate meeting of the Independent Directors was held on November 09, 2023, which was chaired by Mr. Shrirang Vaidya and was held without the presence of the Non-Independent Directors and members of management as stipulated in the Code of Independent Directors under Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations. All the Independent Directors were present at the meeting. At the said meeting, the Independent Directors, inter alia, discussed the following matters:

1. Reviewed the performance of Non-Independent Directors and the Board of Directors as a Whole.
2. Reviewed the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Assessed the quality, quantity and timelines of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

5. MATERIAL SUBSIDIARY COMPANIES

In terms of Regulation 16(1)(c) of the SEBI Listing Regulations read with the 'Policy on Material Subsidiary' adopted by the Company, the Company does not have any material subsidiary for the year ended March 31, 2024.

The Company has a policy for determining 'material' subsidiaries in terms of Regulation 16 of SEBI Listing Regulations and such policy is uploaded on the Company's website and can be accessed through the following link: http://gufic.com/wp-content/uploads/2022/07/Policy_on_Material_Subsidiary.pdf

6. SHAREHOLDERS

A. GENERAL BODY MEETINGS

i) During the last three financial years the Company's Annual General Meetings were held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on the following dates & times, wherein the following Special Resolutions were passed:

Financial Year	Date & Time	Special Resolution passed
		37th Annual General Meeting
2020-21	September 20, 2021 at 3:30 P.M. (IST)	Re-appointment of Dr. Anu S. Aurora (DIN: 05120192) as an Independent Director of the Company for the second term of five consecutive years with effect from December 23, 2021.
		38th Annual General Meeting
2021-22	September 2, 2022 at 3:30 P.M. (IST)	1. Re-appointment of Dr. Rabi N. Sahoo (DIN: 01237464) as an Independent Director of the Company for the second term of two consecutive years with effect from June 29, 2022.
		2. Continuation of Directorship of Mr. Dilip B. Ghosh (DIN:00412406) as a Whole Time Director upon attaining the age of 70 years.
		3. Increase in the Borrowing Limits of the Company under Section 180(1)(c) of the Companies Act, 2013.
		4. Creation of charges on the properties of the Company in respect of borrowings under Section 180(1)(a) of the Companies Act, 2013.
		39th Annual General Meeting
2022-23	September 29, 2023 at 3:30 P.M. (IST)	1. Continuation of Directorship of Mr. Jayesh P. Choksi (DIN: 00001729) as Chairman & Managing Director of the Company on attaining the age of 70 years.
		2. Continuation of Directorship of Mr. Gopal M. Daptari (DIN: 07660662) as a Non-Executive Independent Director of the Company on attaining the age of 75 years.
		3. Approval of Gufic Biosciences Limited Employee Stock Option Plan 2023 ("Gufic ESOP 2023") and grant of employee stock options to the employees of the Company thereafter.
		4. Extension of the Gufic Biosciences Limited Employee Stock Option Plan 2023 ("Gufic ESOP 2023") to the eligible employees of the subsidiary(ies) and/ or Associate Company(ies), if any of the Company.
		5. To consider and approve the issue of 33,33,000 equity shares on a Preferential basis to the Non-Promoter of the Company.

ii) Details of the Extra Ordinary General Meetings held during the year :

No extraordinary general meeting of the members was held during the financial year ended March 31, 2024.

iii) Postal Ballot:

During the Financial Year 2023-24, no special resolution was passed by the Company through postal ballot. No Special Resolution is proposed to be passed through postal ballot as on the date of this report.

B. MEANS OF COMMUNICATION:

The Company promptly shares information about significant corporate developments and other events as mandated by the SEBI Listing Regulations. These timely disclosures reflect the Company's commitment to good corporate governance practices. To facilitate this, the Company uses various communication channels, including the Stock Exchanges' online portals, press releases, annual reports and relevant information available on its website. Some of the modes of communication are mentioned below:

- **FINANCIAL RESULTS**

  The Company's quarterly, half-yearly and annual financial results are regularly submitted to the stock exchanges, within thirty minutes of the closure of meetings of the Board of Directors at which the same was considered and approved. These results are generally published in the Business Standard (All Editions in English language) and Mumbai Lakshadeep (Marathi Edition) within forty-eight hours of the conclusion of the Board Meeting. Additionally, the results and other important information are also periodically updated on the Company's website at www.gufic.com in the "Investors" section.

- **WEBSITE**

  The Company's website includes a specific section namely "Investors" in accordance with Regulation 46 of the SEBI Listing Regulations. This section provides access to Annual Reports, quarterly and annual results, stock exchange filings, investor presentation, quarterly reports, all statutory policies, Company's Director, Registrar & Share Transfer Agent, contact information of the designated Company's officials responsible for assisting and handling investor grievances and other material information relevant to the shareholders.

- **ANNUAL REPORT**

  Annual Report containing, *inter alia*, Audited Annual Accounts, Auditor's Report, Board's Report, Management Discussion and Analysis Report and other important information is sent to the shareholders whose e-mail ids are registered with the Depositories / Registrar & Transfer Agent ("RTA") and physical copy to the rest of the shareholders and others entitled thereto every year. However, Securities and Exchange Board of India ("SEBI") and Ministry of Corporate Affairs ("MCA") vide its relevant circulars have relaxed the requirement of sending physical copies of Annual Report to Shareholders, as a result no physical copies of the Annual Report for FY 2022-23 was sent to any of the shareholders, except to those shareholders who had made requests for physical copies. Further SEBI vide Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and MCA vide General Circular 09/2023 dated September 25, 2023, has further extended the said relaxation so no physical copies of the Annual Report for FY 2023- 24 will be sent. However, members desiring a physical copy of the Annual Report for FY 2023-24 may request the hard copy through email at our designated email id i.e. corporaterelations@guficbio.com, to enable the Company to dispatch a copy of the same. Please include details of Folio No./ DP ID and Client ID and holding details in the said communication. The Annual Report is also available on the Company's website at https://gufic.com/media/investors/annual-reports/

- **UNCLAIMED SHARES/ DIVIDEND**

In the interest of the shareholders, the Company sends reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at http://gufic.com/media/investors/unclaimed_shares/gufic-iepf/ . All requests from shareholders for claiming unclaimed shares and dividends are addressed timely, with necessary support and guidance provided to facilitate the processing of claims.

- **CORPORATE FILING**

All periodical compliance filings required to be filed with the Stock Exchanges viz., Shareholding Pattern, Corporate Governance Report, Press Release, Statement of Investor Complaints, Quarterly Results, all price sensitive information and disclosures under Regulation 30 of the SEBI Listing Regulations, are filed electronically with the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") regularly. They are also available on the website of the Company.

Further, Trading Window is closed in accordance with the Company's Code of Conduct for Prevention of Insider Trading and SEBI (Prohibition of Insider Trading) Regulations, 2015. Intimation of closure of trading window is regularly sent to all Directors and Designated Persons via e-mail and also intimated to the Stock Exchanges.

- **PRESS RELEASES, PRESENTATIONS, ETC.**

Official press releases, investor presentations, etc. are submitted to the Stock Exchanges and are also displayed on Company's website for the benefit of the institutional investors, analysts and other shareholders.

- **INVESTORS / ANALYST MEETS**

Post the quarterly results, an Investor meet / call is held where the investors/ analysts are invited to participate in the Q&A session with the Company's management. The key highlights are discussed and the investor/analyst queries are resolved in this forum. These calls are attended by CEO & Whole Time Director, CFO, CS and Investor Relations Personnel. The audio call recordings and written transcript of such calls are submitted to the Stock Exchanges and are also uploaded on the Company's website at www.gufic.com. The Company also hosts calls or meetings with institutional investors on request.

- **INVESTOR SERVICES**

The Company has a dedicated email address i.e. corporaterelations@guficbio.com to address investor concerns. The Company's Compliance Officer regularly monitors this email to ensure timely resolution of any investor complaints. Further the investors' complaints are also being processed through the centralized web based complaint redressal system provided by SEBI viz. SCORES (SEBI Complaints Redressal System) wherein the investors can track the status and actions taken on their complaints online.

Pursuant to SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 28, 2023), the Company is registered on SEBI's Online Dispute Resolution Portal ("ODR") which facilitates online conciliation and arbitration for resolution of disputes arising in the Indian securities market. Shareholders who have exhausted all other resolution options can initiate dispute resolution through the ODR portal at https://smartodr.in/login , where they may opt for arbitration with the Stock Exchanges, i.e. NSE and BSE, for any disputes regarding delays or defaults in processing investor service requests.

During the year under review, there were no complaints received on SCORES and ODR portal

- **LAUNCH OF 'SWAYAM'**

Our RTA Link Intime India Private Limited has launched an Investor Self Service Portal by the name of "SWAYAM" which is a secure, user-friendly web-based application, that empowers shareholders to effortlessly access various services. The shareholders need to get themselves registered and have first-hand experience of the portal. This application can be accessed at https://swayam.linkintime.co.in. This application would enable effective resolution of Service Request-Generate and Track Service Requests/Complaints through SWAYAM.

C. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting: Date, Time and Venue	**Date** : September 25, 2024 **Day** : Wednesday **Time** : 3:30 p.m. **Venue** : Meeting is being conducted through Video-Conferencing/ Other Audio Visual Means ('VC / OAVM'), without the physical presence of the Members at a common venue, pursuant to relevant circulars issued by The Ministry of Corporate Affairs and SEBI. For details, please refer to the Notice of this AGM.
Date of Book Closures	September 19, 2024 to September 25, 2024 (both days inclusive)
Record Date	September 18, 2024
Dividend Payment Date	On or after September 30, 2024 but before the expiry of statutory period of 30 days from the date of AGM, subject to the deduction of TDS as applicable, if approved by the Members at the ensuing AGM.
Financial year	1st April, 2023 to 31st March, 2024
Adoption of Financial Results (Tentative, subject to change)	For the Financial Year 2024-25
For the quarter ending June 30, 2024	On or before August 14, 2024
For the quarter and half year ending September 30, 2024	On or before November 14, 2024
For the quarter and nine months ending December 31, 2024	On or before February 14, 2025
For the quarter and year ending March 31, 2025	On or before May 30, 2025
The Company is Listed at	**BSE Limited ("BSE")** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 **National Stock Exchange of India Limited ("NSE")** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051
Demat ISIN	INE742B01025 (NSDL & CDSL)
Stock Code/ Symbol	BSE - 509079 NSE - GUFICBIO
Payment of Annual Listing Fees	The Annual Listing Fees for the financial year 2023-24 & 2024-25 have been paid timely by the Company to both NSE and BSE, where the shares of the Company are listed.
Registrar & Share Transfer Agent	**Link Intime India Private Limited** C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Tel No: (022) 4918 6000 •Fax No: (022) 4918 6060 Email :rnt.helpdesk@linkintime.co.in
CIN	L24100MH1984PLC033519
STATUS	Active

D. MARKET PRICE DATA - EQUITY SHARES

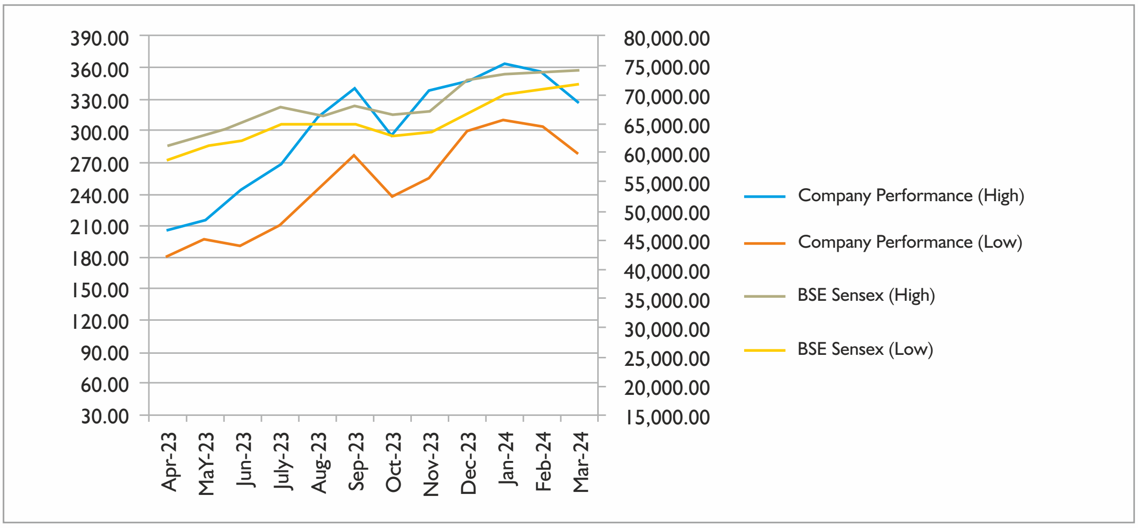
The monthly high & low prices & volume of shares of the Company at BSE & NSE for the period from April 2023 to March 2024 are as under:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High (₹)	Low (₹)	Monthly volume	High (₹)	Low (₹)	Monthly volume
April, 2023	206.35	181.60	183,107	206.90	184.35	14,40,316
May, 2023	215.95	197.00	202,618	215.40	196.50	14,66,195
June, 2023	245.00	192.00	522,671	247.00	193.55	63,17,944
July, 2023	267.00	211.00	789,096	267.00	211.00	65,95,930
August, 2023	313.15	245.40	831,382	313.75	244.50	92,07,454
September, 2023	339.55	277.15	428,386	333.00	276.30	55,08,738
October, 2023	296.00	237.90	243,751	296.20	237.35	26,36,037
November, 2023	340.50	255.45	478,982	341.00	258.95	66,12,135
December, 2023	348.00	299.45	447,690	348.25	298.80	44,80,059
January, 2024	364.00	310.10	509,694	364.90	311.00	53,64,278
February, 2024	356.40	305.00	220,229	355.45	304.55	25,82,554
March, 2024	324.75	278.30	185,434	325.85	277.65	20,38,186

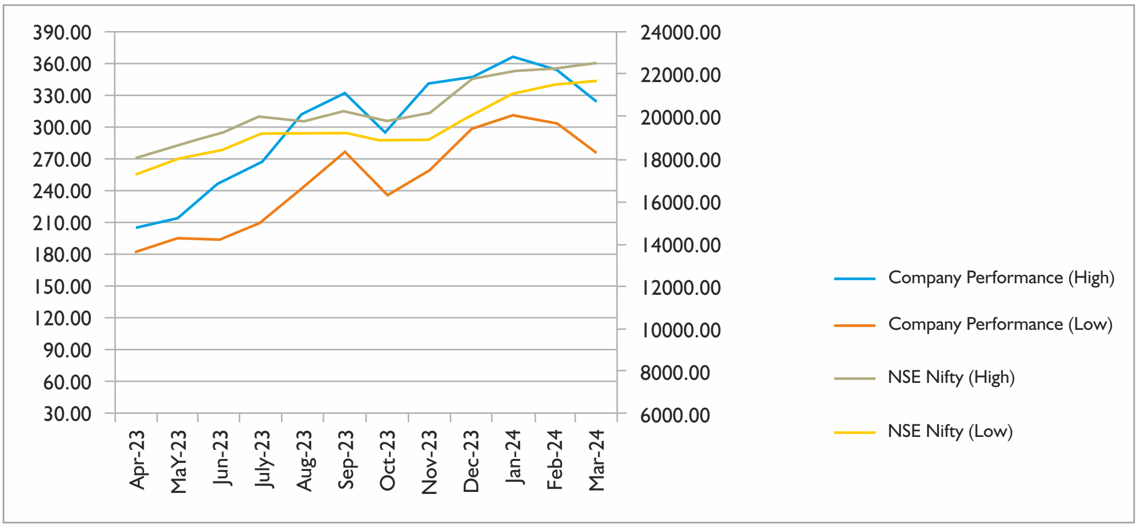
On March 31, 2024, the closing price of the shares of the Company on BSE was ₹ 283.15/- and NSE was ₹ 282.50/-

E. PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX &NSE NIFTY

The performance of the Company's Equity Shares in comparison with the BSE Sensitive Index (BSE Sensex) is given in the chart below:



The performance of the Company's Equity Shares in comparison with NSE Nifty is given in the chart below:



F. SHARE TRANSFER SYSTEM

Transmission, dematerialisation of shares, issue of duplicate share certificates, dividend payment, redressal of investor grievances and all other shareholder related matters are attended to and processed by the Company's RTA.

In terms of Regulation 40(1) read with Schedule VII of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the Company shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

It may be noted that any service request can be processed only after folio is KYC compliant. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at https://gufic.com/media/investors/investor-communications/ and on the website of Company's RTA at www.linkintime.co.in.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Shareholders should communicate with Link Intime India Private Limited, the Company's RTA at rnt.helpdesk@linkintime.co.in quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

Securities lodged for transfer at the Registrar's address are processed within statutory time limit from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the respective depositories, that is the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), within the statutory time limit from the date of receipt of share certificates / letter of confirmation after due verification.

The Company on a yearly basis files with the Stock Exchanges:

a. a compliance certificate duly signed by both the Compliance Officer of the Company and the authorised representative of the RTA certifying that all activities in relation to share transfer facility is maintained by M/s. Link Intime India Private Limited, a SEBI approved Category – I, Registrar and Share Transfer Agent registered with SEBI vide Registration No.: INR000004058.

b. a certificate of compliance from a Company Secretary in practice certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies, as required under the provisions of Regulation 40(9) and 40(10) of the SEBI Listing Regulations.

G. CATEGORIES OF EQUITY SHAREHOLDING AS ON MARCH 31, 2024

Category	Category of Shareholder	Total number of shares	Total Shareholding as a % of Total No. of Shares
	A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP		
Indian	Individuals/ Hindu Undivided Family	419,93,298	41.88
	Bodies Corporate	307,14,853	30.63
	Total (Promoter & Promoter Group) (A)	**727,08,151**	**72.51**
	B. PUBLIC SHAREHOLDING		
Institutions	Mutual Funds	20,85,410	2.08
	Alternate Investment Funds	122,256	0.12
	NBFCs registered with RBI	1500	0.00
	Foreign Portfolio Investors Category I	115,867	0.12
	Total (Institutions)	**23,25,033**	**2.32**
Non-Institutions	Directors and their relatives (excluding Independent Directors & Nominee Directors)	641,045	0.64
	Individuals	167,67,496	16.72
	IEPF	249,050	0.25
	Clearing Members	784	0.00
	Non-Resident Indian (NRI)	582,591	0.58
	LLP	733,485	0.73
	HUF	17,66,617	1.76
	Bodies Corporate	45,03,254	4.49
	Total (Non-Institutions)	**252,44,322**	**25.17**
	Total Public Shareholding (B)	**275,69,355**	**27.49**
	Total (A + B)	**10,02,77,506**	**100.00**

H. DISTRIBUTION OF SHAREHOLDING

The shareholding distribution of Equity shares as on March 31, 2024 is given below:

Shares - Range From- To	No. of shareholders	% of total shareholders	Total shares for the range	% of Issued Capital
1 – 500	30922	87.53	2909205	2.90
501 – 1000	2140	6.06	1745136	1.74
1001 – 2000	1082	3.06	1641997	1.64
2001 - 3000	419	1.19	1085284	1.08
3001 – 4000	194	0.55	698764	0.70
4001 – 5000	128	0.36	604619	0.60
5001 – 10000	239	0.68	1730365	1.73
10001 & above	203	0.57	89862136	89.61

I. DEMATERIALISATION OF SHARES AND LIQUIDITY

Trading in shares of the Company is permitted only in dematerialized form on NSE and BSE and are available for trading in both the depository systems of NSDL and CDSL. All shares of the company are liquid and traded in normal volume on BSE and NSE. All the shares held by Promoters are in dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE742B01025. None of the securities of the Company are suspended from trading.

Details of shareholding of the Company in dematerialised and physical mode as on March 31, 2024 are as under:

Category	No. of Shares	% of Total Issued Capital
CDSL	124,48,177	12.42
NSDL	877,66,329	87.52
Total in Dematerialised form	**10,02,14,506**	**99.94**
Physical	63,000	0.06
Total	**10,02,77,506**	**100.00**

J. RECONCILIATION OF SHARE CAPITAL AUDIT

During the financial year 2023-24, a Practicing Company Secretary carried out quarterly share capital audit, to reconcile the total admitted equity share capital with the NSDL and CDSL and the total issued and listed equity share capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

K. OUTSTANDING GDRS / ADRS / WARRANTS / ANY OTHER CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ ADRs/ Warrants/ or any convertible instruments during the financial year under review and the Company does not have any outstanding GDRs/ADRs/ Warrants/ or any convertible instruments, as on the even date.

L. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2024, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Further with respect to foreign exchange risk, the Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Company's functional currency; hence exposures to exchange rate fluctuations arise. Since Company has natural hedge due to its import and export activities, company doesn't enter into foreign exchange derivatives to hedge its exposure.

The details of foreign currency exposure are disclosed in Notes to the Financial Statements, which forms a part of this Annual Report.

M. PLANT LOCATION

The Company's manufacturing plants are as follows :

I. Gujarat

1.Unit I – Survey No. 195/3 and 171 Paiki, National Highway No. 48, Near Grid, Kabilpore Navsari - 396424, Gujarat

2.Unit II – Survey No. 171, National Highway No. 48, Near Grid Kabilpore, Navsari – 396424, Gujarat

II. Karnataka

703, Belgaum Industrial Estate, Udhyambag, Belgaum – 590008

III. Madhya pradesh

Smart Industrial Park, Plot no.48, Near NATRIP, Pithampur, Dhar- 454775, Madhya Pradesh

N. ADDRESS FOR CORRESPONDENCE

i. For any assistance regarding dematerialization of shares, transmissions, change of address, non-receipt of dividend (if any) or any other query relating to shares, the investor can write to the Company's Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited

C- 101, 247 Park, L.B.S Marg, Vikhroli (West) Mumbai – 400 083
Tel No: (022) 4918 6000, Fax No: (022) 4918 6060, Email: rnt.helpdesk@linkintime.co.in

ii. Shareholders holding shares in the electronic mode should address all their correspondence to their respective depository participants.

iii. **Company**

Ms. Ami N. Shah (Company Secretary & Compliance Officer)
M/s. Gufic Biosciences Limited
S M House, 11 Sahakar Road, Vile Parle East), Mumbai – 400 057, Maharashtra, India.
Tel No : 022 67261000, Email : corporaterelations@guficbio.com

O. CREDIT RATING

The Credit Rating details are given hereunder

Rating Agency	Instrument Type	Rating	Revision, if any
CRISIL Ratings Limited	Long term Bank facilities	CRISIL A-/ Stable (Reaffirmed)	No revision in credit rating during the financial year
	Short term Bank facilities	CRISIL A2+ (Reaffirmed)	No revision in credit rating during the financial year

The Company has not issued debt instruments and did not have any fixed deposit programme or has any proposal involving mobilisation of funds in India or abroad during the financial year ended March 31, 2024.

P. OTHER DISCLOSURES

i RELATED PARTY TRANSACTIONS

During the year under review, no transaction of a material nature has been entered into by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have a potential conflict with the interests of the Company. All the contracts/ arrangements/ transactions entered into by the Company with the related parties during the said financial year were in the ordinary course of business and at arms' length basis and were approved by the members of Audit Committee including Independent Directors. The transactions entered into pursuant to the omnibus and specific approvals, are reviewed periodically by the Audit Committee. Register of contracts containing transactions, in which directors and other related parties are interested, are placed before the Board, on timely basis.

The transactions with the related parties as per IndAS–24, are disclosed in the Notes forming part of the Financial Statements for the year ended March 31, 2024. In addition, as per the SEBI Listing Regulations, your Company has also timely submitted disclosures of related party transactions to the Stock Exchanges where the shares of the Company are listed i.e. BSE and NSE, and also published it on the website of the Company. The policy is made available on the Company's website at the following link:

https://gufic.com/wp-content/uploads/2016/08/Related%20Party%20Transactions%20Policy.pdf

ii LEGAL COMPLIANCE

There were no instances of non-compliance by the Company nor have any penalties/strictures been imposed by Stock Exchanges or SEBI or any other statutory authorities on any matters related to capital market, during last three financial years.

iii WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy/ Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The present Whistle Blower Policy is in conformity with the provisions of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel/employee of the Company have been denied access to the Chairperson of the Audit Committee.

The vigil mechanism / whistle blower policy has been uploaded on the website of the Company at the web link: http://gufic.com/wp-content/uploads/2016/08/WHISTLE_BLOWER_POLICY.pdf

iv DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON MANDATORY (DISCRETIONARY) REQUIREMENTS

The Company has complied with and disclosed all the mandatory corporate governance requirements stipulated under Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations. Further, your Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V(C) to the SEBI Listing Regulations.

The compliance status of the discretionary requirements specified in Part E of Schedule II in terms of Regulation 27(1) of the SEBI Listing Regulations is as below:

a. The Board

The Company have an Executive Chairman on Board.

b. Shareholder Rights

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and uploaded on the website of the Company.

c. Modified opinion(s) in audit report

During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

d. Separate posts of Chairperson and the Managing Director or the Chief Executive Director

The Company have an Executive Chairperson and Managing Director related to the Chief Executive Officer of the Company.

e. Reporting of internal auditor

The internal auditor reports directly to the audit committee. On quarterly basis, internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action.

v COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) (B) TO (I) OF SEBI LISTING REGULATIONS

Your Company has complied with all the requirements specified in Regulation 17 to 27 of the SEBI Listing Regulations and has made all necessary disclosure on its website as per Regulation 46(2) of SEBI Listing Regulations.

vi DETAILS OF THE UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

During the financial year 2023-24, the Company raised funds amounting to Rs. 99.99 Crores by way of issue and allotment of 33,33,000 equity shares having face value of Re. 1/- each at an Issue Price of Rs. 300/- each (including premium of Rs. 299/- each) through Preferential Issue to the Non-Promoter of the Company. The said funds raised have been fully utilised by the Company and there is no deviation(s) or variation(s) in the utilization of the said funds from the objects as stated in the Explanatory Statement to the Notice of the 39th AGM dated September 01, 2023. The details of the same are as follows:

Original Object	Modified Object, if any	Original Allocation (Rs. in Crores)	Modified Allocation, if any	Funds utilised (Rs. in Crores)	Amount of Deviation/ Variation for the Quarter according to applicable object
Repayment of debts of the Company	Not Applicable	99.99	Not Applicable	99.99	NIL

During the year, the Company has not raised any funds through Qualified Institutions Placement.

vii CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE FOR NON-DEBARRED OR NON DISQUALIFICATION OF DIRECTORS

Your Company has received a certificate from M/s. Manish Ghia & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs (MCA) or any such statutory authority. Certificate of Non-Disqualification of Directors forms part of this Annual Report.

viii ACCEPTANCE OF RECOMMENDATION OF THE COMMITTEES

There were no instances where the Board had not accepted any recommendation of any committee of the Board during the financial year 2023-24.

ix TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART

Mittal Agarwal & Company, Chartered Accountants (FRN: 131025W) are the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, paid by the Company during the financial year 2023-24 are given below:

Payment to Auditors (excluding GST)

(₹ in lakhs)

Particulars	Amount
As Auditors	
a) For Audit	**30.00**
In other Capacity	
a) Certification Work & Other Capacity	**10.84**
Total	**40.84**

x DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AS ON MARCH 31, 2024 :

Sr. No.	Particulars	No. of Complaints
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of complaints pending as on end of the financial year	Nil

xi DISCLOSURE BY THE COMPANY AND ITS SUBSIDIARIES OF "LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT" :

The Company has not given any loans/ advances in the nature of debt to any firm/ company in which directors are interested.

xii DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

Disclosure on commodity price risk or foreign exchange risk and hedging activities has been made in earlier paragraphs of this report.

xiii CERTIFICATION FROM CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS

Certificate from Mr. Pranav Choksi, Chief Executive Officer and Whole Time Director and Mr. Devkinandan Roonghta, Chief Financial Officer of the Company in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations for the Financial Year 2023-24 forms part of Annual Report. The aforementioned officials also provide quarterly certification on financial results, which are placed before the Board, in terms of Regulation 33(2) of the SEBI Listing Regulations.

xiv DECLARATION REGARDING THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has received confirmations from all the Board of Directors as well as Senior Management Personnel regarding compliance of the Code of Conduct during the year under review. A declaration by Mr. Pranav J. Choksi, Chief Executive Officer & Whole Time Director of the Company affirming compliance of Board Members and Senior

Management Personnel to the Code is also annexed herewith.

xv CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER THE SEBI LISTING REGULATIONS

A Certificate has been issued by M/s. Manish Ghia & Associates, a Practicing Company Secretaries confirming compliances to the provision of the Corporate Governance specified in the SEBI Listing Regulations. This certificate is annexed to this Report for the Financial Year 2023-24 and will be submitted to the Stock Exchanges, along with the Annual Report to be filed by the Company.

Further, during the year under review, there was no non-compliance of any requirement of corporate governance report as per sub-paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations, by the Company.

xvi DISCLOSURES OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY

The Company has not been informed of any agreement under Regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations. Accordingly, there was no requirement for disclosing the same.

Q. TRANSFER OF UNCLAIMED SHARES & DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

As per the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not claimed for a period of 7 (Seven) years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for 7 (Seven) consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

During the year under review, the Company had sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid transfer of shares/dividends to the IEPF. Details of unclaimed dividends and shareholders whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company at https://gufic.com/media/investors/unclaimed_shares/gufic-iepf/.

During the year under review, the unclaimed dividend of ₹ 43,042/- pertaining to the dividend for the financial year ending March 31, 2016 and 5,344 unclaimed shares were transferred to IEPF.

As on March 31, 2024, the Company does not have any shares in the demat suspense account or unclaimed suspense account pursuant to Regulation 34(3) of SEBI Listing Regulations. In accordance with IEPF Rules, Ms. Ami Shah, Company Secretary & Compliance Officer is also the Nodal Officer of the Company.

R. INDEPENDENT DIRECTORS:

None of the Independent Directors have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its senior management and/or associates companies

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Jayesh Choksi
Chairman & Managing Director
DIN 00001729

Place : Mumbai
Date : August 14, 2024

DECLARATION ON CODE OF CONDUCT PURSUANT TO SCHEDULE V OF THE SEBI LISTING REGULATIONS

I, Pranav J. Choksi, Chief Executive Officer & Whole Time Director of the Company, hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company laid down for them pursuant to Regulation 17(5) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year 2023-24.

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Pranav J. Choksi
Chief Executive Officer & Whole Time Director
DIN 00001731

Place: Mumbai
Date: April 24, 2024

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members
Gufic Biosciences Limited
Shop - 37, First Floor, Kamala Bhavan II,
S Nityanand Road, Andheri East, Mumbai-400069

We have examined the compliance of conditions of Corporate Governance by **Gufic Biosciences Limited**, for the year ended on March 31, 2024, as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manish Ghia & Associates
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: August 14, 2024
UDIN: F006252F000963771

CERTIFICATE OF NON -DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Gufic Biosciences Limited
Shop - 37, First Floor, Kamala Bhavan II,
S Nityanand Road, Andheri East, Mumbai - 400069

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Gufic Biosciences Limited** having CIN: L24100MH1984PLC033519 and having registered office at Shop - 37, First Floor, Kamala Bhavan II, S Nityanand Road, Andheri East, Mumbai - 400069 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal https://www.mca.gov.in/content/mca/global/en/home.html] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation/ Category	DIN	Original date of appointment in the Company
1	Mr. Jayesh Pannalal Choksi	Managing Director	00001729	August 31, 1999
2	Mr. Pranav Jayesh Choksi	Whole Time Director	00001731	June 25, 2004
3	Mr. Pankaj Jayakumar Gandhi	Whole Time Director	00001858	August 01, 2013
4	Mr. Dilip Ghosh	Whole Time Director	00412406	November 12, 2020
5	Mr. Rabi Narayan Sahoo	Independent Director	01237464	June 29, 2019
6	Mr. Shreyas Kantilal Patel	Independent Director	01638788	August 27, 2014
7	Mr. Shrirang Vishwanath Vaidya	Independent Director	03618800	February 12, 2018
8	Mrs. Anu Sanjiv Aurora	Independent Director	05120192	December 23, 2019
9	Mr. Bal Ram Singh	Non-Executive, Non-Independent Director	06918085	May 29, 2018
10	Mr. Gopal Madhavbhai Daptari	Independent Director	07660662	November 24, 2016

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manish Ghia & Associates
Company Secretaries
(Unique ID: P2006MH007100)

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: August 14, 2024
UDIN: F006252F000963824

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING FOR THE FINANCIAL YEAR 2023-24

DIRECTORS MESSAGE:

Dear Stakeholders,

We are delighted to share with you our Business Responsibility and Sustainability Report for the financial year 2023-24. This report underscores our unwavering commitment to Environmental, Social and Governance (ESG) principles and details the strides we have made in these critical areas.

We are acutely aware of the pressing environmental issues such as climate change, resource depletion and pollution. In response, we have set clear targets to cut down our carbon emissions, reduce waste and advance sustainable resource management. Our operations are guided by a meticulous Standard Operating Procedure (SOP) for handling expired or defective products, ensuring they are disposed of or incinerated at government-approved facilities.

At Gufic, we actively engage in initiatives for water conservation, energy management, waste reduction and greenhouse gas emission control. By leveraging technological advancements and manufacturing excellence, we are committed to enhancing access to and affordability of safe, effective and high-quality medicines. Our goal is to meet the needs of our patients and customers.

Our governance framework is designed to uphold transparency, adhere to legal and regulatory standards and ensure accountability. We maintain a robust system for addressing grievances and safeguarding whistleblowers, reinforcing our commitment to ethical practices and high standards of corporate governance.

We recognize the profound connection between social well-being and our business activities. We are dedicated to making a meaningful impact through our efforts to enhance employee welfare, foster community engagement and champion diversity and inclusion. Our CSR initiatives this year covered a broad spectrum, including healthcare, education, rural development and animal welfare, reflecting our commitment to social good.

We continuously evaluate our performance and set ambitious goals to further minimize environmental impact, advance social well-being and strengthen our governance practices. Engaging with our stakeholders and collaborating with industry peers will remain key as we tackle emerging challenges and drive positive change.

Pranav J. Choksi
CEO & Whole Time Director
DIN: 00001731

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Company

1.	Corporate Identity Number (CIN) of the Listed Company	L24100MH1984PLC033519
2.	Name of the Listed Company	Gufic Biosciences Limited
3.	Year of incorporation	1984
4.	Registered office address	37, First Floor, Kamala Bhavan-II, S. Nityanand Road, Andheri-East, Mumbai-400069
5.	Corporate address	SM House, 11 Sahakar Road, Vile Parle-East, Mumbai 400057
6.	E-mail	corporaterelations@guficbio.com
7.	Telephone	(+91 22) 67261000
8.	Website	www.gufic.com
9.	Financial year for which reporting is being done	April 01, 2023 - March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (Scrip Code: 509079) and National Stock Exchange of India Limited (Scrip Symbol: GUFICBIO)
11.	Paid-up Capital	Rs. 10,02,77,506 /-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Ami Shah, Company Secretary & Compliance Officer Email: mgr_legal@guficbio.com Tel. No.: 022 67261000
13.	Reporting boundary	Standalone basis
14.	Name of assurance provider	None
15.	Type of assurance obtained	None

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Pharmaceutical	Manufacturing and marketing of pharmaceutical products	100

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacture of pharmaceutical products	210	100

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	23*	26
International	0	1	1

**No. of offices includes the place of business of Company's Carrying and Forwarding Agents.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 States & 8 Union Territories
International (No. of Countries)	70+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

As on March 31, 2024, the exports of the Company contributes to 10.93% of total turnover.

c. A brief on types of customers

Our customers include wholesalers, distributors, pharmacy chains, hospitals, government institutions and other pharmaceutical companies. Patients who use our products are our ultimate customers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled) :

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEE					
1	Permanent (D)	1448	1251	86.40	197	13.60
2	Other than Permanent (E)	384	352	91.67	32	8.33
3	**Total Employee (D+E)**	**1832**	**1603**	**87.50**	**229**	**12.50**
	WORKER					
4	Permanent (F)	43	38	88.37	5	11.63
5	Other than Permanent (G)	796	416	52.26	380	47.74
6	**Total Employee (F+G)**	**839**	**454**	**54.11**	**385**	**45.89**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
	Total differently abled employees (D + E)	**-**	**-**	**-**	**-**	**-**
	DIFFERENTLY ABLED EMPLOYEES					
3	Permanent (F)	-	-	-	-	-
4	Other than Permanent (G)	-	-	-	-	-
	Total differently abled employees (F + G)	**-**	**-**	**-**	**-**	**-**

21. Participation / Inclusion / Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10
Key Management Personnel*	2	1	50

* The Key Managerial Personnel (KMP's) includes Chief Financial Officer and Company Secretary as the other KMP's are already included under the heading "Board of Directors".

22. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.79	23.15	**18.45**	19.78	22.87	**20.17**	19.85	22.89	**20.24**
Permanent Workers	0	0	**0**	0	0	**0**	0	0	**0**

Notes: Trainees and non-confirmed employees are excluded from the calculation of the turnover rate.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding / subsidiary /associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Gufic UK Limited	Subsidiary	100%	No

Note: In addition to above, the Company has incorporated two foreign companies namely Gufic Ireland Limited ("GIL") in Ireland and Veira Life FZE ("VLF") in Dubai, UAE and one Indian Company namely Gufic Prime Private Limited (GPPL) with the intention of making GIL and VLF its Wholly Owned Subsidiary and GPPL as its Subsidiary Company. As of March 31, 2024, neither investment have been made in GIL, VLF and GPPL nor they have begun their business operations.

VI. CSR Details

24. (I) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) : Yes

(ii) Turnover (₹ In Lakhs) (2023-24) : ₹ 80,666.57

(iii) Net worth (₹ In Lakhs) (2023-24): ₹ 53,256.05

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. The communities can raise their grievances through the concerned Plant Head.	-	-	-		-	-
Investors (other than shareholders)	Yes, the Company has an in-house Investor Relations (IR) officer dedicated to handling investor grievances and queries. All such concerns can be directed to the IR at avik.das@guficbio.com.	-	-	-	-	-	-
Shareholders	Yes, the Company has appointed M/s. Link Intime India Private Limited as the Registrar and Share Transfer Agent (RTA) who handles shareholders enquiries/ queries, requests and complaints. Further, the Company also has designated email -ids to redress the grievances of the Shareholders: corporaterelations@guficbio.com and mgr_legal@guficbio.com. The said details are also available on the website of the Company at the link: https://gufic.com/investors-redressal/	-	-	-	1	Nil	-
Employees and workers	Yes, the employees and workers have access to the Company's whistle blower mechanism. The policy in this regard is accessible at https://gufic.com/wp-content/uploads/2016/08/WHISTLE_BLOWER_POLICY.pdf Employees can also put their grievances in the complaint/ suggestion boxes placed at offices.	-	-	-	-	-	-
Customers	Yes, the Company has adequate Standard Operating Procedures to redress the Customer's grievances.	23	Nil	-	23	Nil	-
Value Chain Partners	Yes, the Value Chain Partners can raise their grievances by writing to the respective functional head or location head and the same is promptly attended by the respective head. The Company also has in place Code of Conduct for Supplier which can be accessible at https://gufic.com/wp-content/uploads/2021/06/Supplier%20Code%20of%20Conduct.pdf	-	-	-	-	-	-
Other (please specify)	Not Applicable						

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance and Business Ethics	Risk and Opportunity	**Risk:** Neglecting to maintain the utmost standards of corporate governance and business ethics can lead to significant risks, including reputational damage, legal consequences and loss of stakeholder trust. **Opportunity:** Through the adoption of good governance practices and ethical standards, organizations can cultivate sustainable value creation that positively impacts all stakeholders in the long run.	The Company provides regular training on business ethics and our code of conduct reinforces strict adherence to our policies by all employees. We ensure strict compliance with all applicable legal requirements to avoid regulatory repercussions and promote transparency in all business operations and financial reporting. Moreover, our commitment to maintaining high-quality standards is evident in our rigorous quality control measures, particularly in our operating locations, where we prioritize cGMP compliances.	**Positive:** Good governance and ethical practices can lead to enhanced investor confidence, customer loyalty, access to sustainable investments and improved financial performance. **Negative:** Failure to comply with regulatory standards can be significant, with risks potentially leading to regulatory fines, litigation costs, reputational damage and reduced investment opportunities.
2	Occupational Health and Safety	Risk and Opportunity	**Risk:** Exposure to unhealthy, unsafe and hazardous work conditions can have detrimental effects on the physical and mental well-being of workers, resulting in decreased productivity. Additionally employee health and safety incidents pose regulatory, reputational and business continuity risks. **Opportunity:** The Company demonstrates its commitment and determination to prioritize workforce health and safety by implementing a robust Environment, Health and Safety (EHS) management system that includes comprehensive hazard identification, mitigation plans, root cause analysis of reported incidents and corresponding corrective action plans.This integrated approach boost employee morale and results in higher efficiency and productivity.	1. The Company implements a robust Health and Safety Management system which includes periodic internal and external audits of the safety practices to ensure their effectiveness and adherence to established standards. 2. After identifying and assessing safety incidents, the Company adopts comprehensive corrective action plans to proactively prevent any recurrence of such incidents in the future.	**Positive:** The Company's robust approach to Occupational Health and Safety Management enables to prevent occurrence of incidents and thereby boost employee morale. This will results in higher efficiency and productivity. **Negative:** The occurrence of frequent safety incidents and injuries can have a negative impact on the Company's performance in terms of both safety and workforce well-being.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy Management	Opportunity	**Opportunity:** The Company is committed to enhancing operational efficiency through ongoing energy transition and efficiency improvements, with the goal of achieving long-term cost savings. The rapid expansion of renewable energy, driven by substantial government support and ongoing research and development, has significantly reduced its cost. By focusing on energy efficiency, the Company not only aims to cut operational expenses over the long term but also leverages this approach as a key strategy for decarbonization		**Positive:** Effective energy management leads to significant cost savings, reduced carbon footprint, and improved regulatory compliance. It enhances corporate reputation and boosts operational efficiency. Additionally, it drives innovation, improves employee satisfaction, and strengthens energy security.
4	Water and wastewater Management	Risk	**Risk:** Climate change and escalating water scarcity present significant risks to our operations, particularly at critical locations such as manufacturing and R&D sites. These issues can disrupt business continuity and affect operational efficiency. Additionally, the discharge of untreated or inadequately treated wastewater can lead to contamination of local water sources, harming aquatic ecosystems, biodiversity, and human health in nearby communities. Poor-quality water availability further compounds these risks, especially for pharmaceutical manufacturing, where high-quality water is essential to meet stringent product standards. Addressing these challenges is crucial to avoid regulatory non-compliance and its associated repercussions.	Improvements in efficiency for Zero Liquid Discharge (ZLD) systems have been implemented at our Navsari and Indore facilities. At the Navsari plant, we have reduced effluent load and saved energy in the ZLD system by reusing condensate from the Multiple Effect Evaporator (MEE) process and optimizing the treatment of domestic effluent streams. This approach has saved up to 7,200 KL of fresh water from borewells annually. At the Indore plant, our system features an Effluent Treatment Plant (ETP), Ultrafiltration (UF), and Reverse Osmosis (RO) units. The RO permeate water is repurposed for gardening, green belt development, cooling towers, & flushing wash areas, while RO reject water is also used for green belt development. This process recovers approximately 40 to 50 KL of water for cooling towers, thereby conserving soft water and reducing fresh water consumption.	**Negative:** The negative impact of addressing water shortages or managing poor-quality water includes the financial burden of meeting water demand. Increased water stress can adversely affect nearby communities and diminish the productivity of manufacturing sites, potentially resulting in regulatory issues and financial repercussions.
5	Regulatory Compliances	Risk and Opportunity	**Risk:** The Company being in pharmaceutical industry is required to comply with stringent regulatory requirements which includes Current Good	The Company has a strong quality assurance mechanism and compliance monitoring checklist that ensures strict compliance at every level. Also regular	**Positive :** Regulatory compliance enhances a company's reputation and builds trust among customers, stakeholders and regulatory authorities.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Manufacturing Practices (cGMP), Current Good Laboratory Practices (cGLP) and other regulatory requirements. If the Company fails to comply with the applicable statutory regulations, it may lead to loss of reputation and business loss. **Opportunity:** Strict adherence to regulatory compliances helps build a positive reputation for the Company, instilling trust among stakeholders, including customers, healthcare professionals and regulatory bodies. Regulatory compliance demonstrates credibility and facilitates market access in different jurisdictions and also provides a competitive edge over non-compliant counterparts.	training for its employees to update them on new developments is an integral part of this process. Proper Standard Operating Procedures (SOPs) and protocals are in place which needs to be followed by the employees. Compliance processes and procedures are regularly reviewed and updated based on changing regulations and industry best practices.	It enables the Company to explore new markets and geographies. **Negative :** Non- Compliance with any regulatory compliances may affect the Company's reputation and impact the continuity of the business. Regulatory frameworks can be complex and subject to frequent changes.
6	Responsible Supply Chain Management	Risk and Opportunity	**Risk:** The entire product life cycle heavily relies on a well-functioning supply chain. To prepare for unexpected situations that may cause disruptions, it is essential to have a robust contingency plan in place. The Company extends its responsible business principles throughout the value chain, expecting suppliers to adhere to these principles. Non-compliance from suppliers may have consequences on the Company's partnership with them, thereby affecting the overall business continuity plan. Weak supply chain management practices can result in disruptions, delays, and quality issues. **Opportunity:** Responsible supply chain management practices can enhance a company's reputation as a socially and environmentally responsible organization. This can attract customers, investors, and business partners who value ethical and sustainable practices. Responsible supply chain practices such as diversifying suppliers and monitoring supplier performance, can enhance supply chain resilience which can help mitigate risks associated with disruptions	The Company has well defined "Supplier Code of Conduct" for our suppliers which addresses all the elements of sustainable sourcing with special emphasis on supply continuity, quality, capacity and capability building, long term business relationships and overall sustainable performance management. The Company have a well-defined and documented Standard Operating Procedures for vendor approval. Vendor Audits are conducted by the Quality Assurance Team periodically. The Company has maintained long standing business relations with regular vendors.	**Positive :** Responsible supply chain management helps to identify and address potential risks including disruptions in the supply chain and also safeguards its operations from adverse impacts. It also enables the Company to explore alternative suppliers which presents an opportunity to mitigate risk exposure while unlocking access to untapped sources of raw materials. This process may unveil local suppliers, thereby reducing the environmental impact and offering improved control over evaluating supplier practices. **Negative:** Disruptions from non-substitutable and critical raw material suppliers could have a significant impact on the business if unforeseen challenges arise. Embracing responsible practices often requires the Company to trace their supply chains more comprehensively and collaborate with multiple suppliers which can lead to increased administrative burden, higher coordination costs and potential challenges in finding and maintaining responsible suppliers.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			such as natural disasters, geopolitical instability or supplier failures.		
7	Product Quality, Safety and Recall management	Risk and Opportunity	**Risk:** As Pharma Company is highly regulated, non-compliance with strict pharmaceutical regulations and quality standards may lead to legal penalties, product recalls & damage to the company's reputation. Product quality/ safety is very critical for success of the Company. **Opportunity:** Maintaining high product quality and safety standards can enhance the Company's reputation and foster customer trust. A strong track record of product quality and safety can give the company a competitive advantage in the market. Implementing robust recall management processes can help mitigate potential risks and reduce the impact of adverse events.	The Company has implemented robust quality management systems that adhere to Good Manufacturing Practices (GMP). This includes setting up Standard Operating Procedures (SOPs), conducting regular audits and ensuring compliance with relevant regulations. There also exist a robust pharmacovigilance system to monitor and assess adverse events and safety concerns post-market. Timely reporting and analysis of adverse events enable quick actions, including recalls if necessary. Regular trainings are imparted to the employees at all levels on quality and safety practices, emphasizing the importance of adhering to established protocols. This promotes a culture of quality and safety throughout the organization. The employees are updated with evolving regulatory requirements and standards related to product quality, safety and recalls, and ensure full compliance.	**Positive:** Delivering high-quality and safe products establishes a positive reputation for the Company, leading to increased customer loyalty and trust and thereby providing the Company a competitive edge. This strengthens the reputation of the Company amongst our stakeholders. Maintaining strict adherence to regulatory requirements fosters trust with regulatory authorities and reduces the likelihood of legal penalties and recalls due to non-compliance. **Negative:** Failure to meet quality and safety standards may lead to regulatory sanctions, fines, exposure to litigation risk or even product recalls, resulting in financial losses, temporary disruption of operations and damage to the Company's reputation.
8	Product development, innovation and pricing	Opportunity	**Opportunity:** Investing in Research and Development (R&D) to discover and develop new drugs offers an opportunity to address unmet medical needs and expand the company's product portfolio. This strategic approach fosters consistent growth, expands the consumer base and guarantees long-term viability.	-	**Positive :** Product development, innovation and pricing strategies play a vital role in the success and growth of the Company. This enable the Company to address market needs, improve patient outcomes, and sustain a competitive advantage, ultimately benefiting patients, stakeholders, and the Company's overall performance.
9	Cyber Security and Data Privacy	Risk and Opportunity	**Risk:** Cybersecurity and data privacy risks directly influence the security and integrity of the entire IT system throughout the organization. Periodically assessing the criticality of technology advancements and cyber security risks is essential for safeguarding business operations and preventing unforeseen breaches of data security and data privacy.	The Company ensures robust IT management and monitoring systems, along with installation of anti-virus and firewalls, to safeguard against data integrity and cyber security breaches. Regular training and awareness sessions are organized for employees, keeping them informed about the latest developments in data integrity and cyber security practices.	**Positive:** By embracing innovative technology and implementing digitalization initiatives, along with providing essential training to the team, the Company can ensure strict compliance with data security and privacy measures. Mitigating cyber security risks ensures continuity of critical business operations, preventing costly disruptions and downtime.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Opportunity: Implementing robust cybersecurity measures and data privacy protocols can safeguard sensitive data and protect against potential cyber threats. This will support the productivity and growth of the business.		**Negative:** Without a strong data integrity and security mechanism in place, the likelihood of data breaches may rise significantly, leading to the loss of valuable information with potentially severe consequences for the business. Such breaches could expose customer and stakeholder data, putting the company at risk of litigation, fines, and penalties.
10	Human Capital Development	Risk and Opportunity	**Risk:** Human Capital Development encompasses talent management initiatives such as talent acquisition, retention, employee development and ensuring employee well-being and satisfaction. Given that our business heavily relies on the well-being of our workforce, falling short of meeting or exceeding employee expectations could have negative consequences on employee retention, productivity, and overall business continuity. **Opportunity:** The Company is committed to enhance employee welfare and development by ensuring a nurturing environment that appreciates their contributions and fosters personal growth. This approach fosters employee retention and attracts top talent, ultimately driving productivity, fostering innovation, and fueling long-term business growth. As a result, this value-driven strategy benefits all stakeholders by creating sustainable value and mutual prosperity.	The Company has in place a well-structured onboarding process to ensure new employees integrate smoothly into the organization, understand their roles, and align with the company's values and culture. We offer continuous training and development opportunities to employees to enhance their skills, knowledge, and career growth within the company. Formal succession planning programmes are conducted for all leadership positions. The Company offers competitive compensation packages and benefits to attract and retain top talent, while also considering non-monetary incentives such as recognition and career growth opportunities.	**Positive:** Effective human capital management can enhance employee engagement, job satisfaction and motivation, leading to increased productivity and performance. A strong focus on human capital development attracts top talent to the organization and increases employee retention rates, reducing recruitment costs. A positive work environment that fosters innovation and creativity can lead to new ideas and solutions, driving the company's competitiveness and growth. **Negative:** Failure to meet employee expectations could result in adverse and lasting effects on employee productivity, potentially hindering the Company's growth in the long term.
11	Social Impact through Community Development	Opportunity	**Opportunity:** The Company aligns its Corporate Social Responsibility (CSR) initiatives with the specific needs of the community. This approach fosters a sense of mutual trust and understanding, leading to a lasting and positive relationship with the community and can have a more meaningful and sustainable impact on the community's well-being.	-	**Positive:** The CSR contribution of the Company for upliftment of the society in the areas of healthcare, education, animal welfare, among others not only promotes positive social outcomes but also fosters a strong bond with the community. This enables the Company to improve its reputation within the local community.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies & processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies are approved by the Board of Directors.								
c. Web Link of the Policies, if available	http://gufic.com/wp-content/uploads/2023/05/Business%20Responsibility%20Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Policies are extended to value chain partners to the extent required and feasible.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Current Good Manufacturing Practices (cGMP), Good Laboratory Practices (GLP) apart from accreditations by Central Drugs Standard Control Organisation (CDSCO: India), ISO 14001:2015, ISO 9001:2015 and international regulatory authorities such as WHO GMP, Philippines FDA, Nigeria NAFDAC, Cambodia MOH, Kenya PPB, Ethiopia FMHACA, Thailand MOH, Sri Lanka NMRA, EU GMP (Hungary), ANVISA Brazil, Russian GMP, Health Canada, Ukraine GMP, Australia TGA, Colombia INVIMA, Uganda NDA, SAHPRA South Africa, Syria MOH, Zimbabwe MCAZ, Thailand FDA, Kenya GMP, Nepal DDA etc.								
5. Specific commitments goals and targets set by the entity with defined timelines, if any."	**P6** 1. Enhance Water Conservation by minimizing fresh water consumption and upgrading the system to recycle & reuse treated water. 2. Reduce Effluent Load on the Effluent Treatment Plant (ETP). 3. Upgrade Effluent Treatment Plant by 2025. 4. Tree Plantation scheduled for 2024-2025 to uphold an oxygen-rich environment. 5. Dispose 25% of Waste through Pre-processing by 2025								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**P6** 1. In 2023-2024, the Company initiated a tree plantation program within the Navsari factory premises and surrounding areas, including Kabilpore and Shaligram Society. This initiative is designed to increase greenery, improve air quality, and prevent soil erosion, thereby contributing positively to the local environment and communities. 2. The Company recently completed a sewage treatment plant project, which effectively addresses wastewater challenges while prioritizing water reuse. This project underscores our commitment to sustainable water management and environmental responsibility.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure)*	Directors's message is given at the beginning of this report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Nagesh Yarrabathina- Chief Operating Officer								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No. Mr. Nagesh Yarrabathina - Chief Operating Officer of the Company oversees the Company's Business Responsibility and Sustainability initiatives and reporting on these matters are submitted to the Board of Directors. The Board of Directors reviews and overseas implementation of sustainability related issues on an annual basis.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly / Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The performance against all policies is monitored and reviewed by the Board of Directors, wherever required.									Periodically/ Need Basis								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The status of compliance with all applicable statutory requirements is reviewed by the Board of Directors.									Ongoing basis								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, the Company internally reviews the working of the aforementioned policies.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE:

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training & awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness Programmes
Board of Directors (BOD) Key Managerial Personnel (KMP)	4	Various familarization/ awareness programme have been undertaken on a range of topics related to material developments in the Company and Industry as a whole, R & D Activities, updates on CSR initiatives undertaken, CAPEX, Corporate Governance, Whistle Blower Mechanism, Prevention of Sexual Harassment at workplace, Prohibition of Insider Trading, Code of Business Conduct and Ethics, ESG parameters, overall performance of the Company etc. Additionally, regular updates are shared with the BOD and KMP on Company developments, key regulatory changes, risks and compliances.	100%
Employees other than BOD and KMPs	96	Product training, Selling skills, Personality development, team building, managerial skill development, leadership skills, skill upgradation, System Applications & Production in Data Processing (SAP) Training, Prohibition of Insider Trading, Whistle Blower Mechanism, Code of Conduct, Prevention of Sexual Harassment at workplace, Regulatory Compliance, HR Policies, SOP training.	100%
Workers	51	Health and Safety related training and awareness sessions, Prevention of Sexual Harassment at workplace, Fire Fighting training, Personal hygiene, technical & compliance training, HR Policies, SOP training.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law forcement agencies/ judicial institutions, in the financial year 2023-24:

Monetary					
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred ? (Yes/No)**
Penalty / Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fees	-	-	-	-	-

Non-Monetary				
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred ? (Yes/No)**
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has implemented a comprehensive Anti-Corruption and Anti-Fraud Policy. This policy underscores the Company's unwavering commitment to zero tolerance for bribery and corruption, ensuring the highest standards of integrity and transparency across all interactions and business activities. The policy is applicable to all stakeholders, including those associated with or acting on behalf of the Company, as well as individuals appointed on an ad-hoc, temporary or contractual basis, trainees, apprentices and representatives of business associates, vendors, customers and others engaged in business or interactions with the Company.

This policy is a key component of the Company's governance framework and should be read in conjunction with the Code of Conduct for Board Members and Senior Management Personnel, as well as the Whistleblower Policy. The full policy can be accessed at: http://gufic.com/wp-content/uploads/2023/06/Anti-Corruption%20&%20Anti-fraud%20Policy.pdf.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-2024 (Current Financial Year)		FY 2022-2023 (Previous Financial Year)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable

8. **Number of days of accounts payables [(Accounts payable *365) / Cost of goods/services procured] in the following format:**

Particulars	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Number of days of accounts payables	93.00	84.19

9. **Open-ness of business**

   Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	6.17%	5.49%
	b. Number of trading houses where purchases are made from	12	11
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.76%	99.94%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	61.11%	40.01%
	b. Number of dealers / distributors to whom sales are made	2820	1668
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	18.66%	22.14%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.07%	0.24%
	b. Sales (Sales to related parties / Total Sales)	0.01%	0.10%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	0.58%	-

Leadership Indicators

1. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Yes, the Company has instituted a Code of Conduct for Directors and Senior Management ("Code of Conduct"), which sets forth comprehensive guidelines to prevent and disclose any actual or potential conflicts of interest with the Company. The Code further mandates that Directors and Senior Management must not exploit information acquired through their roles for personal benefit.

   Board members are required to disclose their interests in other entities or individuals annually, as well as whenever changes occur, with these disclosures being duly presented to the Board. All contracts, arrangements and transactions with related parties during the year under review were subject to approval by the Audit Committee, conducted within the ordinary course of business and executed on an arm's length basis.

   Moreover, the Company obtains an annual declaration from Directors and Senior Management, affirming their compliance with the Code of Conduct and confirming the absence of any conflicts of interest in their dealings. The Code of Conduct is accessible on the Company's website at:

   http://gufic.com/wp-content/uploads/2020/10/Code%20of%20conduct%20for%20directors%20and%20Senior%20Management%20Personnel.pdf.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year 2023-24	Previous Financial Year2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	R&D investments involve allocating resources to diverse projects aimed at enhancing the eco-friendly and societal effects of our products and procedures. This includes Reduction in processing timings like lyophilization cycles, Increasing of Batch sizes, as well as extending the shelf life of products. The latter endeavor aids in decreasing the demand for utilities, labor hours and process durations, thereby contributing positively to the environment. Process improvement for reduction in nitrosamine Impurities.
Capex	1.00%	0.70%	1. Installed high-capacity Lyophilizers to increase batch sizes, complemented by investments in advanced techniques for optimizing lyophilization cycles. 2. Upgraded the Effluent Treatment Plant (ETP) with pre-treatment and multi disk screw press to help ensure better control of parameters and reduction in moisture content of sludge, thereby yielding cost reduction benefits. 3. Focused on environmental performance improvements by implementing initiatives aimed at waste water treatment and conserving water and energy resources. 4. Subscribed to the EcoVadis Platform to comprehensively evaluate and enhance our performance across key areas including Environmental, Health, and Safety (EHS), Labor & Human Rights, Ethics, Sustainable Procurement, Carbon Management, Circular Economy, alignment with Sustainable Development Goals (SDGs) and Corporate Governance.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No): Yes

b. If yes, what percentage of inputs were sourced sustainably? >90%. According to Company's policy, all suppliers are expected to abide by the Suppliers Code of Conduct, which includes parameters on business code and ethics, human rights, fair employment practices, environment, health and safety ("EHS") etc., among others.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely /reclaim the product
a. Plastics (including packaging)	The Company is registered with Central Pollution Control Board (CPCB). Plastic waste is either co-processed or recycled based upon the type of waste generated. The Company adheres to the Plastic Waste Management Rules as applicable.
b. E-Waste	Not Applicable.
c. Hazardous Waste	Hazardous waste is disposed off through pre-processing, co-processing, incineration, landfill disposal and is sent to authorised re-cycling & decontamination facilities operated by registered recyclers. Expired, near expiry, rejected medicines are collected back from the distributors and disposed off (Pre- processed) in cement plants like other hazardous waste.
d. Other Waste	Bio-medical waste is disposed off through Common Bio-medical Waste Treatment and Disposal Facility (CBWTF) incinerator.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to us and we are registered with the Central Pollution Control Board (CPCB). We comply with the requirements outlined in the Plastic Waste Management Rules, 2016 and fulfill our EPR obligations by collaborating with a Waste Management Agency (WMA).

Leadership Indicator

1. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not applicable. In the pharmaceutical industry, recycled or reused input materials cannot be used in the manufacturing process due to contamination risks and the nature of products. However, in some of our operations, we recover the spent solvent through solvent recovery system and reuse the same in our operations.

2. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

The Company reclaims expired medicine stocks from the stockiest as per its SOP. The reclaimed expired medicine stock is then disposed off in a safe manner, as per the regulatory guidelines.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent employees										
Male	1251	1251	100.00	1251	100.00	0	0	0	0	0	0
Female	197	197	100.00	197	100.00	197	100.00	0	0	0	0
Total	**1448**	**1448**	**100.00**	**1448**	**100.00**	**197**	**100.00**	**0**	**0**	**0**	**0**
	Other than Permanent employees										
Male	352	352	100.00	352	100.00	0	0	0	0	0	0
Female	32	32	100.00	32	100.00	32	100.00	0	0	0	0
Total	**384**	**384**	**100.00**	**384**	**100.00**	**32**	**100.00**	**0**	**0**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent workers										
Male	38	38	100.00	38	100.00	0	0	0	0	0	0
Female	5	5	100.00	5	100.00	5	100.00	0	0	0	0
Total	**43**	**43**	**100.00**	**43**	**100.00**	**5**	**100.00**	**0**	**0**	**0**	**0**
	Other than Permanent workers										
Male	416	416	100.00	416	100.00	0	0	0	0	0	0
Female	380	380	100.00	380	100.00	380	100.00	0	0	0	0
Total	**796**	**796**	**100.00**	**796**	**100.00**	**380**	**100.00**	**0**	**0**	**0**	**0**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.92%	0.46%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00	100.00	Y	100.00	100.00	Y
Gratuity	100.00	100.00	Y	100.00	100.00	Y
ESI	23.41	20.93	Y	31.85	45.45	Y
Others-Please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes, the premises/ offices of the Company are accessible to differently abled employees and workers.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   Yes, the Company has in place Equal Opportunity Policy which outlines its commitment to non-discrimination by providing equal employment opportunities to all its employees irrespective of gender, race, colour, religion, age, marital status, disability, ancestry, sexual orientation, etc. The policy is available at the Company's website at

   https://gufic.com/wp-content/uploads/2023/06/Equal%20Oppourtunity%20Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent Workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	NA	NA	NA	NA
Female	100.00	100.00	100.00	100.00
Total	**100.00**	**100.00**	**100.00**	**100.00**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Yes, the Company has an established grievance redressal mechanism for employees and workers.
Other than Permanent Workers	Yes	The Company has implemented a Whistle blower Policy that provides a formal avenue for all employees and workers to report any actual or suspected concerns related to unethical behavior, fraud or violations directly to the Audit Committee. Additionally, the Company has adopted a policy on the prevention, prohibition and redressal of sexual harassment at the workplace, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been established to handle complaints and grievances related to sexual harassment.
Permanent Employees	Yes	Non-permanent employees and workers have the option to raise their concerns with their manager or supervisor.
Other than Permanent Employees	Yes	Our organization also provides a suggestion box in offices where employees are encouraged to share suggestions and raise concerns. Furthermore, we hold Town Hall Meetings where employee grievances are heard and resolved.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

   The Company does not have any trade unions. However, we recognize the right to freedom of association and collective bargaining.

Category	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees /workers in respective category (C)	No. of employees / workers in respective category who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	**1448**			**1617**		
- Male	1251	-	-	1408	-	-
-Female	197	-	-	209	-	-
Total Permanent Workers	**43**			**11**		
- Male	38	-	-	7	-	-
-Female	5	-	-	4	-	-

8. Details of training given to employees and workers:

Category	FY 2023-2024 Current Financial Year					FY 2022-2023 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. E	%(E/D)	No. F	%(F/D)
	Employees									
Male	1251	1251	100.00	1251	100.00	1408	1408	100.00	1408	100.00
Female	197	197	100.00	197	100.00	209	209	100.00	209	100.00
Total	**1448**	**1448**	**100.00**	**1448**	**100.00**	**1617**	**1617**	**100.00**	**1617**	**100.00**
	Workers									
Male	38	38	100.00	38	100.00	7	7	100.00	7	100.00
Female	5	5	100.00	5	100.00	4	4	100.00	4	100.00
Total	**43**	**43**	**100.00**	**43**	**100.00**	**11**	**11**	**100.00**	**11**	**100.00**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D/C)
	Employees					
Male	1251	1251	100.00	1408	1408	100.00
Female	197	197	100.00	209	209	100.00
Total	**1448**	**1448**	**100.00**	**1617**	**1617**	**100.00**
	Workers					
Male	38	38	100.00	7	7	100.00
Female	5	5	100.00	4	4	100.00
Total	**43**	**43**	**100.00**	**11**	**11**	**100.00**

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company has in place Occupational Health and Safety Management System. The Company places the highest priority on the health, safety, and well-being of its employees and workers. The Company enforces a comprehensive Health and Safety Management System, which includes regular internal and external audits of safety practices to ensure they are effective and comply with established standards. It adheres to all relevant legal requirements, such as the Factories Act, the Environment Protection Act, and other guidelines set by the Pollution Control Board. Employees and workers are provided with personal protective equipment and receive awareness training, and they must follow standard operating procedures (SOPs) related to safety. Health insurance & compensation, Occupational health center, first aid at points, firefighting systems (smoke detectors, fire alarm systems, fire extinguishers), SOPs to operate plant activities in emergencies, are provided. Further, Safety Risk Assessment & Safety Audit is done by regulatory bodies. The Occupational Health and Safety Management System applies to all units and employees within the manufacturing operations. Hence, the coverage is 100%.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company undertakes periodic internal and external audits to ensure the compliance of Health and Safety Management system within the manufacturing operation. Based on incident investigations and root cause analyses, corrective and preventive measures are implemented by enhancing existing controls or introducing new ones for all activities within the organization's facilities. Identification of potential risks are also undertaken through designed checklists, Hazard Identification and Risk Assessment (HIRA) and other consequence modelling studies. Additionally, periodic Environmental, Health and Safety (EHS) training and inspections are performed to identify work-related hazards and implement appropriate mitigation strategies.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has comprehensive Standard Operating Procedures (SOPs) for employees and workers that guide the timely identification and mitigation of work-related hazards and risks. We are committed to fostering a safe work environment by proactively identifying and addressing potential hazards. Additionally, the employees and workers are trained with Health and Safety module which includes identification of work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. Further they also receive training on how to use emergency equipment like fire hydrants, fire-fighting systems, safety alarms, and more during the safety and emergency evacuation drills. This enables either minimisation or elimination of hazard levels.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**- Yes. There is a Group Mediclaim policy for eligible employees and workers.

11. Details of safety related incidents, in the following format.

Safety Incident/Number	Category*	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	2.77	1.43
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**Including in the contract workforce*

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Employees and workers are provided with personal protective equipment and awareness training and are required to comply with SOP's in this regard. Further, they are also trained with Health and Safety module which includes identification of work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. We keep our employees informed about safety inspection results, injury and illness statistics, and other safety-related matters. Our Environment, Health and Safety (EHS) team and site management conduct regular workplace inspections to identify and address any potential hazards.

We have well-trained and equipped Emergency Response Teams, including first aiders and firefighters, to promptly address any emergencies that may arise. Regular measurements of Volatile Organic Compounds (VOCs) in the workplace help us promptly detect and respond to potential leaks, minimizing exposure to harmful chemicals. Safety and environment audits of plants are done by competent authorities under the Factories Act to ensure compliance. We are committed to international best practices in safety and environmental management. We have successfully implemented ISO 14001 (environmental management) and we continue to work towards achieving additional certifications.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Condition	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

In current year, there were no safety related incident reported.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends compensatory package to employees and workers in the event of death. Benefits like provident fund, gratuity, as applicable, are settled on priority basis.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues as applicable to the transaction with its value chain partners are deducted and deposited in accordance with the applicable regulations. The Company also collects necessary certificates and proofs from its contractors with respect to payment of statutory dues like PF, ESIC, etc. We emphasize holding our value chain partners responsible for upholding business responsibility principles and maintaining transparency and accountability.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company provides skill upgradation training programmes to employees during their employment which further enable the employees to pursue employment post retirement or termination, based on the acquired skillset.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company is proactive in interacting with stakeholders and diligently identifies key material issues, ensuring that stakeholder expectations are met effectively. As a responsible organization, we are dedicated to building and maintaining strong, meaningful relationships with our stakeholders. Employees, workers, shareholders/investors, distributors, customers, channel partners, vendors/ suppliers/ third party manufacturers, healthcare professionals, local communities, regulators and government agencies are the primary stakeholders group identified by the Company as part of the engagement process. We prioritize understanding the expectations and concerns of these stakeholders. By actively engaging with them through multiple channels, we have both strengthened our relationships and enhanced our overall organizational strategy.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose & scope of engagement including key topics and concerns raised during such engagement
Investors/Shareholders	No	Email, Newspaper Advertisements, Website, Disclosure to Stock Exchanges, Investor meetings, Earning calls, Annual Reports, Investor Presentations, Press Releases etc.	Quarterly /Event based	We are committed to financial transparency with our investors and shareholders. We provide quarterly financial updates on our website and engage with our investors to address their expectations and concerns.
Employees & workers	No	Department meetings, One-on-one engagement, E-mails, Notices, Employee web-portals, Training and development workshops, Town halls & other communication mechanisms	Ongoing	Skill development, Health and safety, training and development, follow ups for SOP's and compliances with policies of the Company.
Customers (Healthcare professionals, Dealers & Distributors)	No	Email, In- Person Meetings, Conferences and Seminars, Advisory Meetings, engagement through website and social media	Ongoing	Optimize product development and delivery, pricing, enhance customer insight and satisfaction, to stay informed about the latest advancements in the pharmaceutical sector and address grievances.
Suppliers, Vendors and Third Party manufacturer	No	E-mails and Meetings	Frequent and need based	Strengthen supply chain resilience and minimize disruptions, drive innovation, improve production efficiency and quality control, develop robust and collaborative relationships, develop contingency plans to handle unforeseen disruptions.
Government and Regulator	No	Mandatory regulatory filings, E-mails, written communication and meetings.	Need based	Continuously monitor regulatory changes and adapt practices accordingly, implement robust internal audits and compliance checks, foster a culture of ethical behavior and accountability throughout the organization.
Communities	Yes	Directly or through CSR implementation agency	Ongoing	Community development programmes through CSR initiatives covering key areas such as healthcare, education, animal welfare, among others.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The stakeholder engagement mechanism is essential for enhancing and diversifying stakeholder relationships. It helps to identify critical issues that significantly impact the Company's growth. Stakeholders can express concerns about economic, environmental, and social issues through our dedicated grievance redressal email. Upon receiving an email, we acknowledge its receipt promptly and provide an initial response to address immediate concerns. If specific queries need further attention from the Board or Management, the Company Secretary escalates them accordingly. The Board or Management then carefully reviews these matters and makes informed decisions, notifying the concerned individual of the outcome via email.

   Additionally, to ensure stakeholder satisfaction, the Board or Management reviews all complaints and oversees their resolution. This process ensures that appropriate actions are taken to address and resolve any issues. Our grievance redressal system is designed to promote transparency, accountability, and effective stakeholder engagement, ensuring that all concerns are addressed promptly and maintaining a positive, mutually beneficial relationship with our stakeholders.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company is committed to fostering inclusive and collaborative growth by prioritizing regular, constructive interactions with stakeholders to address key issues related to social impact, the environment, and human rights. Through employee engagement activities, vendor meetings, and ongoing communication with local communities, the Company seeks to understand and address environmental and social concerns. By consulting with key stakeholders, the Company identifies and prioritizes material topics based on their business impact. This feedback-driven approach enhances communication and collaboration forums, improves health and safety, and supports the well-being of employees. Additionally, it streamlines business processes for suppliers and effectively addresses environmental and social aspects. Through these initiatives, the Company aims to drive sustainable development and ensure that its operations positively impact both stakeholders and the broader society.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company is committed to supporting vulnerable and marginalized communities through its CSR initiatives. By partnering with various implementation agencies, the Company delivers targeted programs in healthcare, education, animal welfare, and more. Each CSR program is tailored to address specific community needs, which are carefully assessed to design structured projects that drive social transformation. These initiatives aim to benefit disadvantaged and marginalized groups, ensuring that CSR funds are utilized effectively to maximize their positive impact. With a focus on healthcare support, educational assistance, and overall empowerment, the Company is dedicated to fostering sustainable development and improving community well-being.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format :

Category	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1448	1448	100.00	1617	1617	100.00
Other than permanent	384	384	100.00	0	0	0
Total Employees	**1832**	**1832**	**100.00**	**1617**	**1617**	**100.00**
Workers						
Permanent	43	43	100.00	11	11	100.00
Other than permanent	796	796	100.00	538	538	100.00
Total Workers	**839**	**839**	**100.00**	**549**	**549**	**100.00**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-2024 (Current Financial Year)					FY 2022-2023 (Previous Financial Year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**1448**	**0**	**0**	**1448**	**100.00**	**1617**	**0**	**0**	**1617**	**100.00**
Male	1251	0	0	1251	100.00	1408	0	0	1408	100.00
Female	197	0	0	197	100.00	209	0	0	209	100.00
Other than Permanent	**384**	**0**	**0**	**384**	**100.00**	**0**	**0**	**0**	**0**	**0**
Male	352	0	0	352	100.00	0	0	0	0	0
Female	32	0	0	32	100.00	0	0	0	0	0
Workers										
Permanent	**43**	**0**	**0**	**43**	**100.00**	**11**	**0**	**0**	**11**	**100.00**
Male	38	0	0	38	100.00	7	0	0	7	100.00
Female	5	0	0	5	100.00	4	0	0	4	100.00
Other than Permanent	**796**	**711**	**89.32**	**85**	**10.68**	**538**	**468**	**86.99**	**70**	**13.01**
Male	416	331	79.57	85	20.43	266	196	73.68	70	26.32
Female	380	380	100.00	0	0	272	272	100.00	0	0

3. Details of remuneration/salary/wages, in the following format:
a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Amt in ₹)	Number	Median remuneration/ salary/wages of respective category (Amt in ₹)
Board of Directors (BOD)*	4	32,84,274	0	-
Key Managerial Personnel	1	55,00,004	1	17,50,483
Employees other than BOD & KMPs	1598	3,61,231	228	3,15,826
Workers	39	1,48,350	4	3,63,473

**BOD represents data for Executive Directors only*

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Gross wages paid to females as % of total wages*	11.10	11.06

**Permanent employees and workers are considered while computing gross wages paid to females as % of total wages.*

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issue caused or contributed to by the business? (Yes/No)**

   Yes, the Company has dedicated HR team at various location to address the human rights issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   The Company is committed to provide safe and conducive work environment to all its employees and workers. The Company has in place Internal Complaints Committee (ICC) which looks into and addresses any grievances related to sexual harassment. The Company also has in place whistle blower/ vigil mechanism to enable the employees to raise their concerns about unethical behavior, actual or suspected violation, malpractices, corruption, fraud or unethical conduct, leak of unpublished price sensitive information, etc. All the grievances related to human rights are promptly handled by the Manufacturing Unit Heads/Project Managers/Business Unit Heads in coordination with Human Resource Department. They thoroughly investigate each grievance and take necessary actions to address and resolve the issues. If necessary, disciplinary measures are taken and support from regulatory authorities is sought.

6. Number of Complaints on the following made by employees and workers :

Particulars	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company's Whistle Blower Policy ensures to safeguard complainants from retaliation and other unfair practices, including threats, intimidation, termination, suspension, disciplinary action, transfer, demotion, or denial of promotion. Complainants may choose to remain anonymous unless disclosure is required by law enforcement. Investigations are conducted with the utmost confidentiality to protect the complainant and ensure their identity is kept secure. For sexual harassment cases, the Company adheres to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, ensuring that investigations are handled discreetly and the complainant's identity is protected. The Company also has Internal Complaints Committees (ICCs) at the head office and plant locations to specifically address and resolve sexual harassment complaints.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirement is part of certain specific business agreement and contract, wherever required.

10. Assessment for the year :

Particulars	% of your plants and offices that were assessed by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

During the period under review, the Company did not receive any corrective action directives as we are compliant with the applicable laws.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

During the financial year 2023-2024, the Company did not received any human rights grievances/complaints. As a result, no business processes have been modified or introduced for addressing human rights grievances/ complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted

During the financial year 2023-2024, the Company has not undertaken any Human Righs due diligence. However, the Company has in place Human Rights Policy and all the employees and value chain partners are expected to abide by the principles covered in the policies.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the rights of Persons with Disabilities Act, 2016

Yes, the premises/office of the Company are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-2024 *(Current Financial Year)*	FY 2022-2022 *(Previous Financial Year)*
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (c)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	32755.96 Giga Joules	19370.68 Giga Joules
Total fuel consumption (E)	20831.27 Giga Joules	17890.37 Giga Joules
Energy consumption through other sources (F)	136.27 Giga Joules	-
Total energy consumed from non-renewable sources (D+E+F)	53723.50 Giga Joules	37261.05 Giga Joules
Total energy consumed (A+B+C+D+E+F)	53723.50 Giga Joules	37261.05 Giga Joules
Energy intensity per rupee of turnover (Total energy consumption in GJ/ Revenue from operations in Millions)	6.66	5.40
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed in GJ / Revenue from operations adjusted for PPP in Million)	152.38	123.44
Energy intensity in terms of physical output	129.17[#]	80.35

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

[#] The energy consumption figures for FY 2023-24 include the Indore manufacturing facility. It is important to note that production at this facility has not yet commenced. Consequently, the Energy Intensity in terms of Physical Output is reported as higher for this financial year due to the absence of corresponding production output from the Indore facility.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we haven't carried out assessment / evaluation / assurance from any external agency.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   No.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	**FY 2023-2024 (Current Financial Year)**	**FY 2022-2023 (Previous Financial Year)**
Water withdrawal by source (in kilolitres)		
(I) Surface water	-	-
(ii) Groundwater	53938.7	46966
(iii) Third party water	44492	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**98430.7**	**46966**
Total volume of water consumption (in kilolitres)	**98430.7**	**46966**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in Million)	12.20	6.8
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP in million)	279.19	155.60
Water intensity in terms of physical output	**236.67 #**	**101.28**

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

The water consumption figures for FY 2023-24 include the Indore manufacturing facility. It is important to note that production at this facility has not yet commenced. Consequently, the Water Intensity in terms of Physical Output is reported as higher for this financial year due to the absence of corresponding production output from the Indore facility.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we haven't carried out assessment / evaluation / assurance from any external agency.

4. Provide the following details related to water discharged:

Parameter	**FY 2023-2024 (Current Financial Year)**	**FY 2022-2023 (Previous Financial Year)**
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No Treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No Treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	**-**	**-**
No Treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	**-**	**-**
No Treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	**-**	**-**
No Treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we haven't carried out assessment / evaluation / assurance from any external agency.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Yes, we have implemented Zero Liquid Discharge mechanism at our Navsari and Indore plant. At the Navsari plant, we have Effluent Treatment Plant (ETP) and three stage Multi Effect Evaporator (MEE) installed to treat the effluent water as per norms. The wastewater is treated in a facility consisting of primary, secondary and tertiary treatment with membrane filtration [Ultrafiltration (UF)/ Reverse Osmosis (RO)]. Treated process waste water and condensate produced by this system is effectively utilized in boilers and other utilities. At our Indore plant, we have implemented a treatment system comprising ETP, UF, and RO. The permeate water from the RO process is utilized for gardening, green belt development and cooling towers. There is no effluent generation at our Belgaum site. Moreover, the Company promotes water conservation through a reduce, reuse, and recycle strategy across its manufacturing sites.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Please Specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Nox	Ppm	38.39	16.9
Sox	Ppm	51.35	14.1
Particulate matter (PM)	mg/m3	71.73	30.54
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)	Ppm	-	-
Hazardous air pollutants (HAP)	Ppm	-	-
Others – please specify		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency ? (Y/N) If yes, name of the external agency.

Yes, the Navsari plant has been evaluated by Aqua-Air Environmental Engineers Private Limited, while testing at the Indore plant has been conducted by CES Analytical & Research Services (I) Private Limited.

7. **Provide details of greenhouse gas emissions (Scope 1 & Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2500.959	2152.589
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2338.07	2330.703
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million)		0.60	0.65
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP in million)		13.73	14.85
Total Scope 1 and Scope 2 emission intensity in terms of physical output		**11.63**	**9.67**

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We haven't carried out assessment / evaluation / assurance from any external agency.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.** Yes, in our Navsari plant we have employed advanced Heating, Ventilation and Air Conditioning (HVAC) technology into our systems, leveraging eco-friendly gases such as R-33, R410, and R407. We have reduced energy consumption through equipment updates. We also use briquette-based boilers instead of fuel oil-based boilers to reduce greenhouse emission and accelerate our green transition. We have also reduced GHG emissions through process optimization. These environmentally conscious choices align with our commitment to sustainable practices while ensuring efficient and effective climate control for our facilities. Furthermore, the Company ensures to adopt environmentally responsible practices by disposing of waste generated during production operations in accordance with all relevant environmental laws. We have also substituted incineration of waste with pre-processing.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	64.0	22.24
E-waste **(B)**	-	-
Bio-medical waste **(C)**	8.09	9.02
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	8.85	4.35
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G+H)	**80.94**	**35.61**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in million)	0.010	0.005
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP in million)	0.23	0.12
Waste intensity in terms of physical output	0.19	0.08
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0.011
(ii) Re-used	1.505	2.194
(iii) Other recovery operations	-	-
Total	**1.505**	**2.205**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	7.724	-
(ii) Landfilling	-	-
(iii) Other disposal operations	69.855	12.98
Total	**77.579**	**12.98**

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we haven't carried out assessment / evaluation / assurance from any external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has implemented waste management plan and SOP's in this regard are in place that encompasses various strategies for waste reduction, segregation and safe disposal. To align with its goals of resource optimization and waste reduction, the Company has enacted several measures to minimize manufacturing rejects. The Company complies with the requirements of Extended Producer Responsibility (EPR) by collecting end-of-use plastic and improving its management of plastic waste. In dealing with hazardous waste, the company prioritizes environmentally friendly practices, diverting a significant portion of it for co-processing instead of resorting to incineration or landfilling. Furthermore, the Company ensures environmentally responsible practices by disposing of waste generated during production operations in accordance with all relevant environmental laws.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company does not have any of its manufacturing facilities/ offices in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No environmental impact assesment was undertaken during the financial year 2023-2024.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with the applicable environmental law / regulations / guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: NIL

(ii) Nature of operations: NIL

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**-**	**-**
Total volume of water consumption (in kilolitres)	**-**	**-**
Water intensity per rupee of turnover		
(Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		--
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, we haven't carried out assessment/ evaluation/ assurance from any external agency.

2. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not Applicable

3. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative Taken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Primary and Secondary Condensers in Navsari plant	The Company has implemented primary and secondary condensers to optimize solvent recovery and reduce the release of ambient air emissions.	1. Reduction in fuel consumption 2. Minimization of environmental impacts in the surrounding area
2	Use of cooling tower	A cooling tower is employed at our Indore and Navsari plants to reduce the amount of fresh water consumed.	Reduction in consumption of fresh water
3	Use of Advance Air Pollution Control System (APCS) in Navsari plant	A Bag Filter and Multi Cyclone Separator are employed to minimize particulate matter emissions into the surrounding air. Furthermore, a scrubber system is used to manage gas emissions.	To minimize the presence of gases and particulate matter in the surrounding air.
4	Fuel Substitution	At our Navsari and Indore plants, we use briquette-based boilers instead of fuel oil-based boilers.	Reduces greenhouse emission and accelerate green transition.
5	Efficiency improvement in Zero Liquid Discharge ("ZLD") system in Navsari Plant"	Effluent load reduction and energy saving in ZLD system are achieved through the following measures: 1) Reusing condensate from the Multiple Effect Evaporator (MEE) process. 2) Modifying the treatment method for domestic effluent streams.	Saving up to 7200 KL fresh water from borewell per year in Navsari plant
6	Condensate system	At our Indore plant, we have a condensate recovery system in place. We collect all plant condensate in a tank and then redirect it to the boiler feed tank. Since the condensate temperature is approximately 60°C, this process helps to reduce both water and fuel consumption.	Reduction of water and fuel consumption.
7	Efficiency improvement in Zero Liquid Discharge ("ZLD") system in Indore Plant	Our system includes an ETP, UF and RO unit. The RO permeate water is utilized for gardening, green belt development, cooling towers, and wash area flushing. Additionally, RO reject water is also employed for green belt development.	This reduces the consumption of fresh water by recovering approximately 40 to 50 KL of water for use in cooling towers, thereby conserving soft water.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has a robust plan for business continuity and on-site emergencies. This thorough plan enables the Company to effectively address challenges from natural disasters or unexpected events that might disrupt normal operations. To ensure readiness, employees participate in regular training and disaster management drills to handle emergencies efficiently. Additionally, the Company has a detailed risk management plan and policy designed to minimize disaster-related losses by assessing potential disruptions and implementing mitigation strategies, thereby maintaining a secure and resilient business environment.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is a member of four trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)	National
2	Indian Drug Manufacturers Association (IDMA)	National
3	The Council of EU Chambers of Commerce in India	National
4	Asmechem Chamber of Commerce & Industry of India	National

2.Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
During the reporting period, there was no adverse order issued from regulatory authorities pertaining to anti-competitive conduct.		

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
In the reporting year, the Company has not undertaken any Social Impact Assessments (SIA).					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company recognizes its societal responsibilities and supports the inclusive growth and fair development of all stakeholders. We are committed to responsible growth, balancing stakeholder needs, and considering our impact on the environment and community. Our CSR initiatives reflect this commitment. Additionally, Company officials periodically visit local areas and engage with residents and local councils to address any grievances. Currently, no specific grievances have been reported.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	4.42	4.62
Directly from within India	53.16	42.33

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Rural	6.09	5.93
Semi-urban	0.81	0.86
Urban	41.77	37.34
Metropolitan	51.33	55.87

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company manages consumer complaints and feedback through a well-established and effective system, ensuring prompt resolution. Complaints reported by any Patients, consumers, healthcare professionals, and other stakeholders are reviewed and addressed according to our Standard Operating Procedure (SOP). Depending on the nature of the complaint, it is forwarded to the relevant department for appropriate action and response. Additionally, consumers can provide feedback through the procedures outlined in our Code of Conduct, available on our website. We also ensure that complaints raised in consumer forums are handled in accordance with applicable laws and regulations.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

Particulars	As a percentage of total turnover
Environmental and Social parameters relevant to the product	-
Safe and responsible usage	100
Recycling and/or safe disposal	-

3. Number of complaints in respect of the following :

Particulars	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-2023 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-Security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others- related with Products, Packaging of Products etc.	23	Nil	Resolved	23	Nil	Resolved

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reason for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	Not Applicable

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy ? (Yes/No) if available, provide a web link of the policy -**

   Yes, the Company has in place framework on cyber security and risks related to data privacy to provide effective measures aimed at averting potential cyber threats and the same is available on the Company's intranet for the employees of the Company.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/services.**

   No Penalties/Regulatory actions have been levied or taken on the aforementioned parameters.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches -** 0

   b. **Percentage of data breaches involving personally identifiable information of customers -** Not Applicable

   c. **Impact, if any, of the data breaches -** Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Yes, the Company's website provides information about the leading products of the Company at www.gufic.com. Further complete details of the product are also available on the product leaflets.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company adheres to relevant regulatory requirements by disclosing information to its stakeholders on the safe and responsible usage of the Products. The information label attached to each product informs the consumers about instructions for pharmacokinetics, safe use, ingredients, composition, side effects, guidance on appropriate storage conditions among others.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   As per the guidelines of National Pharmaceutical Pricing Authority, the Company discloses discontinuation of any scheduled formulation by issuing a public notice for relevant stakeholders in addition to informing the Government at least six months prior to the intended date of discontinuation. However, if six months' advance notice is not possible, the notification is submitted as soon as practicable thereafter. Further, the Company also follows recall procedure as and when required.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)-** No, product information is displayed on the product as per local laws/ FDA.

   If yes, provide details in brief. - Not Applicable

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / service of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) - No

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The pharmaceutical industry encompasses a broad range of chemical compounds and biological substances carefully formulated and manufactured for medical purposes. These substances form the backbone of the healthcare sector, with their primary role being to prevent, diagnose and treat various health conditions affecting both humans and animals.

At its core, the pharmaceutical sector is driven by the research, development, production and distribution of drugs and medicines. These products undergo stringent testing and evaluation to ensure they meet the highest standards of safety, efficacy and quality. From common over-the-counter remedies, such as pain relievers and cold medications, to advanced prescription drugs used to treat chronic and life-threatening diseases, pharmaceutical innovations play a vital role in enhancing public health and overall quality of life globally.

Drug discovery is the process of identifying or designing potential therapeutic agents. Historically, many drugs were discovered by isolating active ingredients from traditional remedies or through unexpected discoveries. In contrast, modern biotechnology focuses on understanding the metabolic pathways related to diseases or pathogens and leveraging molecular biology and biochemistry to manipulate these pathways.

Drug development encompasses the efforts taken after a compound is identified as a potential drug to confirm its suitability as a medication. Key objectives of this phase include determining optimal formulations and dosages, while ensuring safety. Research in this domain typically involves a combination of in vitro studies, in vivo experiments and clinical trials.

GLOBAL PHARMACEUTICAL INDUSTRY

The global pharmaceutical market is highly fragmented, with companies employing both organic and inorganic growth strategies to stay competitive. Businesses are focusing on new product launches and various initiatives to deliver better solutions to their customers while expanding their global presence. Leading industry players are diversifying their client base through strategic approaches, including forming innovative partnerships with start-ups to boost market share and profitability.

The population in most countries is aging. According to the Bureau of Census, the global population aged 65 and over increased from 8% in 2015 to 9% in 2021, making this demographic shift a key driver of market growth. Improved living standards, coupled with a steadily growing population, have led to significant changes in global demographics, with many nations experiencing a sharp rise in their elderly population. The United Nations projects a 56% increase in the 60-plus age group between 2015 and 2030. While longer lifespans bring numerous benefits to individuals and society, they place enormous pressure on global healthcare systems.

As the population ages, age-related diseases are becoming more common, necessitating the development of new and more effective treatments. Pharmaceutical innovation is crucial to delivering these therapies, with recent advancements in nanotechnology and artificial intelligence offering promising solutions to address this significant unmet medical need. The growing number of patients has driven demand for medications to treat these conditions, contributing significantly to market growth during this period.

However, market growth has been constrained by a severe shortage of skilled professionals necessary to develop drugs requiring specialized expertise, which is often limited to certain research organizations and medical facilities. Additionally, fluctuating raw material prices have hindered the growth of the global pharmaceutical market. There is an increasing talent gap as the pharmaceutical workforce struggles to keep pace with the advanced skills now required in biopharma production, such as automation, computer science and process modelling. These skills, once unnecessary in traditional pharmaceutical manufacturing, are now vital. If left unaddressed, this skills gap could hamper innovation and slow progress in the industry.[1]

The global pharmaceutical market has experienced significant growth in recent years. For 2023, the total global pharmaceutical market was estimated at around 1.6 trillion U.S. dollars. This is an increase of over 100 billion dollars compared to 2022. Globally, the United States is by far the leading market for pharmaceuticals, followed by other developed countries and emerging markets. Emerging markets can include middle and low-income countries such as Brazil, India, Russia, Colombia and Egypt, to name a few. Despite increasing revenues globally, the Latin American region accounts for the lowest share of the global pharmaceutical market's revenues.[2]

The global pharmaceutical industry is facing a raft of new challenges. COVID-19 vaccines significantly impacted markets during 2021 and 2022, with output rising by 17.3% and 6.8%, respectively. However, in 2023, the increase was just 0.5%. Driven by Asia Pacific, output for 2024 is expected to grow by 4.6%, with sales increasing by 5.1%. Additional growth drivers include speciality products, medicines for chronic conditions, and generic drugs with weight loss medications. However, there are also downward pressures on the industry. High inflation and interest rates have reduced the demand for over-the-counter medications, and stricter drug pricing regulations imposed by the UK and Europe are impacting healthcare spending.[3]

1.Skyquest - Global Pharmaceuticals Market, Feb-2024   2.Statistica - Health, Pharma & Medtech - Pharmaceutical products and Market 2024   3.Horton International - Pharmaceutical and Lifesciences trends 2024

Global medicine use is projected to reach nearly 3.8 trillion defined daily doses by 2028, an increase of 400 million from 2023 levels. While medicine use remained stable in 2023, it is expected to grow at an annual rate of 2.3% over the next five years. Latin America and Asia have experienced faster growth compared to other regions, a trend anticipated to continue through 2028. Per capita medicine use generally correlates with GDP, being higher in wealthier countries, with Japan and Western Europe showing more than double the usage compared to most other regions. Although per capita use is expected to rise across all regions, it will decline in Africa and the Middle East. The pace of improvement in per capita use is slower in lower-income countries compared to wealthier ones, potentially impeding health advancement goals.[4]

THE IMPACT OF EMERGING MARKETS

Emerging markets, including countries in Asia, Latin America, and the Middle East, will continue to have a significant impact on the pharmaceutical industry, shaping various aspects of drug development, market access, and global business strategies. These regions often boast large and growing populations, providing substantial growth opportunities driven by rising incomes, expanding middle-class demographics and improving healthcare infrastructure. This leads to increased demand for pharmaceutical products. As healthcare access improves, the need for medications to address a wide range of health issues-including infectious diseases, chronic conditions and lifestyle-related disorders-continues to grow.

The disease burden in emerging markets often differs from that in developed economies, prompting pharmaceutical companies to adapt their product portfolios to address region-specific diseases, such as malaria, tuberculosis, diabetes and cardiovascular conditions.

Enhancing access to essential medicines will remain a critical focus for pharmaceutical development in emerging markets. Companies may adopt pricing strategies, partnerships and differential pricing models to increase affordability and broaden access to their products. However, navigating the regulatory landscape in these markets poses challenges, as regulations can vary widely. Pharmaceutical companies must adhere to local requirements, obtain market approvals and comply with quality standards to achieve successful market entry. Collaborations with governments and healthcare organizations are also common, contributing to the development of healthcare infrastructure through investments in training healthcare professionals, building medical facilities and supporting public health initiatives.

Through 2024 and beyond, emerging markets will play a pivotal role in shaping the global pharmaceutical landscape. Companies that successfully manage the opportunities and challenges within these regions will strengthen their market position, drive revenue growth and help improve healthcare outcomes across diverse regions worldwide.

PRICING PRESSURE

The pharmaceutical industry continues to face growing pressure to reduce drug costs due to concerns about healthcare affordability, rising healthcare expenditures, and public demand for more accessible and cost-effective treatments. Several key factors drive this pressure, prompting the industry to explore various strategies for addressing the challenge of lowering drug prices. One major factor is the increasing demand for transparency in drug pricing. Patients, healthcare providers and payers are seeking greater clarity on the components that influence drug prices, including research and development costs, manufacturing expenses and profit margins.

The expiration of patents for branded drugs also introduces competition from generics and biosimilars. Generic drugs, which are bioequivalent to their branded counterparts, typically enter the market at lower prices, resulting in significant cost savings. Biosimilars, which are similar-but not identical-to biologic drugs, are introducing competition in the biopharmaceutical sector as well.

Another emerging trend is the shift towards value-based pricing models, where the cost of a drug is linked to its proven clinical outcomes and therapeutic value. This approach ensures that drug prices are aligned with their efficacy and the benefits they provide to patients. In addition, payers such as insurance companies, national health services, and pharmacy benefit managers (PBMs) increasingly negotiate discounts, rebates and favorable pricing arrangements for large patient populations, further driving down drug costs.

THE TREND TO OUTSOURCE DRUG DEVELOPMENT AND MANUFACTURING [5]

Pharmaceutical companies will continue to outsource drug development and manufacturing, leveraging external expertise and resources to enhance efficiency, reduce costs and accelerate the overall drug development process. Outsourcing allows pharmaceutical companies to tap into the specialised expertise of Contract Research Organisations (CROs) and Contract Manufacturing Organisations (CMOs) that focus on specific aspects of drug development. These specialised partners often have deep knowledge and experience in preclinical and clinical research, formulation development and manufacturing.

Outsourcing can be a cost-effective strategy, especially for smaller or emerging pharmaceutical companies that may not have the infrastructure or resources to handle all aspects of drug development internally. By outsourcing to CROs and CMOs, companies can avoid significant upfront investments in facilities, equipment and personnel. Outsourcing also provides pharmaceutical companies with flexibility in adapting to fluctuating workloads. They can scale their operations up or down

4. Global Use of Medicines: Outlook to 2028   5. Horton International – Pharmaceutical and Lifesciences trends 2024 based on project requirements without the fixed costs of maintaining an in-house infrastructure. Collaboration with specialised service providers can accelerate the drug development timeline. Outsourcing allows companies to leverage the established capabilities of CROs and CMOs, potentially reducing development times and enabling quicker entry into the market.

Drug development is inherently risky, with uncertainties at various stages. Outsourcing enables companies to share some of these risks with their partners. For example, a CRO might take on the risks of conducting clinical trials, and a CMO might assume risks related to manufacturing processes. It also means that pharmaceutical companies can concentrate on their core competencies, such as research, strategic planning and commercialisation, allowing them to allocate resources more efficiently and strategically.

Furthermore, reputable CROs and CMOs adhere to strict quality and regulatory standards. Partnering with organisations with a strong compliance track record helps pharmaceutical companies ensure that their products meet regulatory requirements and quality standards.

INDIAN PHARMA INDUSTRY – AN OVERVIEW

Over the last decade, India's position has grown from the tenth largest economy to the fifth largest. The global economy is facing strong recessionary impulses, multi-decade high inflation, record levels of public debt and the squeezing of real household incomes. Amid all this, India has been the fastest growing major economy for the third year in a row-a bright spot in a global economy. Looking over the next few decades, the country presents a major growth opportunity.

India has made significant strides in the healthcare space since independence. Consistent decline in communicable diseases, eradication of a few deadly diseases and increase in life expectancy are a few positive indications. The per person disease burden, measured as DALY rate (Disability Adjusted Life Years lost per 100,000 population) dropped in India by 36% from 1990 to 2016, but there are major inequalities among the states. India's current DALY rate stands at ~35,000, while the best in the world is ~10,000. India's out-of-pocket (OOP) expenditure as a percentage of total health expenditure is ~47%.

The Indian pharma industry has been known as 'pharmacy of the world' for decades. Widely recognized for its leadership in the global generics sector, the industry represents over 20% of the global generics supply by volume and caters to approximately 60% of the global demand for vaccines. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a Compound Annual Growth Rate ("CAGR") of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has highest number of pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that accounts for about 8% of the worldwide API market. The domestic pharmaceutical industry includes a network of 3,000 drug companies and~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

According to a recent report, there has been a growing consensus over providing new innovative therapies to patients. The Indian pharmaceutical market is estimated to touch US$ 130 billion in value by the end of 2030 and US$ 450 billion in value by 2047.

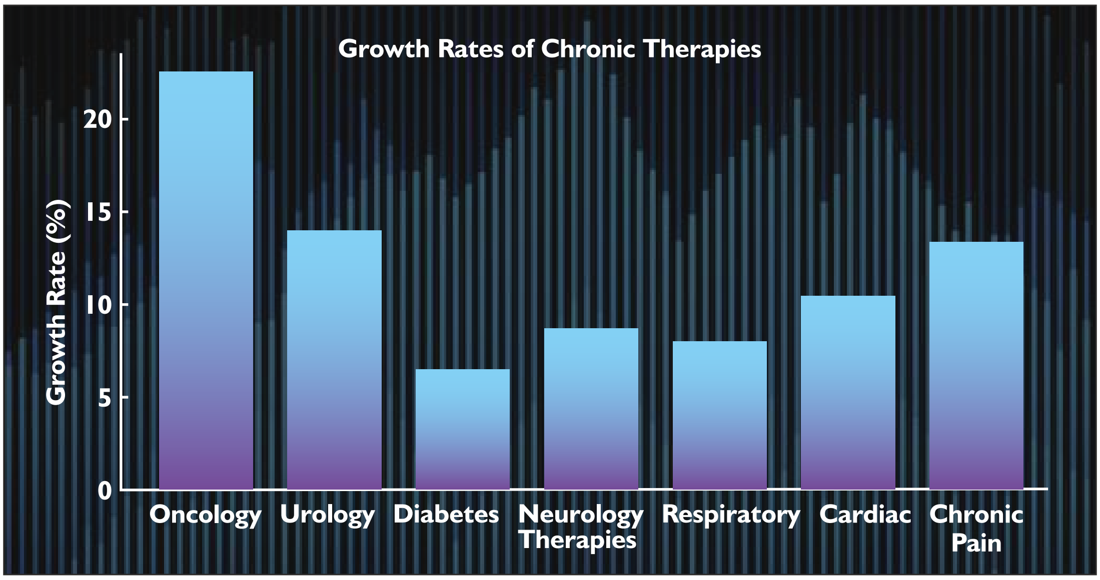
India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. The country holds 3-5% of the global biotechnology industry pie. During FY18 to FY23, the Indian pharmaceutical industry logged a CAGR of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market. The biosimilars market in India is estimated to grow at a CAGR of 22% to become US$ 12 billion by 2025. This would represent almost 20% of the total pharmaceutical market in India. The current market size of the medical devices sector in India is estimated to be US$ 11 billion and its share in the global medical device market is estimated to be 1.5%. The government has set an ambitious target to boost the medical devices industry in India, aiming to elevate it from its current US$ 11 billion valuations to US$ 50 billion by 2030.[6]

The Indian Pharmaceutical Market (IPM) reflected a year-on-year growth of 7.4% in the financial year 2023-24 and a 5 year CAGR of 9.9% with overall IPM market size at ₹ 2.17 Lac Crs. The Chronic therapies grew by 9.9% whereas Acute therapies grew by 5.8% which was better as compared to the previous financial year. The relative performance of Indian Pharma companies grew faster than the MNCs in 2023.[7]

According to recent industry reports, the Chronic therapy segment witnessed notable growth across various therapies. Oncology registered the highest growth at 22.6%, followed by Urology with 14.0%. Other therapies like Diabetes (6.5%), Neurology (8.7%), and Respiratory (8.0%) showed single-digit growth. Additionally, Cardiac and Chronic Pain therapies recorded double-digit growth rates of 10.5% and 13.4%, respectively. Overall, the chronic segment grew by 9.9%, largely driven by Cardiac, Oncology, Urology and Chronic Pain therapies.

This information is also visually represented in the below graph, which illustrates the growth rates of these therapies for a clearer comparison.

6. IBEF - Pharmaceuticals Industry Report, May-2024 7. IQVIA - Indian Pharmaceuticals Market MAT Apr-24 Dataset



The break-up in Chronic segments is as below :

Cardiac

- MAT value growth of 10.5% and unit growth of 2.3%
- Statins and Hypotensive which contribute 50% of the total sales of Cardiac segment grew by 10.4%
- Other cardiac therapies like Beta-blockers and ARBs (Angiotensin-II Receptor Blocker) registered a single digit growth
- Anticoagulants showed a growth of 12% majorly due to Enoxaparin (13%), Ticagrelor grew by 19% and Apixaban grew maximum by 48%

Anti-Diabetes

- MAT value growth of 6.5% and unit de-growth of 1.1%
- Glimepiride + Metformin (traditional oral anti-diabetic) has shown a single digit growth of 4.6%
- High growth of 59% was seen in Sitagliptin and its combinations market after its patent expiry in 2022. This high growth was contributed majorly due to a high number of new launches in the market
- Insulin market showed a single digit growth of just 1.3% whereas the GLP 1 (Glucagon-like Peptide-1) Agonist showed a very healthy growth of 70%

Respiratory

- MAT value growth of 8.0% and unit de-growth of -0.9%
- The inhalation preparations market continued to show a good growth of 13.3% pulling up the overall growth of the Chronic Respiratory market
- Montelukast and combinations market grew by 1.3%, Montelukast + Levicetrizine market showed a de-growth of -1.9% which resulted in low growth of the market. New entrant like Bilastine + Montelukast continued to show a good growth of 20%

Neurology / CNS

- MAT value growth of 8.7% and unit de-growth of -0.8%
- Anti-depressant and Anti-epileptics which contribute to 51% of the total sales of CNS segment grew by 9% and 7% respectively
- Brivaracetam within the Anti-epileptics therapy showed a high growth of 41% and Lacosamide with a smaller base showed a high growth of 25.4%

Vaccines and Hepatoprotectives showed the highest growth in the Acute therapies with 16% and 15% respectively. At a high base, Anti-Infective, Gastro and Vitamin Minerals & Nutrients grew in single digits. Acute Respiratory drugs showed a de-growth of 5%, whereas Antivirals gained momentum and grew by 11% which was earlier declining by around -40%. The break-up in Acute segments is as below:

Anti-Infective

- MAT value growth of 3% and unit de-growth of -6.5%
- Cephalosporin's, which contributes 43% of total AI therapy grew by 3%. Systemic Anti-Fungals and Carbapenems grew maximum by 34% and 16% respectively
- High growth was seen in Tetracyclines market majorly due to the growth of Tigecycline and Doxycycline

Acute Pain

- MAT value growth of 6% and unit de-growth of -4.4%
- Anti-rheumatic and NSAID market which contributes to 44% of the Acute Pain market grew by 5%
- Narcotic preparations and General Anaesthetics at a lower base grew by 23% and 33% respectively

Acute Respiratory

- MAT value de-growth of -5% and unit de-growth of -11.5%
- Cough preparations contributing 51% to the total therapy de-grew by -9% majorly due to high decline in cough preparations
- Cold preparations de-grew by -6% and Antihistamines showed a miniscule growth of 3.7%

Gastrointestinal

- MAT value growth of 7.6% and unit de-growth of -0.1%
- Antipeptic ulcerants, contributing to 41% of the total sales, grew by 7%
- Laxatives reflected a growth of 11%
- Pantoprazole and its combination with Domperidone grew by 10% and 7% respectively

COVID-19 PANDEMIC – INDIA RESPONSE AND LEADERSHIP [8]

Public health consistently remains at the forefront of every country's agenda. The COVID-19 pandemic has further emphasized how public health transcends mere well-being and transforms into an economic and national security concern for a nation. To protect its citizens from COVID-19, India embarked on an ambitious program in January 2021, aimed at inoculating its entire population. Remarkably, within just one year, the country successfully administered an astonishing 1.56 billion vaccine doses, with 93% of adult population receiving the first dose and 70% achieving full vaccination. This achievement not only marked one of the world's swiftest vaccination campaigns, but also showcased India's prowess as the architect of the world's largest digital vaccination initiative. This was enabled by the innovative Co-WIN platform developed by the government to facilitate registration, immunizations and appointments, and issue digital vaccine certificates, enabling traction of the effort much ahead of its counterparts in the west.

India not only protected its own citizens but also supplied approximately 174 million vaccine doses to nearly 96 countries and various United Nation (UN) agencies within 15 months of initiating the program (a total of ~300 million vaccine doses to 101 countries and various UN agencies as of 15 June, 2023). This solidified India's status as the world's "vaccine capital".

Undoubtedly, the COVID-19 crisis has cemented India's position as a preferred global healthcare destination - a major player capable of delivering healthcare services at both scale and quality. This transformation underscores India's agility, expertise and expansive capabilities in the healthcare arena.

That being said, the COVID-19 pandemic has also heightened awareness regarding the capability and scalability needed in the medical devices sector. The government has set ambitious targets to boost the growth of the medical devices industry in India, aiming to elevate it from its current US$ 11 billion valuation to US$ 50 billion by 2030. To support this growth, the government has launched a scheme for four MedTech parks with an investment of INR 400 Cr. The government also introduced a Production Linked Incentive (PLI) Scheme, offering financial incentives amounting to INR 3,420 Cr. (approximately US$ 400 million). This substantial commitment underscores the government's determination to make a significant impact in this sector.

OPPORTUNITIES AND THREATS:

Based on various reports and studies, the growth drivers and challenges for Indian Pharma Industry are listed below :

Growth Drivers for Indian Pharma Industry

1. Cost-Effective Medicines Driving Patient Influx

- **Global Leadership:** The Indian pharmaceutical industry is a major player in global production volumes.
- **Competitive Advantage:** Low production costs and a highly skilled workforce underpin India's strong market position.

8. OPPI – Reimagining pharma and healthcare of India, Nov-2023

- **Affordability and Quality:** Indian-made drugs are among the lowest-priced globally and their quality surpasses that of medicines from the US, Europe and South Africa, boosting medical tourism to India.

2. **Increased Indigenisation of Manufacturing**

- **Local Production Focus:** Growing emphasis on domestic manufacturing of medical devices and components.
- **Government Initiatives:**
  - o Successful implementation of the Production Linked Incentive (PLI) scheme.
  - o Public Procurement Order (PPO) mandates government entities to procure local products.
  - o Development of Government e-Marketplace and MedTech clusters to enhance local manufacturing capabilities.

3. **Advent of Digital Healthcare Technology**

- **Technological Integration:** Expansion of digital technologies across healthcare:
  - o **Diagnosis Technologies:** Use of AI in medical imaging and smart wearables for real-time diagnostics.
  - o **Service Delivery Enhancement:** Automation in pathology workflows and omni channel diagnostics service platforms.
  - o **Healthcare Optimization:** Big Data Analytics for patient data management in hospital labs.
  - o **Remote Testing:** Point of Care Testing (PoCT) in remote areas.

4. **Increased Focus on Compliance and Quality Standards**

- **Regulatory Scrutiny:** The medical devices sector is under stringent regulatory oversight by Central Drugs Standard Control Organisation (CDSCO).
  - o Implementation of standards for Class C and D devices, following Class A and B in 2023.
- **Standardisation:** Increased emphasis on uniform quality standards and testing protocols, with widespread adoption of NABL/QCI accreditations for diagnostic labs.

5. **COVID-19 Induced Transformations in Healthcare**

- **Accelerated Trends:** COVID-19 has accelerated the adoption of telemedicine and remote healthcare.
- **Mainstream Integration:** Leading hospitals and private entities are now offering these services widely, supported by mobile and internet connectivity.

6. **Consolidation in the Hospital Sector**

- **Mergers and Acquisitions:** PE firms, MNCs and large national hospital chains are acquiring smaller private hospitals.
- **Contributing Factors:**
  - o Lack of succession planning in family-owned hospitals.
  - o Profitability challenges due to compliance with EWS reservation requirements and competition with larger players.
  - o Issues related to the procurement of medicines, equipment and workforce quality.

7. **Patent Cliff Opportunities**

- **Market Penetration:** Expiry of patents on drugs valued at approximately USD 240 billion over the next 3-4 years will open opportunities for generics.
- **Indian Pharma Response:** Indian companies are developing generic versions to capitalize on this potential, with an estimated opportunity worth USD 5-6 billion.

8. **Expansion into Biologics and Biosimilars**

- **Sector Growth:** The Indian pharmaceutical industry is making notable advances in biologics and biosimilars.
- **Notable Achievements:** Biocon's expanded biosimilar portfolio, with recent approvals in the EU and US.
- **Market Potential:** The global biosimilars market, projected to reach $35 billion by 2025, offers substantial growth opportunities for Indian manufacturers.

9. **API Production and Self-Reliance**

- **Self-Reliance Initiative:** The "Atmanirbhar Bharat" program aims to reduce API import dependency.

- **Domestic Growth:** Successfully commencing manufacturing of more than 35 API's, which were previously imported from countries outside India.

10. Regulatory Compliance and Quality Standards

- **High Standards:** Maintaining rigorous quality standards through regulatory compliance and adherence to Good Manufacturing Practices (GMP).
- **FDA Approvals:** India now has over 800 FDA-approved manufacturing facilities, the highest number outside the United States.

Challenges faced by Indian Pharma Industry

1. US-FDA Pressure & Regulatory Compliance

- **Regulatory Challenges:** Indian pharmaceutical companies face significant challenges in meeting international regulations and quality standards. In 2019, the number of US-FDA plant audits in India peaked at over 200 inspections. Although this number decreased in 2020 and 2021, FDA scrutiny intensified again in 2023. Regular inspections, voluntary actions, official actions, warning alerts and import alerts are now common.
- **Complex Compliance:** Navigating the changing laws of different countries while conducting extensive research to produce new drugs can be daunting. The Indian healthcare sector must support pharmaceutical companies by providing guidance and regularly updating pharmaceutical regulations.

2. Price Controls and Market Dynamics

- **Regulation Impact:** The Indian government regulates the prices of essential and commonly used medicines to ensure affordability. However, this regulation often leads to a situation where the substantial investments in research, development and marketing of new drugs are not fully recovered due to price controls.
- **Balancing Act:** While price regulations benefit patients by making medicines more affordable, they negatively impact the financial returns of pharmaceutical companies. Striking a balance between allowing companies to price their products freely and maintaining public affordability is crucial for sustaining investment in new drug development.

3. Global Supply Chain Disruptions

- **Dependency on APIs:** The Indian pharmaceutical market relies heavily on China for active pharmaceutical ingredient (API) supplies. Price fluctuations due to policy changes and geopolitical factors affect API costs, disrupting the global supply chain.
- **Manufacturing Impact:** Such disruptions can hinder the manufacturing and availability of medicines in India. Companies are compelled to seek alternative local sources for raw materials to mitigate these challenges.

4. Fake and Spurious Drugs

- **Market Concerns:** Fake drugs account for 25% of the domestic medicine market in India. According to the WHO, 35% of the world's spurious drugs are produced in India. This situation creates a perception that India is becoming a hub for counterfeit drugs.
- **Reputational Risk:** As India aims to become a global superpower, such perceptions can tarnish the image of the Indian pharmaceutical industry, affecting its international reputation.

5. Research and Development

- **Investment Challenges:** High investment requirements for research and development pose a significant challenge. Despite having a robust R&D infrastructure, additional funding is needed for research and innovation.
- **Innovation Necessity:** Companies must invest heavily in R&D to stay competitive and advance medical progress. Overcoming these obstacles is essential for the continued development of effective new medicines.

6. Data Security and Protection

- **Cybersecurity Threats:** The pharmaceutical industry, being one of the top sectors targeted for data breaches, faces major cyber security threats. The industry manages highly sensitive data, including patient information, clinical trials, patented drugs and proprietary technologies.
- **Vulnerability Risks:** Increased use of automation tools and online data storage heightens the risk of cyberattacks. Protecting this critical data from cyber criminals is a major concern for pharmaceutical companies.

GOVERNMENT INITIATIVES

The Indian government has launched several ambitious national initiatives, underscoring its commitment to enhancing healthcare access and driving innovation. A key initiative is 'Ayushman Bharat', introduced in 2018, which aligns with Sustainable Development Goal 3 and represents a significant step towards universal health coverage in India. This flagship public health initiative has garnered international recognition for its role in advancing healthcare accessibility and equity.

In 2023, the implementation of the National Medical Device Policy (NMDP) marked a progressive step for the MedTech sector. The NMDP aims to streamline regulatory processes, incentivize domestic manufacturing, and encourage research and development (R&D) in India. This policy supports the national vision of achieving 'Atmanirbhar' status by fostering innovation and accessibility in medical devices. By enhancing the regulatory framework and providing incentives for local production, the NMDP is set to strengthen the healthcare landscape and create new growth opportunities in the sector.

The expected surge in research and development is poised to bring about significant advancements in artificial intelligence, precision medicine, and diagnostics. These innovations are anticipated to transform patient care, making healthcare solutions more personalized and efficient. The policies and initiatives, such as the NMDP and Production Linked Incentives (PLI), are designed to improve healthcare access even in the most remote areas of India, addressing the needs of underserved populations in a cost-effective manner.

Global alliances and cross-industry collaborations are also on the horizon, aiming to foster an environment conducive to innovation. These partnerships are expected to address current healthcare challenges and proactively tackle emerging issues, ultimately improving patient outcomes and expanding global healthcare access.

Interim Budget 2024-25: In the Interim Budget for FY 2024-25, the Indian government has made substantial allocations to support the pharmaceutical sector:

- **Bulk Drug Parks:** Rs. 1,000 Cr. (US$ 120 million) has been earmarked for the promotion of bulk drug parks, a notable increase from previous years.
- **Pharmaceutical Industry Development:** The total outlay for the pharmaceutical sector has been increased to Rs. 1,300 Cr. (US$ 156.5 million). Additionally, the budget for promoting medical device parks has been raised to Rs. 150 Cr. (US$ 18 million).
- **Medical Device Clusters:** Rs. 40 Cr. (US$ 4.1 million) has been allocated for assistance to medical device clusters for common facilities.
- **Jan Aushadhi Scheme:** The funding for this initiative, which aims to provide affordable generic medicines, has been increased to Rs. 284.5 Cr. (US$ 34 million), up from Rs. 110 Cr. (US$ 13 million) in the revised estimate for FY 2024.

Ayushman Bharat Digital Mission (ABDM): Under the Ayushman Bharat Digital Mission, citizens will be able to create their Ayushman Bharat Health Account (ABHA) numbers, which will link to their digital health records. This will facilitate the creation of longitudinal health records accessible across various healthcare providers, thereby improving clinical decision-making. The ABDM pilot, completed in six Union Territories-Ladakh, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Puducherry, Andaman and Nicobar Islands and Lakshadweep-has successfully demonstrated the technology platform developed by the National Health Authority (NHA). As of September 4, 2023, over 774 partner solutions are being integrated into the digital sandbox, with 224,967 doctors and 218,602 health facilities registered in the ABDM.

Scheme for Development of Pharma Industry - Umbrella Scheme: The Department of Pharmaceuticals has launched an Umbrella Scheme named 'Scheme for Development of Pharma Industry,' which includes several sub-schemes:

- Assistance to Bulk Drug Industry for Common Facilitation Centres
- Assistance to Medical Device Industry for Common Facilitation Centres
- Assistance to Pharmaceutical Industry (CDP-PS)
- Pharmaceutical Promotion and Development Scheme (PPDS)
- Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)

These initiatives collectively aim to bolster the pharmaceutical and medical device industries, promote innovation, and improve healthcare accessibility across India.

Uniform Code for Pharmaceuticals Marketing Practices ('UCPMP') 2024 : On March 12, 2024, the Department of Pharmaceuticals introduced the Uniform Code of Pharmaceutical Marketing Practices (UCPMP) to pharmaceutical associations across the country. These associations are tasked with ensuring compliance by their member companies. UCPMP 2024, a quasi-judicial code, sets forth mandatory guidelines governing interactions between pharmaceutical companies and healthcare professionals, aimed at promoting ethical conduct and enhancing transparency in marketing practices. Gufic fully acknowledges the significance of these updated guidelines and has incorporated them into its internal protocols, ensuring strict adherence across all operations.

COMPANY OVERVIEW

Gufic Biosciences Limited ("Gufic") is a prominent global pharmaceutical enterprise dedicated to delivering a broad spectrum of pharmaceutical services to its clients. Renowned for its extensive range of pharmaceutical products, Gufic operates as a comprehensive solution provider in both domestic and international markets, supported by a robust distribution network. The Company is ranked among the top 100 pharmaceutical companies in India.

Gufic is a leading manufacturer of lyophilized injections in India, with a state-of-the-art automated lyophilization plant located in Navsari, Gujarat. The recent addition of the Indore manufacturing facility has further solidified Gufic's position as one of the world's largest producers of lyophilized injections. These products cover a wide range of therapeutic areas, including antibiotics, antifungals, cardiac medications, infertility treatments, antiviral solutions, and proton pump inhibitors (PPIs).

Strategically, Gufic focuses on expanding its global footprint, targeting key markets such as India, Germany, Switzerland, South Africa, Russia, Canada, Brazil, Europe and other emerging regions. This expansion strategy is designed to enhance Gufic's presence and influence within the pharmaceutical sector, while maintaining a steadfast commitment to providing cost-effective, high-quality life-saving medications.

In November 2023, Gufic was honoured at the Forbes Asia - "Best Under a Billion" Awards Ceremony held in Manila, Philippines, receiving recognition as one of "The Region's Top 200 Small and Midsize Companies.

OPERATIONAL PERFORMANCE

As we reflect on FY 2024, it is clear that Gufic has continued to solidify its position as a leader within the injectable space in the pharmaceutical industry, driven by our unwavering commitment to innovation, quality and excellence. At the heart of Gufic are the four primary pillars that define our business strategy: **Critical Care injectables, Assisted Reproductive Technologies (ART) therapies, Toxins & Allied products** and **Scientific studies backed Nutraceuticals.** These pillars are the foundation upon which we build our product portfolio, research and development efforts and global expansion plans.

Our approach is multifaceted, with a strong emphasis on **own-branded marketing, contract manufacturing and international business.** Each of these avenues allows us to reach diverse markets and meet the needs of our customers across the globe. Our portfolio is bolstered by our excellence in manufacturing complex injectables, particularly lyophilized injectables, which require advanced technology and precision. This expertise has positioned Gufic as a trusted partner for both healthcare providers and patients, ensuring that we consistently deliver life-saving medications with the highest standards of quality and safety.

Recognizing the need to scale our operations to meet growing demand, we have embarked on a significant capacity expansion project with the establishment of a state-of-the-art manufacturing facility in Indore. This facility represents a transformative step for Gufic, more than doubling our production capacity and enabling us to maintain our market leadership while expanding our global reach. The Indore facility is equipped with advanced automation and is designed to meet the stringent regulatory requirements of international markets, underscoring our commitment to excellence in every aspect of our operations.

However, our growth is not just about expanding capacity; it is also about deepening our presence in the products that matter most. All of our R&D efforts, capacity expansion initiatives and sales strategies are aligned with our mission to strengthen Gufic's position in the four pillars. Whether it's through the introduction of new products, innovative drug delivery systems or partnerships with global healthcare leaders, our focus remains on delivering value to our stakeholders and improving patient outcomes

Domestic Branded Business:

Critical Care

The Critical Care Division remains a cornerstone of Gufic, exemplifying our commitment to excellence in manufacturing and innovation in life-saving injectables. Throughout FY 2024, we have reinforced our leadership in this sector through strategic product launches, market penetration and the application of advanced technology.

Key Achievements:

1. **Innovation and Leadership in Antibiotics:**

   Gufic became the first company in India to secure DCGI approval for the manufacturing and marketing of **Dalbavancin,** a second-generation lipoglycopeptide antibiotic. Dalbavancin is a game-changer for Outpatient Parenteral Antibiotic Therapy (OPAT) in India, enabling early discharge and reducing the burden on healthcare facilities.

2. **Recognition for Cavim (Ceftazidime + Avibactam):**

   Our brand **Cavim,** continues to receive accolades as one of the top 20 new launches according to IQVIA. It is the only antibacterial injectable on the list, further solidifying Gufic's position as a leader in the critical care space.

3. **Pioneering Advancements in Immunotherapy:**

   Immunocin-Alpha, our innovative therapy for sepsis, has completed successful trials. Based on the clinical data we are confident to receive DCGI approval soon, which will further enhance our critical care portfolio. This reflects our ongoing commitment to pioneering advancements that address unmet medical needs in critical care.

4. **Application of Advanced Technology:**

   We have leveraged cutting-edge technology to develop a key life-saving antifungal product that now achieves stability at room temperature, eliminating the need for cold chain handling. Additionally, a first-in-class antifungal product is set to be launched at a revolutionary price, significantly reducing the treatment cost burden and enhancing accessibility for patients.

5. **Market Leadership:**

   Our critical care brands, including **Guficap, Micafung, Polyfic, Ticofic, Tigefic, Doxific and Merofic,** continue to dominate the market. Notably, **Polyfic** secured the No.1 position in the Polymyxin-B Injection market and **Micafung** emerged as the market leader in **Micafungin**.

6. **Novel Pain Management Product:**

   Gufic has in-licensed a ground breaking pain management solution, marking its debut in India. This synthetic analgesic offers a unique mechanism of action that differentiates it from traditional opioids, providing effective pain relief without the severe side effects commonly associated with opioid use. This novel analgesic positions Gufic at the forefront of pain management in India, offering a safer, more effective alternative to traditional opioids while addressing the growing concerns of opioid misuse and addiction.

Ferticare

As we continue to advance our product offerings and expand our market reach, the Ferticare Division continues to solidify its space in the ART space. Our focus on innovation, particularly in developing differentiated and complex fertility treatments, positions us to lead in the Assisted Reproductive Technologies space. With ongoing investments in R&D and strategic initiatives aimed at enhancing hormonal independence, Gufic is well-equipped to meet the evolving needs of patients and healthcare providers alike.

Key Highlights:

1. **Investing in Hormonal Independence:**

   Gufic has made strategic investments in developing recombinant alternatives to critical hormones used in infertility treatments. This initiative ensures our self-reliance and stability in hormone supply. The development of these alternatives is progressing well, with product readiness expected within coming years.

2. **Advancements in Endometriosis Treatment:**

   Our commitment to addressing complex reproductive health challenges is exemplified by the successful conclusion of the Thymosin Alpha 1 trial targeting endometriosis. This achievement marks a significant milestone in offering new therapeutic options for this difficult-to-treat condition.

3. **Addressing Recurrent Implantation Failure (RIF):**

   Recurrent implantation failure remains a significant challenge in infertility treatment. Gufic's response has been the launch of **Guficin Alpha**, a revolutionary product tailored specifically for RIF. Early feedback has been promising and this product has the potential to transform outcomes for patients struggling with repeated IVF failures.

4. **Innovative Product Development:**

   Our development of **Supergraf**, an ultra-purified HMG formulation, represents a significant milestone in our commitment to innovation. This product offers comparable efficacy to the innovator brand while maintaining the highest standards of purity and safety. Additionally, our pipeline includes the introduction of Dydrogesterone 20/30mg Extended-Release (ER) tablets, providing a convenient and effective option for patients undergoing fertility treatment.

Spark, Stellar & Healthcare Division

Our comprehensive approach, which includes knowledge-sharing programs, portfolio diversification and enhanced field force efficiency, has positioned this division as a critical driver of Gufic's overall success. This year, we have successfully expanded our presence in both mass markets and specialized niches, solidifying our reputation for delivering innovative and high-quality products.

Key Achievements:

1. **Launch of Polmacoxib:**

   The introduction of **Polmacoxib** in our Stellar Division and subsequent expansion into the Healthcare Division has fortified our orthopedic specialty offerings. This launch also paves the way for a stronger presence in the nutraceutical business, leveraging the extensive reach of our Healthcare Division.

2. **Extended-Release Dydrogesterone:**

   We are excited about the potential of our **extended-release dydrogesterone** formulation, which offers significant benefits over regular dydrogesterone, including improved dosing convenience, consistent therapeutic effects and enhanced patient compliance. With the current dydrogesterone market valued at approximately ₹1,000 crore, we anticipate a shift towards extended-release formulations.

3. **Topical Cannabis 3% Formulation:**

   Gufican/Gufibis, India's first topical cannabis 3% formulation, represents a novel solution for pain management. Effective for various conditions such as arthritis, muscle soreness and neuropathic pain, this product is poised to capture a unique segment of the pain management market. As the demand for alternative pain relief solutions grows, **Gufican/Gufibis** is well-positioned for substantial market adoption.

Aestherderm & Neurocare Division

Built on the foundations of our expertise in injectables, this division plays a crucial role in strengthening Gufic's presence in the niche categories of aesthetic dermatology and neurology. Our continuous focus on advancing knowledge, improving patient outcomes and fostering strong relationships with medical professionals has been instrumental in our success.

Key Achievements:

1. **Strengthening Market Position through Splitface Trial Success:**

   A landmark splitface trial comparing our botulinum toxin product, **Stunnox**, against a market leader has yielded remarkable results. The success of this trial has not only enhanced awareness but also instilled confidence in our offerings within the aesthetic community. **Stunnox** is now tried and accepted by over 1,100 cosmetologists, positioning it as a credible and preferred choice in the market. We plan to leverage these findings to further drive market development efforts.

2. **Specialized Neurology Team for Targeted Approach:**

   In the **Neurocare** segment, we have assembled a specialized team equipped with extensive domain knowledge. This team strategically targets the neurology market, ensuring a focused approach that has already yielded significant results. **Zarbot**, our botulinum toxin for neurology applications, has gained the confidence of leading neurologists within one year of its launch. With over 100 neurologists prescribing **Zarbot**, the product is poised for further growth.

Sparsh

The **SPARSH Division** at Gufic as established itself as a pioneering force in the Indian healthcare market through its unique direct-to-hospital distribution model. This innovative approach, allows Gufic to build stronger, more transparent relationships with hospitals while offering them competitive pricing and a comprehensive range of injectable products.

Key Achievements:

1. **Market Penetration Milestone:**

   In a short span, SPARSH has made significant inroads across the healthcare landscape, establishing business channels with over **1,400 hospitals** by the end of FY 2024. Our meticulous market mapping covered **8000+ hospitals** across India, and we have already established our presence in over **1,000 hospitals** with the launch of **92 molecules**. This broad-based penetration demonstrates the strength of our field force and the effectiveness of our strategy.

2. **Preferred Option for Hospitals:**

   SPARSH is not just a wholesale supplier; we position ourselves as a **complete one-stop-shop solution provider** for all types of parenteral needs. This has made us the **preferred choice** for hospital chains, further solidifying our market presence and customer loyalty.

3. **Introduction of SeraSeal:**

   A key product in our portfolio is **SeraSeal**, an innovative hemostatic agent designed to stop bleeding on contact, even in arterial hemorrhages. This patented, single-component system has the potential to save lives and has already been accepted and successfully tested in leading hospitals across India. SeraSeal exemplifies our commitment to introducing **life-saving technologies** into the market.

International Business:

As we move forward, the International Business Division will continue to focus on owning product registrations to enhance our market access and control over our global supply chain. This strategy will allow us to capitalize on the growing demand for cost-effective, high-quality pharmaceuticals, particularly in regulated markets. Our commitment to expanding our product portfolio, coupled with our strategic focus on key regions, positions Gufic for sustained growth in the international arena.

By maintaining a strong pipeline and continuously exploring new markets, we aim to solidify our presence globally and contribute to the accessibility of essential medicines worldwide. Gufic's international business is not just about expanding reach; it's about making a meaningful impact on global healthcare by delivering excellence in every market we enter.

Key Achievements:

1. **New Registrations:**

   FY 2024 saw significant progress in product approvals across diverse markets. We secured new product registrations in **Sri Lanka, Chile, Myanmar, and Malaysia,** and notably received approval for an injectable product in **Australia, UK & Brazil.**These registrations reflect our ongoing commitment to expanding our footprint and offering our high-quality products to a broader audience.

2. **Strategic Focus on Regulated Markets:**

   Our approach to international expansion remains focused on **Europe and LATAM** (Latin America) regions. We are strategically leveraging our existing formulations in countries where we have already established a presence. At the same time, we continue to explore new opportunities by identifying market gaps in untapped regions. This balanced approach ensures a comprehensive expansion strategy, positioning Gufic as a key player in both established and emerging markets.

3. **Expanding Product Portfolio:**

   As of the close of FY 2024, Gufic has successfully registered approximately **200 products** across regulated and semi regulated markets. This extensive portfolio is a testament to our strong R&D capabilities and our ability to navigate complex regulatory environments. Furthermore, with **150+ additional products in the pipeline** for registration in over **40 countries,** we are poised to continue our growth trajectory, offering a wider range of products to meet global healthcare needs.

Research & Development (R&D):

At the heart of Gufic's growth and innovation lies a robust R&D strategy focused on growing our market offering in complex injectables and expanding our product portfolio across our four primary pillars: Critical Care, Assisted Reproductive Technology Therapies, Toxins and Science-based Nutraceuticals. Our R&D efforts are designed to drive innovation, enhance time-to-market efficiency and ensure that our products meet the highest standards of quality and efficacy. The R&D team is backed-up by a strong Clinical team which includes, Medical and Regulatory teams, with an expertise to take Synthetic and Biological products across Phase-II and Phase III clinical trials.

Key Pillars of Our R&D Strategy:

1. **Innovation in Complex Injectables:**

   Gufic's R&D is deeply committed to maintaining and advancing our leadership in lyophilized injectables, particularly in the critical care segment. We continuously explore new formulations, delivery systems and process improvements to ensure our products set industry benchmarks for safety, efficacy and cost-effectiveness.

2. **Strengthening Our Product Pipeline:**

   Our R&D pipeline is rich with over 50+ products in various stages of development, targeting both regulated and semi regulated markets. This includes next-generation antibiotics, antifungals and other critical care drugs that address unmet medical needs and enhance patient outcomes.

3. **Focus on Self-Reliance in Assisted Reproductive Technologies:**

   Recognizing the importance of hormonal independence, our R&D is dedicated to developing recombinant alternatives to critical hormones used in infertility treatments. This proactive approach ensures a steady supply of essential hormones.

4. **Niche Molecule Pipeline:**

Drug	Type	Significance
Drug 1	Broad-Spectrum Tetracycline Derivative	It has been shown to be effective against both Gram-positive and Gram-negative bacteria, offering a significant advantage in treating complex infections where the causative pathogen may not be immediately known. The molecule offers both intravenous and oral formulations, providing flexibility in the management of infections, especially during the transition from hospital to outpatient care.
Drug 2	Next-Generation Carbapenem	Shown to be effective against a variety of drug-resistant bacterial pathogens, including resistant strains of Streptococcus pneumoniae, making it a valuable option for treating pediatric infections. Unlike traditional carbapenems which are administered intravenously, this molecule can be administered orally, providing greater flexibility in treatment settings.
Drug 3	Next-Generation Echinocandin Antifungal	This molecule has a significantly longer half-life compared to other echinocandins, allowing for once-weekly dosing, which improves patient compliance and convenience. The novel structure of this molecule helps reduce the likelihood of resistance development, maintaining its effectiveness over time.
Drug 4	Advanced Beta-Lactam Antibiotic + Beta-Lactamase Inhibitor	Clinically versatile molecule, provides a valuable treatment option for serious infections like complicated intra-abdominal infections, complicated urinary tract infections, and hospital acquired pneumonia, especially where resistance to other antibiotics is prevalent.
Drug 5	Next-Generation Azole Antifungal	Effective against a wide range of fungal pathogens, including both Candida and Aspergillus species, which are common in severe fungal infections. As a prodrug, it converts into the active antifungal in the body, ensuring higher bioavailability and better tissue penetration compared to other azole antifungals.

FINANCIAL PERFORMANCE

In the financial year 2023-24, Gufic Biosciences Limited reported total revenue from operations of ₹80,667.57 lakhs, an increase from ₹69,062.08 lakhs in the previous financial year 2022-23. The Company's EBITDA (Earnings Before Interest, Tax, Depreciation, and Amortization) was ₹14,804.86 lakhs, compared to ₹13,722.52 lakhs in the previous financial year.

The domestic market contributed 89.07% of the Company's turnover, while exports accounted for 10.93%. Moving forward, the Company is concentrating on expanding its export revenue.

The Net Profit for the year was ₹8,613.55 lakhs, compared to ₹7,970.48 lakhs in the previous year.

The consolidated financial statements include the results of Gufic UK Limited, the Company's subsidiary in the United Kingdom. As there were no activities by the subsidiary during the financial year 2023-24, the revenue and profit figures are consistent across both standalone and consolidated financials.

Overall, the financial year 2023-24 was marked by positive performance, reflecting robust financial growth and progress in strategic objectives. Gufic remains dedicated to delivering innovative and high-quality healthcare solutions while maximizing value for its stakeholders.

KEY FINANCIAL INDICATORS

PARTICULARS	Unit	2023-24	2022-23	Variance (%)	Reasons if variance is more than 25%
Operating profit margin (%)	%	16.24	16.64	-2.40	-
Net profit margin (%)	%	10.68	11.54	-7.48	-
Debtors turnover ratio	Times	3.01	3.87	-22.11	Increase in debtors due to the launch of a new division, "Sparsh," where the credit period offered is longer than the standard credit terms for other divisions.
Current ratio	Times	1.61	1.61	0.23	-
Return on Net Worth	%	16.17	22.92	-29.42	1. Increase in Equity Share Capital and share premium due to the allotment of equity shares. 2. Investment of ₹ 287 crores in the Indore plant, with production yet to commence.
Inventory turnover ratio	Times	4.01	4.55	-11.82	-
Interest coverage ratio	Times	9.64	16.69	-42.24	1. Increase in working capital loans due to higher debtors from the launch of the Sparsh division, where the credit period offered is longer than the standard credit terms for other divisions. 2. Overall sales growth, leading to increased working capital. 3. Capital investment in the Indore plant.
Debt Equity Ratio	Times	0.60	0.90	-33.51	1. Increase in Equity Share Capital and share premium due to the allotment of equity shares. 2. Repayment of Term loan & Housing loan of ₹ 36 crores.

INTERNAL CONTROL FRAMEWORK

At Gufic, we recognize that a robust internal control system is fundamental to sound governance. We are committed to executing our business strategies within a framework that emphasizes checks and balances. Our company has developed a comprehensive internal control framework to continually assess the adequacy, effectiveness and efficiency of our financial and operational controls. We are dedicated to fostering an effective internal control environment that reflects the scale and complexity of our operations, ensuring adherence to internal policies, relevant laws and regulations and safeguarding our resources and assets.

In the financial year 2023-24, we successfully implemented SAP, enhancing our ability to manage and monitor these controls more effectively. Additionally, we have an in-house internal audit team, led by a Chief Internal Auditor, that plays a crucial role in this framework. The Audit Committee of the Company reviews the internal audit reports on a quarterly basis. Based on these reports, corrective actions are undertaken as necessary and controls are continuously strengthened. During the year under review, no material or serious observations have been reported by the internal auditors regarding inefficiencies or inadequacies in our controls.

Furthermore, our company adheres to all applicable Indian Accounting Standards to ensure accurate maintenance of our books of accounts and the reliable reporting of our financial statements.

HUMAN RESOURCES

At Gufic, we recognize that our people are the driving force behind our business success. As of March 31, 2024, we are proud to have a dynamic and diverse team of 1,903 employees. Our commitment to fostering a secure, supportive and sustainable work environment is reflected in our adoption of eco-friendly practices and rigorous industrial hygiene protocols to protect the health and well-being of our workforce.

The Human Resource Development division is dedicated to making Gufic a preferred employer. We strictly adhere to internal codes of conduct, maintaining a zero-tolerance policy against any form of discrimination or harassment. Our goal is to continuously enhance the work experience for our employees and we do this through a series of targeted initiatives, including:

a. Employee Engagement

We foster a collaborative culture through our "Together Team," comprising employees from various departments who rotate every six months. This team organizes diverse and creative events to keep the workplace vibrant. Additionally, the HR department hosts an annual week of fun-filled activities culminating in our Annual Day celebration.

b. Awards & Recognitions

Recognizing the dedication and contributions of our employees is a cornerstone of our HR strategy. We present a range of awards, including Employee of the Month, and Long Years of Service Awards, honouring those who have been with us for 5, 10, 15, 20, and 25 years.

c. Key HR Initiatives

- **Medical Insurance:** Comprehensive coverage for our employees.
- **Grievance/Suggestion Box:** A platform for employees to voice concerns and suggest improvements.
- **Training Programs:** Regular sessions to equip employees with the skills to meet emerging challenges.
- **Seminars:** Knowledge-enhancing programs tailored to employees' fields of expertise.
- **Sponsorship for Further Education:** We support employees seeking to further their education by offering sponsorships.
- **Internal Complaints Committee:** Established under The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, this committee addresses any sexual harassment concerns at the workplace.

Gufic also upholds a robust **Whistleblower Policy**, encouraging both employees and directors to report any unethical behavior, suspected fraud or violations of company policy. This policy ensures full protection against retaliation or mistreatment for those who raise concerns, with oversight provided by the Board of Directors. Full details of this policy are available on the company's website at www.gufic.com.

At Gufic, we are committed to cultivating a work culture that encourages excellence and professional growth. Team spirit is highly valued and we continuously strive to build a positive and cooperative atmosphere. The dedication of our employees has been instrumental in our achievements and we look forward to continued success, driven by their collective efforts. Notably, there have been no significant changes in Human Resources or Industrial Relations in the last financial year 2023-24.

OUTLOOK

Gufic's commitment to progress is unwavering, as we continue to invest in research and development, with a particular focus on molecules slated for commercialization at our Indore manufacturing facility in Madhya Pradesh. The facility recently received a Drug Manufacturing License from the FDA, Madhya Pradesh. It is currently undergoing rigorous qualification processes to ensure full operational readiness and regulatory compliance. Concurrently, we are conducting trial runs to validate performance and refine manufacturing processes, paving the way for seamless commercial production.

We believe in the strength of a diversified product portfolio to drive sustained business growth. Gufic has strategically identified complex and distinct products across multiple therapeutic areas, positioning us for the next phase of expansion.

During the financial year 2023-24, Gufic successfully launched approximately 30 products in the domestic and international market, with around 25 more set for commercialization. Additionally, more than 70 new products are in the pipeline, several of which are already in development.

Key initiatives for 2023-24 include:

1. **Sankalp:** Gufic's first patient assistance program, supporting economically disadvantaged patients requiring long-term therapy. This initiative will provide free therapy delivered directly to patients' homes, with participation expected from 50 doctors and 500 patients, enhancing patient engagement and trust among healthcare providers.
2. **Merofic Dual Chamber Bag:** An innovative closed drug delivery system that ensures zero human intervention, setting a new standard in medication safety and efficacy. This advancement strengthens our position in Critical Care, with plans to expand this proprietary technology to additional molecules.
3. **Dalbavan Launch:** A second-generation lipoglycopeptide antibiotic for serious bacterial infections, offering a once weekly dosing frequency to reduce the treatment burden on patients and healthcare providers. Our pipeline includes next-generation Tetracycline, Carbapenem, Echinocandin, and Azole.
4. **Assisted Reproductive Drug Portfolio:** Strengthened by the introduction of differentiated products such as ultra

purified HMG and recombinant FSH, which offers superior efficacy and safety in addressing complex fertility challenges. We have also introduced Guficin Alpha, effective in recurrent implantation failure.

5. **Zarbot Launch:** The first Indian botulinum toxin of international standards, Zarbot has rapidly gained acceptance among over 100 leading neurologists within a year of its launch.

6. **Stretch Nil Diagnostic Camps:** Conducted across India, focusing on our unique Stretch Nil product for stretch marks. We have developed a proprietary device to measure stretch marks, ensuring proactive and accurate treatment and have filed a patent for this innovation.

7. **Ongoing Product Development:** We are actively developing new products to address emerging health needs.

Looking ahead, Gufic remains steadfast in our dedication to quality and to building a portfolio that meets the health needs of the future.

THREATS, RISKS & CONCERNS

Risk management is integral to the Company's operations and Gufic proactively addresses risks in a structured and organized manner. The Company has established a comprehensive risk management policy, which is periodically reviewed and updated by the Board of Directors. While it is not possible to entirely eliminate the risks inherent in the business, they can be effectively mitigated through precautionary measures.

Risk Type	Risk	Mitigation Measures
Business Risk	Concentration Risk	Remain diversified across products and geographies.
	Competition Risk	Focus on product quality, timely supplies and industrial practices.
	Price Risk	Work on cost control and improved yields.
	International Operations Risk	Hedge risks through third parties and avoid high-risk countries.
	Insurance	Maintain various insurance covers for property and human resources.
	Human Capital Risk	Enhance employee well-being and development through talent management.
Financial Risk	Credit Risk	Follow SOPs for credit approval processes.
	Treasury/Foreign Exchange Risk	Monitor the forex market regularly and hedge risks.
	Liquidity Risk	Maintain flexible funding and monitor cash flows.
External Risk	Legal Risk	Regular reviews of contracts, insurance audits and compliance monitoring.
	Cyber security and Data Privacy Risks	Install IT security systems, train employees and regularly review practices.
	Market Risks	Diversify suppliers and conduct periodic audits.
	Intellectual Property Risk	Ensure due diligence in agreements and include IP terms with third parties.

CAUTIONARY STATEMENT

Certain statements in the MDA section concerning future prospects, Company's objectives, projections, estimates, expectations, plans or industry conditions or events may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, competitors' pricing in the Company's principal markets, changes in government regulations and policies, tax regimes, economic conditions within India and the countries within which the Company conducts business and other factors, such as litigation and labour unrest or other difficulties. These forward-looking statements represent only the Company's current intentions, beliefs or expectations and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, subsequent development or otherwise except as required by applicable law.

Indore Factory

Navsari Factory

Belgaum Factory

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2024

We, Mr. Pranav J. Choksi, Chief Executive Officer & Whole Time Director and Mr. Devkinandan B. Roonghta, Chief Financial Officer of Gufic Biosciences Limited, certify that:

A. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2024 and to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee that:

   i. Significant changes (if any) in internal control over financial reporting during the year ended March 31, 2024;

   ii. Significant changes (if any) in accounting policies during the year ended March 31, 2024 and that the same have been disclosed in the notes to the financial statements and

   iii. During the year, there were no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Pranav J. Choksi
Chief Executive Officer & Whole Time Director
DIN: 00001731

For and on behalf of the Board of Directors
of Gufic Biosciences Limited

Sd/-
Devkinandan B. Roonghta
Chief Financial Officer

Place: Mumbai
Date: May 29, 2024

INDEPENDENT AUDITORS' REPORT

To

The Members of Gufic Biosciences Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Gufic Biosciences Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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.

S. No.	Key Audit Matter	How our audit addressed the key audit matter
Revenue from Operations		
1	Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods to a customer. The revenue recognition occurs at a point in time when the control of the goods is transferred to the customer. We focused on this area as a key audit matter due to the amount of Revenue being regarded by Management as a key performance indicator in assessing performance. We believe there exists a risk of revenue being recognized before the control is transferred, including risk of incorrect timing of estimation related to recording the discounts and rebates. Refer note 2.11 and 27 to the standalone financial statements.	As part of our audit procedures, we: • Read the Company's accounting policy for revenue recognition and assessed compliance with the requirements of Ind AS 115. • Evaluated the design, tested the implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue and measurement of rebates, discounts and returns. • On a sample basis, tested supporting documentation for sales transactions and rebates/discounts recorded during the year which included sales invoices, customer contracts, shipping documents and customer correspondences for rebates/discounts. • Tested revenue samples focused on sales recorded immediately before the year-end, obtained evidence as regards timing of revenue recognition, based on terms and conditions of sales contracts and delivery documents. • Obtained management workings for amounts recognised towards discount schemes, returns and rebates during the year and as at year end. On a sample basis, tested the underlying calculations for amounts recorded as accruals and provisions towards the aforementioned obligations, as per the terms of related schemes, contracts and regulations, and traced the underlying data to source documents; • Tested all the manual sales-related adjustments made to revenue comprising of variable consideration under Ind AS 115 to ensure the appropriateness of revenue recognition during the year; • Assessed disclosures in standalone financial statements in respect of revenue, as specified in Ind AS 115.

Inventory, its valuation and provisions		
2	The Company holds inventory at various locations including factory, various depots and third-party locations. Hence existence of inventory is of significant importance. Inventory valuation involves significant assumptions and estimations made by the Management. Management also makes an estimate for near expiry and slow-moving inventory based on the age of the inventory. We have identified inventory as a key audit matter because of the number of locations that inventory is held and the judgment applied in the valuation of inventory and provision for inventory. Refer note 2.7 and 12 to the standalone financial statements.	Our audit of existence of inventory included, but was not limited to, the following procedures: • Assessed the appropriateness of the inventory accounting policies and its compliances with applicable accounting standards. • Obtained an understanding of the management's process for inventory counts, and evaluated the design and tested the operating effectiveness of key controls with respect to physical verification of inventory; • Inspected the instructions given by supervisory teams to the management count teams; • Reviewed the management's process for ensuring that there was no movement of stock during the physical verification of inventory; • Appointed independent auditor's experts for observing inventory counts at certain locations; • Reviewed the inventory roll back reconciliation statement prepared by the management and performed tests on sample basis by reviewing the supporting documents and records to substantiate the existence of inventory as at the reporting date; • Tested that the differences noted in management's physical verification of inventory from book records were adequately adjusted in books of accounts. • Tested, on a sample basis, the valuation of inventories as at the year end and the Management's assessment of provision required for near expiry and slow-moving inventories held as at the balance sheet date.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

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

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

Responsibilities of Management for the Financial Statements

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

In preparing the standalone financial statements, 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 Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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. 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable;
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes on Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act; and
   (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
3. 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:
   a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer note 44 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material misstatement.

e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

f. Based on our examination, which included test checks, the Company has used accounting software Tally Edit Log software to maintain its books of accounts from 1 April 2023 till 30 November 2023 and migrated into SAP software w.e.f. 1 December 2023. Both the software has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

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.

For **Mittal Agarwal & Company**
Chartered Accountants
(Firm Registration No. 131025W)

Sd/-
Piyush Agarwal
Partner
Membership No. 135505

Place: Mumbai
Dated:29/05/2024
UDIN: 24135505BKGOSI1638

ANNEXURE A TO THE AUDITOR'S REPORT

Annexure A to the Independent Auditors' Report on the Standalone financial statements of Gufic Biosciences Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1a A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

1b According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

1c According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee and other than self-constructed immovable property (Factory Buildings)) disclosed in the standalone financial statements are held in the name of the Company.

1d According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year.

1e According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2a The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

2b According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

3 According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, further the Company has made investments in wholly owned subsidiary in respect of which:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the investments made during the year are not prejudicial to the interest of the Company.

4 According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security as specified under Sections 185 and 186 of the Act. In respect of Investment made and the loans given by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.

5 The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

6 We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

7a The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Income-tax, Provident Fund, Employees' State Insurance, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Income-tax, Provident Fund, Employees' State Insurance, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

7b According to the information and explanations given to us, statutory dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)	Period	Forum where dispute matter is pending
Income Tax Act, 1961	Income Tax	221.26	Assessment Year 2012-13 & 2014-15	Appellate Authority up to Commissioner's level
		33.15	Assessment Year - 2018-19	Assessing Officer / National eAssessment Centre
		190.27	Assessment Year - 2021-22	Appellate Authority up to Commissioner's level
Central Excise Act, 1944	Central Excise Duty	158.57	November 2016 to January 2017	Appellate Tribunal
Gujarat VAT Act, 2003	Value Added Tax	52.74	Financial Year 2010-2011	Appellate Authority up to Commissioner's level
Goods & Service Tax Act, 2017	Goods & Service Tax	60.93	Financial Year 2017-18 & 2018-19	GST Officer/ Deputy Commissioner

8 According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

9a According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender during the year.

9b According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

9c According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied term loans for the purpose for which it was obtained.

9d 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 purposes by the Company.

9e According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable to the Company.

9f According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable to the Company.

10a The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

10b The Company has made preferential allotment of equity shares during the year and have complied with the provisions of section 42 and 62 of the Act read with applicable rules thereto. According to information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any private placement of shares and has not raised funds by way of issue of fully, partly or optionally convertible debentures during the year. Further, the funds raised to preferential allotment of shares were utilized for the purposes for which such funds were raised.

11a Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

11b According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.

11c We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

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

13 In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

14a Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

14b We have considered the internal audit reports of the Company issued till date for the period under audit.

15 In our opinion and according to the information and explanations given to us, the Company has not entered into any non cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

16a The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.

16b The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.

16c The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.

16d According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

17 The Company has not incurred cash losses in the current and in the immediately preceding financial year.

18 There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.

19 According to the information and explanations given to us 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20 In our opinion and according to the information and explanations given to us, there is no unspent amount under sub section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.

For **Mittal Agarwal & Company**
Chartered Accountants
(Firm Registration No. 131025W)

Sd/-
Piyush Agarwal
Partner
Membership No. 135505

Place: Mumbai
Dated:29/05/2024
UDIN: 24135505BKGOSI1638

Annexure B to the Independent Auditors' Report on the standalone financial statements of Gufic Biosciences Limited for the year ended 31 March 2024

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

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of Gufic Biosciences Limited ('the Company') as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of such internal financial controls, 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to the Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements

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

For **Mittal Agarwal & Company**
Chartered Accountants
(Firm Registration No. 131025W)

Sd/-
Piyush Agarwal
Partner
Membership No. 135505

Place: Mumbai
Dated:29/05/2024
UDIN: 24135505BKGOSI1638

STANDALONE BALANCE SHEET AS AT MARCH 31st, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31st, 2024	As at March 31st, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	13,828.67	13,648.42
Capital Work-in-Progress	4	30,705.67	16,958.86
Intangible Assets	5	561.93	67.88
Right-of-Use Assets	6	1,498.74	2,240.60
Financial Assets			
Investments	7	179.47	78.43
Loans	8	41.44	34.08
Others Financial Assets	9	886.75	809.07
Deferred Tax Asset (Net)	10	-	96.64
Other Non-Current Assets	11	1,504.59	5,771.11
Total Non-Current Assets		**49,207.26**	**39,705.09**
Current Assets			
Inventories	12	20,048.21	18,345.75
Financial Assets			
Trade Receivables	13	32,993.53	20,546.57
Cash and Cash Equivalents	14	112.64	2,860.19
Other Bank Balances	15	1,234.72	1,808.48
Loans	8	37.33	20.44
Other Current Assets	16	5,620.45	2,829.43
Total Current Assets		**60,046.88**	**46,410.86**
Total Assets		**1,09,254.14**	**86,115.95**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,002.78	969.45
Other Equity	18	52,253.27	33,811.37
Total Equity		**53,256.05**	**34,780.82**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	15,396.31	19,067.93
Lease Liabilitiess	20	1,155.51	1,620.99
Other Financial Liabilities	21	497.36	496.01
Provisions	22	1,537.70	1,329.45
Deferred Tax Liabilities (Net)	10	206.32	-
Total Non-Current Liabilities		**18,793.20**	**22,514.38**
Current Liabilities			
Financial Liabilities			
Borrowings	23	16,307.14	12,072.78
Lease Liabilites	20	432.61	657.58
Trade and Other Payables Due to :			
Micro and Small Enterprises	24	232.68	981.03
Other than Micro and Small Enterprises	24	16,394.19	12,045.43
Other Financial Liabilities	21	1,374.14	1,076.92
Other Current Liabilities	25	1,735.97	1,250.48
Provisions	22	473.63	424.12
Current Tax Liabilities (Net)	26	254.53	312.41
Total Current Liabilities		**37,204.89**	**28,820.75**
Total Liabilities		**55,998.09**	**51,335.13**
Total Equity and Liabilities		**1,09,254.14**	**86,115.95**
See accompanying Notes to the Financial Statements	1 to 59		

As per our report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

For and on behalf of the Board

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

Place: Mumbai
Date - 29th May, 2024

CIN: L24100MH1984PLC033519

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31st, 2024

(₹ in Lakhs)

Particulars	Notes	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
INCOME			
Revenue From Operations	27	80,666.57	69,062.08
Other Income	28	217.72	257.39
Total Income		**80,884.29**	**69,319.47**
EXPENSES			
Cost of Material Consumed	29	33,125.95	33,936.27
Purchase of Stock-in-Trade	30	5,806.09	2,584.38
Change in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	31	57.48	(3,338.61)
Employee Benefits Expense	32	10,962.63	8,673.18
Finance Costs	33	1,535.99	822.33
Depreciation and Amortisation Expense	34	1,701.72	2,228.10
Other Expenses	35	16,127.28	13,741.73
Total Expenses		**69,317.14**	**58,647.38**
Profit Before Exceptional Items and Tax		**11,567.15**	**10,672.09**
Exceptional Items		-	-
Profit Before Tax		**11,567.15**	**10,672.09**
Tax Expense	36		
Current Tax		2,840.00	2,821.00
Deferred Tax		316.54	(119.39)
Income Tax earlier Years		(202.95)	-
Total Tax Expenses		**2,953.59**	**2,701.61**
Profit for the Year		**8,613.56**	**7,970.48**
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss	40		
i. Remeasurements of the Defined Benefit Plans		(53.97)	(0.71)
ii. Tax Expenses on the above		13.58	0.18
Other Comprehensive Loss for the Year (Net of Tax)		**(40.39)**	**(0.53)**
Total Comprehensive Income for the Year		**8,573.17**	**7,969.95**
Earnings Per Equity Share of Face Value of ₹ 1 each	41		
Basic (in ₹)		8.74	8.22
Diluted (in ₹)		8.74	8.22

See accompanying Notes to the Financial Statements 1 to 59

As per our report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

For and on behalf of the Board

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

Place: Mumbai
Date - 29th May, 2024

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31st, 2024

(₹ in Lakhs)

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
A. Cash Flow from Operating Activities		
Profit for the Year After Tax	**8,613.56**	**7,970.48**
Adjust for:		
Income Tax Expense Recognised in Profit or Loss	2,953.59	2,701.61
Depreciation and Amortisation Expense	1,701.72	2,228.10
Dividend Income	(0.04)	(0.05)
Interest Income on Fixed Deposits with Banks	(86.41)	(74.05)
Interest Income on Financial Assets Carried at Amortised Cost	(53.52)	(54.38)
Interest Costs on Financial Liabilities Measured at Amortised Cost	1,535.99	822.33
Non Current Security Deposits at Amortised Cost	58.54	48.20
(Profit)/Loss on Sale of Fixed Asset	229.95	(3.03)
Sundry Credit Balances Written back	28.34	(3.01)
	14,981.72	**13,636.20**
Movements in Working Capital		
Increase in Trade and Other Receivables	(15,324.19)	(5,531.60)
Increase in Inventories	(1,702.46)	(6,789.07)
Increase/(Decrease) in Trade and Other Payables	4,003.58	(1,204.63)
Cash Generated from Operations	**1,958.65**	**110.90**
Direct Taxes Paid (Net)	(2,704.36)	(2,769.62)
Net Cash Flow Used in Operating Activities	**(745.71)**	**(2,658.72)**
B. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipments including Capital Advances and Purchase of Intangibles	(11,269.45)	(18,760.07)
Purchase of Investment	(101.04)	(77.68)
Sale of Property, Plant and Equipments	456.62	3.16
Dividends Income	0.29	0.05
Balance in Earmarked Accounts	573.51	(336.72)
Interest Income on Fixed Deposits with Banks	100.14	98.61
Net Cash Flow Used in Investing Activities	**(10,239.93)**	**(19,072.64)**
C. Cash Flows from Financing Activities		
Proceeds from Issuance of Shares	9,999.00	-
Proceeds from Current Borrowings (Net)	4,234.36	14,262.88
Proceeds of Non-Current Borrowings (Net)	(3,683.66)	10,746.36
Processing Fees Paid	(56.00)	(21.60)
Repayment of Lease Liabilities	(690.45)	(661.93)
Payment for Interest Lease Liability	(202.06)	(131.07)
Dividends paid on Equity Shares	(97.20)	(104.37)
Interest Paid	(1,265.89)	(659.51)
Net Cash from Financing Activities	**8,238.10**	**23,430.76**
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,747.55)	1,699.40
Cash and Cash Equivalents at the Beginning of the Year	2,860.19	1,160.80
Cash and Cash Equivalents at the End of the Year	**112.64**	**2,860.19**

Note:

a) The above cash flow statement of has been prepared under the 'Indirect Method' as set out in the Indian Accounting (Ind AS-7) "Cash Flows Statements" .

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31st, 2024

b) Cash and Cash Equivalents comprises of

(₹ in Lakhs)

Components of Cash and Cash Equivalents	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Cash and Bank Balance includes :		
Balances with Banks - In current accounts	58.48	2,547.79
Cheques on hand	-	308.43
Cash on hand	54.16	3.97
Total Cash and Cash Equivalents (Refer Note 14)	**112.64**	**2,860.19**

As per our report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

For and on behalf of the Board

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

Place: Mumbai
Date - 29th May, 2024

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

STATEMENT OF STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31st, 2024

A. Equity Share Capital (Refer Note 17)

(₹ in Lakhs)

Particulars	Balance at the Beginning of the Current Year	Changes in Equity Share Capital due to Prior Period Errors	Restated Balance at the Beginning of the Current Year	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Year
Balance at March 31st, 2023	969.45	-	969.45	-	969.45
Balance at March 31st, 2024	969.45	-	969.45	33.33	1,002.78

B. Other Equity (Refer Note 18)

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Equity attributable
	Capital reserve	General reserve	Security Premium	Retained earnings	Remeasurements of the Defined Benefit Plans	to Equity Holders
As at March 31st, 2022	**7,213.39**	**134.71**	**-**	**18,855.49**	**(261.24)**	**25,942.35**
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-	-
Restated Balance at the Beginning of the Current year	7,213.39	134.71	-	18,855.49	(261.24)	25,942.35
Total Comprehensive Income for the Year						
Profit for the Year	-	-	-	7,970.48	-	7,970.48
Other Comprehensive Income for the Year, Net of Income tax	-	-	-	-	(0.53)	(0.53)
Dividend on Equity shares	-	-	-	(96.94)	-	(96.94)
Others	-	-	-	-	(3.99)	(3.99)
As at March 31st, 2023	**7,213.39**	**134.71**	**-**	**26,729.03**	**(265.76)**	**33,811.37**
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-	-
Restated Balance at the Beginning of the year	7,213.39	134.71	-	26,729.03	(265.76)	33,811.37
Total Comprehensive Income for the Current Year						
Profit for the Year	-	-	-	8,613.56	-	8,613.56
Transaction during the year			9,965.67			9,965.67
Other Comprehensive Income for the Year, Net of Income Tax	-	-	-	-	(40.39)	(40.39)
Dividend on Equity shares	-	-	-	(96.94)	-	(96.94)
As at March 31st, 2024	**7,213.39**	**134.71**	**9,965.67**	**35,245.65**	**(306.15)**	**52,253.27**

See accompanying Notes to the Financial Statements 1 to 59

As per our report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

For and on behalf of the Board

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

Place: Mumbai
Date: 29th May, 2024

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information

"The financial statements comprise financial statements of Gufic Biosciences Limited (""the company"") for the year ended March 31st, 2024. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE and NSE in India. The registered office of the company is located at 37, 1st Floor, Kamala Bhavan II, Swami Nityanand Road, Andheri (East), Mumbai - 400 069 and the corporate office is located at 1st to 4th Floor, S.M. House, 11 Sahakar Road, Vile Parle (East), Mumbai – 400 057.

The Company is principally engaged in manufacturing and marketing of active pharmaceutical ingredients, generic pharmaceuticals and related services. These financial statements were authorized for issue by the company's Board of Directors on May 29th, 2024 and are subject to approval of the shareholders at the Annual General Meeting."

2 Significant Accounting Policies

2.1 Statement of Compliance

"The financial statements of the company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as ammended.

Accounting policies have been constantly applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use."

2.2 Basis of preparation and presentation

2.2.1 Historical cost convention

"These financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('The Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. The financial statements have been prepared on accrual basis and under the historical cost basis, except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

The Company's Board of Directors approved the financial statements for issue on May 29th, 2024. "

2.2.2 Functional and Presentation Currency

The financial statements are presented in Indian Rupees ('INR' or 'Rupees' or '₹') which is the functional currency for the Company.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs except when herein indicated.

2.2.3 Fair value measurement

Fair value is the price that would be received from sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.4 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Assets:

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;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve 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 twelve months after the reporting date.

Liabilities:

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve 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 assets/ liabilities are classified as non-current.

2.3 Property, Plant and Equipment

"Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met.

These are amortised over the useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on assets with finite lives is recognised in the statement of profit and loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates these components separately based on their specific useful lives. Likewise, when a major repair/replacement is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest, if any.

Capital expenditure on property, plant and equipment for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment ."

"An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under Other non-current assets."

"Depreciation is recognised on the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used."

2.4 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows; Brands and technical Know-how are amortised on a straight line basis over a period of ten years software cost is amortised on straight line basis over a period of three years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

2.5 Impairment of Tangible and Intangible Assets other than Goodwill

At the end of each reporting period, 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 amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When 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 identifiable group of assets of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years A reversal of an impairment loss is recognised immediately in profit or loss.

2.6 Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.6.1 Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value , in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement:

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Effective Interest Method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Debt instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the below conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the company after initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13.

Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the below criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Investment in Subsidiaries is carried at Cost in the financial Statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of Financial Assets

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- **Trade receivables**

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (statement of profit & loss). This amount is reflected in a separate line in the statement of profit & loss as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.6.2 Financial Liabilities and Equity instruments

Initial Recognition and Measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit & loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Reclassification of financial assets and financial liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period of the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original Classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and loss
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount.However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials and Packing Material : purchase cost on a first in, first out basis

(ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

(iii) Traded goods are valued on First in First Out basis.

(iv)Consumable stores are charged to the profit and loss account in the year of its purchases.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

2.8 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of Cash on hand, Cheques on hand and Balances with Bank - In Current Account.

2.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

2.10 Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.11 Revenue recognition

Revenue recognition under Ind AS 115

Under Ind AS 115, the company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company disaggregates revenue from contracts with customers by geography.

(i) Sale of Goods

Effective April 1st, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes acomprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue.

The specific recognition criteria described below must also be met before revenue is recognised:

Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer or as per the terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., where applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales Return

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(ii) Rendering of Services

Revenue from sale of dossiers/licenses/services, includes in certain instances, certain performance obligations and based on evaluation of whether or not these obligations are inconsequential or perfunctory, revenue is recognised in accordance with the terms of the contracts with the customers when the related performance obligation is completed at point in time or spread over a period of time, as applicable.

(iii) Other Operating Revenue

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and /or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

(iv) Interest and dividend 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.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.12 Employee benefits

2.12.1 Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, exgratia are recognised during the period in which the employee renders related service.

2.12.2 Post-Employment Benefits:

(i) Defined Contribution plans:

Employee benefits in the form of contribution to Provident Fund, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the same is charged to the statement of profit and loss for the year when the contributions to the respective funds are due.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the statement of profit and loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit plans:

Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the projected unit credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

(iii) Other long term employee benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.14 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

(i) Right-of-Use Asset

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The interest rate applied to lease liabilities is 10 %.

2.15 Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. 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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT Credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the company will pay normal income tax during the specified period.

2.16 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. 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 is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the 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.

2.17 Segment Reporting:

The Company's Performance are not separately evaluated by the the Board of Directors, which are considered as the Chief Operating Decision Maker (CODM) and hence the total business needs to be treated as one operating segment only.

2.18 Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions (legal and constructive) 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.

The amount recognised as a provision is 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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimates is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and non cancellable operating lease.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.19 Application of New Revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024.

2.20 Critical Estimates and Judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

2.21 Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the management.

ii. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A tax assessement can involve complex issues, which can only be resolved over extended time periods. The recognisation of taxes that are subject to certain legal or economic limits or uncertainities is assessed individually by the managment based on the specific facts and circumstances.

vi. Defined benefit obligations

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 40, 'Employee benefits'.

vii. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

ix. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook.Inventories are written down to NRV where such NRV is lower than their cost.

x. Sales Return

For Information about judgements made in applying the accounting policies for sales return that have the most significant effects on the amounts recognised in the financial statements is included in notes 2.11 above.

Note 3. Property, Plant And Equipment

(₹ in Lakhs)

Description of assets	Factory Buildings(*)	Leasehold Land	Residential Building	Plant & Equipment	Plant & Equipment (R&D)	Furniture & Fixture	Vehicles	Office Equipment	Electrical Installation	Computer	Total
Gross Block (Cost or Deemed Cost)											
As at March 31st, 2022	**2,573.63**	**630.50**	**984.43**	**7,997.45**	**1,047.11**	**269.46**	**411.53**	**1,772.01**	**473.93**	**322.90**	**16,482.95**
Additions	617.83	344.46	-	2,272.91	214.17	87.31	7.41	325.73	72.13	68.67	4,010.62
Disposals/reclassifications	-	-	-	-	-	-	-	-	-	(2.71)	(2.71)
As at March 31st, 2023	**3,191.46**	**974.96**	**984.43**	**10,270.36**	**1,261.28**	**356.77**	**418.94**	**2,097.74**	**546.06**	**388.86**	**20,490.86**
Additions	151.86	14.04	-	1,333.17	124.84	52.52	24.85	25.81	-	67.18	1,794.27
Reclassification	-	-	-	(54.20)	54.20	-	-	-	-	-	-
Disposals/reclassifications	-	-	(492.21)	(1,100.42)	-	(54.02)	(54.18)	(428.90)	0.05	(165.96)	(2,295.64)
As at March 31st, 2024	**3,343.32**	**989.00**	**492.22**	**10,448.91**	**1,440.32**	**355.27**	**389.61**	**1,694.65**	**546.11**	**290.08**	**19,989.49**
Accumulated Depreciation											
As at March 31st, 2022	**503.19**	**-**	**15.54**	**2,994.48**	**216.29**	**81.70**	**210.27**	**782.28**	**255.98**	**247.57**	**5,307.30**
Depreciation expense for the year	122.03	10.61	15.59	825.96	80.12	30.65	40.73	311.38	59.16	41.49	1,537.72
Disposals/reclassifications	-	-	-	-	-	-	-	-	-	(2.58)	(2.58)
As at March 31st, 2023	**625.22**	**10.61**	**31.13**	**3,820.44**	**296.41**	**112.35**	**251.00**	**1,093.66**	**315.14**	**286.48**	**6,842.44**
Depreciation expense for the year	99.39	9.47	14.91	305.05	47.52	39.16	38.58	289.92	57.90	55.07	956.97
Reclassification	-	-	-	(9.29)	9.29	-	-	-	-	-	-
Disposals/reclassifications	-		(22.68)	(961.06)	-	(51.32)	(36.14)	(405.58)	-	(161.81)	(1,638.59)
As at March 31st, 2024	**724.61**	**20.08**	**23.36**	**3,155.14**	**353.22**	**100.19**	**253.44**	**978.00**	**373.04**	**179.74**	**6,160.82**
As at March 31st, 2024	**2,618.71**	**968.92**	**468.86**	**7,293.77**	**1,087.10**	**255.08**	**136.17**	**716.65**	**173.07**	**110.34**	**13,828.67**
As at March 31st, 2023	**2,566.24**	**964.35**	**953.30**	**6,449.92**	**964.87**	**244.42**	**167.94**	**1,004.08**	**230.92**	**102.38**	**13,648.42**

(*) - Represent Building constructed on leasehold land which will revert to the lessor on completion of lease period.

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3.1 : Impairment Losses Recognised in the Year

There are no impairment losses recognised during the year.

3.2 : Assets Pledged as Security

3.2.1 : Factory Buildings, Plant and Equipments, Plant and Equipments (R & D), Furniture and Fixture, Office Equipments, Electrical Installations and Computers having carrying value of ₹ 12,254.72 lakhs (as at March 31st, 2023: ₹ 11,562.83 lakhs) have been pledged to secure borrowings of the Company (Refer Note 19 and 23). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity, except items specifically pledged to other.

3.2.2 : Vehicles having carrying value of ₹ 94.27 lakhs (as at March 31st, 2023: ₹ 95.95 lakhs) have been hypothecated by way of first charge on the vehicles acquired under the specific facility granted.

3.2.3 : Residential Building having carrying value of ₹ NIL (as at March 31st, 2023: ₹ 953.30) have been mortgaged by way of first charge on the property

3.3 : The Company has not revalued its Property, Plant and Equipment during the year ended March 31st, 2024.

3.4: Lease Hold Land having carrying value of ₹ 968.92 lakhs (as at March 31st, 2023: ₹ 997.22 lakhs) have been pledged to secure borrowings of the Company (Refer Note 19). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity, except items specifically pledged to other.

Note 4. Capital Work In Progress

(₹ in Lakhs)

Description of assets	As at March 31st, 2024	As at March 31st, 2023
Deemed Cost		
Opening	16,958.86	4,087.42
Additions	15,259.94	14,736.11
Reclassifications	1,513.13	1,864.67
	30,705.67	**16,958.86**

4.1 Capital Work in Progress includes Factory Building and Plant & Equipment having carrying value of ₹ 25,281.26 Lakhs (as at March 31st, 2023: ₹ 11,775.71 Lakhs) which has been pledged to secure borrowings of the Company.

4.2 Capital Work in Progess Ageing Schedule

(₹ in Lakhs)

Particulars	As at March 31st, 2024				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	15,259.94	13,635.49	1,810.24	-	30,705.67

(₹ in Lakhs)

Particulars	As at March 31st, 2023				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	14,747.21	1,955.81	147.84	108.00	16,958.86

4.3 CWIP Completion Schedule

There are no projects under capital work-in-progress, whose completion is either overdue or has exceeded its cost compared to its original plan as on March 31st, 2024 and March 31st, 2023.

Note 5. Intangible Assets

(₹ in Lakhs)

Description of assets	Computer Software	Technical Know How	Brand	Total
Gross Block (Cost or Deemed Cost)				
As at March 31st, 2022	**41.93**	**32.11**	**42.62**	**116.66**
Additions	31.84	-	-	31.84
Disposals/ Reclassifications	-	-	-	-
As at March 31st, 2023	**73.77**	**32.11**	**42.62**	**148.50**
Additions	526.46	-	-	526.46
Disposals/ Reclassifications	-	-	-	-
As at March 31st, 2024	**600.23**	**32.11**	**42.62**	**674.96**
Accumulated Amortisation				
As at March 31st, 2022	**17.08**	**9.84**	**28.72**	**55.64**
Amortisation Expense for the Year	17.76	3.00	4.22	24.98
Disposal of Assets/ Reclassifications	-	-	-	-
As at March 31st, 2023	**34.84**	**12.84**	**32.94**	**80.62**
Amortisation Expense for the Year	26.06	2.76	3.59	32.41
Disposal of Assets/ Reclassifications	-	-	-	-
As at March 31st, 2024	**60.90**	**15.60**	**36.53**	**113.03**
As at March 31st, 2024	**539.33**	**16.51**	**6.09**	**561.93**
As at March 31st, 2023	**38.93**	**19.27**	**9.68**	**67.88**

5.1 The Company has not revalued its Intangible Assets during the year ended March 31st, 2024.

Note 6. Right-of-use Assets

(₹ in Lakhs)

Particulars	Leasehold Properities	Total
I. Carrying Amount		
Balance as at March 31st, 2022	**1,992.98**	**1,992.98**
Additions	2,970.44	2,970.44
Reclassification	(974.96)	(974.96)
Deletion	-	-
Balance as at March 31st, 2023	**3,988.46**	**3,988.46**
Additions	-	-
Reclassification	-	-
Deletion	29.52	29.52
Balance as on March 31st, 2024	**3,958.94**	**3,958.94**
II. Accumulated Depreciation / Amortization Loss		
Balance as at March 31st, 2022	**1,082.45**	**1,082.45**
Additions	676.02	676.02
Reclassification	(10.61)	(10.61)
Deletion	-	-
Balance as at March 31st, 2023	**1,747.86**	**1,747.86**
Additions	712.34	712.34
Deletion		-
Balance as on March 31st, 2024	**2,460.20**	**2,460.20**
Net Block as on March 31st, 2024	**1,498.74**	**1,498.74**
Net Block as on March 31st, 2023	**2,240.60**	**2,240.60**

6.1 The aggregate depreciation expense amounting to ₹ 712.34 Lakhs (for the Year Ended March 31st, 2023 : ₹ 676.02 Lakhs) on ROU assets is included under depreciation and amortisation expenses (Refer Note 34) in the Statement of Profit and Loss.

Note 7. Investments

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Non-Current		
Unquoted (at Amortised Cost)		
Equity Instruments of Subsidiary		
- Gufic UK Limited (1,000 (P.Y.: NIL) Equity Shares of face value 1 GBP each fully paid up)	1.04	-
Unquoted (at FVTOCI)		
Equity Instruments of Others Entities		
- Saraswat Co-Operative Bank Limited (7,500 (P.Y.: 7,500) Equity Shares of face value Rs. 10 each fully paid up)	0.75	0.75
- Selvax PTY LTD (1,30,700 (P.Y.: 1,30,700) Equity Shares	77.68	77.68
Unquoted (at FVTPL)		
Debt Instruments		
- Saraswat bank Long Term Subordinated Bonds 23-24(S-IX)	100.00	-
Total	**179.47**	**78.43**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	179.47	78.43
Aggregate amount of impairment in value of investments	-	-

Note 8. Loans
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Non Current		
Loans to Staff	41.44	34.08
Total	**41.44**	**34.08**
Current		
Loans to Staff	37.33	20.44
Total	**37.33**	**20.44**

Note: These financial assets are carried at amortised cost. No loans are due from directors or other officers of the Company either severally or jointly with any other person.

Note 9. Other Financial Assets

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Security Deposits with		
With Related Party (Refer Note 39)	352.47	402.32
With Others (Amortised Cost)	534.28	406.75
Total	**886.75**	**809.07**

Note: These financial assets are carried at amortised cost. No loans are due from directors or other officers of the Company either severally or jointly with any other person.

Note10. Deferred Tax Assets/(Liabilities) (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Deferred Tax Liabilites		
Property, Plant and Equipment	(684.23)	(275.41)
Borrowing Cost	(15.22)	(19.30)
Deferred Tax Assets		
Trade Receivables	140.59	110.22
Employee Benefits (Net of OCI)	255.96	198.13
Other Comprehensive Income	96.58	83.00
Total	**(206.32)**	**96.64**

Note11. Other Non - Current Assets
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Capital Advances		
Cosidered Good	1,383.44	5,587.16
Cosidered Credit Impaired	-	-
	1,383.44	**5,587.16**
Less : Provision for Credit Impaired	-	-
	1,383.44	**5,587.16**
Others		
Balances with Statutory Authorities like Value Added Tax etc.	-	4.25
Prepaid Expenses		
- For Leave and Lisence Agreement (Factory Builiding and office premises)	121.15	179.70
Total	**1,504.59**	**5,771.11**

Note.12 Inventories

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Inventories (Lower of Cost and Net Realisable Value)		
Raw Materials	5,877.78	5,208.00
Stock-in-Process	5,527.63	5,738.56
Finished Goods	3,254.10	3,678.05
Packing Materials	2,751.04	2,584.61
Stock-in-Trade	1,583.71	1,006.31
Consumables	1,053.95	130.22
Total	**20,048.21**	**18,345.75**

The cost of inventories recognised as an expense during the year was ₹39,989.52 lakhs (for the year ended March 31st, 2023: ₹ 33,182.04 lakhs). This is included as part of Cost of Materials Consumed, Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in Note 2.7.

For details of inventories pledge as security, Refer Note 23.

Note 13. Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
(Unsecured, considered good unless stated otherwise)		
Current		
Considered Good (Refer Note 39)	26,122.24	14,066.32
Above credit terms (Refer Note 42.3.1)	7,429.88	6,918.19
	33,552.12	**20,984.51**
Allowance for Doubtful Debts (expected credit loss allowances)	(558.59)	(437.94)
Total	**32,993.53**	**20,546.57**

Trade Receivables

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period. The average credit period allowed to the customers is in the range of 30-180 days.

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period as follows.

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Expected credit loss (%)		
Not Due	1.13%	0.79%
Less than 6 Months	1.51%	0.85%
6 Months - 1 Year	4.03%	3.27%
1 Year - 2 Years	15.40%	14.77%
2 Years - 3 Years	29.77%	32.02%
More than 3 Years	100.00%	96.00%
Undisputed Trade receivables – Considered Good		
Not Due	26,122.75	14,066.32
Less than 6 Months	5,849.40	5,023.03
6 Months - 1 Year	937.49	888.63
1 Year - 2 Years	577.79	835.88
2 Years - 3 Years	24.17	62.30
More than 3 Years	40.52	108.35
	33,552.12	**20,984.51**
Undisputed Trade Receivables – Considered Doubtful		
Not Due		
Less than 6 Months	-	-
6 Months - 1 Year	-	-
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	-	-
Disputed Trade Receivables Considered Good		
Not Due	-	-
Less than 6 Months	-	-
6 Months - 1 Year	-	-
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	-	-
Disputed Trade Receivables Considered Doubtful		
Not Due	-	-
Less than 6 Months	-	-
6 Months - 1 Year	-	-
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	-	**-**
Movement in the Expected Credit Loss Allowance		
Balance at Beginning of the Year	437.94	443.95
Actual Bad Debts During the Year	-	-
Provision for Expected Credit Loss Allowance on Trade Receivables Calculated at Lifetime Expected Credit Losses	120.65	(6.01)
Balance at the Year End	558.59	437.94

Note14. Cash And Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Balances with Banks		
- In current accounts	58.48	2,547.79
Cheques on Hand	-	308.43
Cash on Hand	54.16	3.97
Total	**112.64**	**2,860.19**

Note 15. Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Earmarked Balances with Banks		
Unpaid Dividend Accounts	1.99	2.24
Deposits against Guarantees and Other Commitments	1,232.73	1,806.24
Total	**1,234.72**	**1,808.48**

Note 16. Other Current Assets

Particulars	As at March 31st, 2024	As at March 31st, 2023
Advances other than Capital Advances		
Employees Imprest Advance	291.75	133.77
	291.75	**133.77**
Others		
Advance to Vendors		
Cosidered Good	1,039.44	683.21
Credit Impaired	-	-
	1,039.44	683.21
Less : Provision for Credit Impaired	-	-
	1,039.44	**683.21**
Balances with Statutory Authorities like Goods and Service tax, Value Added Tax etc.	3,913.99	1,833.84
Prepaid Expenses	86.14	95.02
Others	289.13	83.59
Total	**5,620.45**	**2,829.43**

Note 17. Equity Share Capital

Particulars	As at March 31st, 2024		As at March 31st, 2023	
	No of shares	₹In Lakhs	No of shares	₹In Lakhs
Authorised Share Capital				
Equity Shares of ₹ 1 Each	10,52,00,000	1,052.00	10,52,00,000	1,052.00
9.5% Non-Cumulative, Non- Convertible Redeemable Preference Shares of ₹ 1 Each	75,22,66,610	7,522.67	75,22,66,610	7,522.67
Unclassified shares	33,390	0.33	33,390	0.33
		8,575.00		**8,575.00**
Issued and Subscribed capital Comprises				
Equity Shares of ₹ 1 Each, Fully Paid Up	10,02,77,506	1,002.78	9,69,44,506	969.45
	10,02,77,506	**1,002.78**	**9,69,44,506**	**969.45**

17.1 Reconciliation of the Equity Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31st, 2024		As at March 31st, 2023	
	No of shares	₹In Lakhs	No of shares	₹In Lakhs
Equity Shares at the beginning of the year	9,69,44,506	969.45	9,69,44,506	969.45
Equity Shares issued during the year	33,33,000	33.33	-	-
Equity Shares at the end of the year	**10,02,77,506**	**1,002.78**	**9,69,44,506**	**969.45**

17.2 The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

17.3 Details of sharesholders holding more than 5% shares in the company

Name of Shareholder	As at March 31st, 2024		As at March 31st, 2023	
	No of shares held	% of holding	No of shares held	% of holding
Fully Paid Equity Shares				
a) Jayesh Pannalal Choksi	2,46,90,829	24.62%	2,46,90,829	25.47%
b) Zircon Teconica Private Limited	2,05,23,330	20.47%	2,05,23,330	21.17%
c) Gufic Private Limited	1,01,91,523	10.16%	1,01,91,523	10.51%
d) Vipula Jayesh Choksi	1,00,33,843	10.01%	1,00,33,843	10.35%
e) Pranav Jayesh Choksi	72,68,626	7.25%	72,68,626	7.50%

17.4 The company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any equity shares during the period of five years immediately preceding March 31st 2024 .

17.5 Details of Equity shares held by promoters at the end of the year

Name of Shareholder	As at March 31st, 2024			As at March 31st, 2023		
	Number of Shares Held	% Holding in the Class of Shares	% Change During the Year	Number of Shares Held	% Holding in the Class of Shares	% Change During the Year
a) Jayesh Pannalal Choksi	2,46,90,829	24.62%	-0.85%	2,46,90,829	25.47%	-0.48%
b) Zircon Teconica Private Limited	2,05,23,330	20.47%	-0.70%	2,05,23,330	21.17%	0.00%
c) Gufic Private Limited	1,01,91,523	10.16%	-0.35%	1,01,91,523	10.51%	0.00%
d) Vipula Jayesh Choksi	1,00,33,843	10.01%	-0.34%	1,00,33,843	10.35%	0.00%
e) Pranav Jayesh Choksi	72,68,626	7.25%	-0.25%	72,68,626	7.50%	0.00%

Note 18. Other Equity

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Capital Reserve		
Balance at Beginning of the Year	7,213.39	7,213.39
Movements	-	-
Balance at End of the Year	**7,213.39**	**7,213.39**
General Reserve		
Balance at Beginning of the Year	134.71	134.71
Movements	-	-
Balance at End of the Year	**134.71**	**134.71**
Security Premium		
Balance at Beginning of the Year	-	-
Movements	9,965.67	-
Balance at End of the Year	**9,965.67**	**-**
Retained Earnings		
Balance at Beginning of the Year	26,729.03	18,855.49
Add : Profit for the Year	8,613.56	7,970.48
Less : Final Dividend on Equity Shares (Refer Note 18.4)	(96.94)	(96.94)
Balance at End of the Year	**35,245.65**	**26,729.03**
Other Items of Other Comprehensive Income (Re-Measurement Gains (Losses) on Defined Benefit Plans)		
Balance at Beginning of the Year	(265.76)	(261.24)
Less : Amount Transferred	(40.39)	(0.53)
Less: Others (Refer Note 18.5)	-	(3.99)
Balance at End of the Year	**(306.15)**	**(265.76)**
Total	**52,253.27**	**33,811.37**

18.1: The Capital reserve is created on receipts of government grants for setting up of tissue culture division in the earlier years and on account of business combination.

18.2: The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

18.3: Security Premium is created through premium received on issue of shares. The reserve is to be utilised in accordance with provisions of the Companies Act, 2013.

18.4: The company has paid dividend of ₹ 0.10 per share on September 29th, 2023 totalling to ₹ 96.94 lakhs for the year ended March 31st, 2023 (Previous year : ₹ 0.10 per share totalling to ₹ 96.94 lakhs) was paid to the holders of fully paid equity shares.

18.5: Others includes the notional interest charged to the Statement of Profit & Loss account on account of interest free loan given by the directors of the company.

Note 19. Non-current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current	Current	Non current	Current
Secured - at Amortised Cost				
From Banks				
Term Loans (Refer Note 19.1 (a) and 19.1 (b))	15,388.80	2,073.05	18,641.01	861.32
Vehicle Loans (Refer Note 19.1 (c))	7.51	32.36	27.71	30.42
From Others				
Property Loans (Refer Note 19.1 (d))	-	-	399.21	4.96
	15,396.31	**2,105.41**	**19,067.93**	**896.70**

19.1 Summary of Borrowing Arrangements

The terms of repayment of term loans and other loans are stated below:

(a) Term Loans from Saraswat Bank

Collateral Security

1) Factory Land and Building bearing gram panchayat house no. 140 to 140/5 and 141 to 141/5 with all building and structure on land survey no. 171 and 195/3, situated at national highway no. 8, near GEB grid and Tisco Village, Kabilpore, Dist : Navsari - 396424 in the name of M/s Gufic Pvt. Ltd.
2) Movable Fixed Assets at Navsari.
3) Factory Land and Building Plot No. 48, Smart Industrial Park, Near NATRIP, Pithampur, Dhar, Madhya Pradesh - 454774.
4) Movable Fixed Assets at Indore, Madhya Pradesh.
5) Movable Fixed Assets at Arisia, 6th Floor, S.M. House, 11, Sahakar Road, Vile Parle East, Mumbai 400057.

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee (restricted to the exposure of 3,640/- Lakhs) from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 18,00,000/- to ₹ 32,14,000/- (March 31st, 2023 : ₹ 3,49,000/- to ₹ 33,30,000/-)(excluding interest), over a period of 1 to 84 months.

Rate of Interest

The Rate of Interest is PLR- 7.25% p.a. i.e subject to minimum 8.25% p.a. for Term Loan and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.25%)

(b) Term Loans from HDFC Bank

Security

(i) The loans are secured by first pari passu charge on all Movable Fixed Assets (Plant & Machinery) of the company, both Navsari and Pithampur, Indore.

(ii) Second Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur, Indore.

(iii) First pari passu charges on all Immovable assets property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited. "

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 3,52,561/- to ₹ 21,16,092/- (March 2023 ₹ 6,40,960/- to ₹ 21,16,092/-) (excluding interest), over a period of 1 to 84 months starting from October 2024 i.e. after morotorium period of 18 months.

Rate of Interest

The Rate of Interest is 3M T Bill+ 1.57 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.45%)

(c) Vehical Loan from Bank

Security

(i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.

(ii) Carrying value of the fixed assets pledged is ₹ 94.27 lakhs. (March 31st, 2023 : ₹ 95.95 lakhs)."

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 34,701/- to ₹ 1,57,505/- (March 31st, 2023 ₹ 34,701/ to ₹ 1,57,505/-) (including Interest), over a period of 1 to 36 months.

Rate of Interest

The Rate of Interest is between 6.75 % to 8.65 % p.a. (March 31st, 2023 : 6.75% to 8.65% p.a.) and shall be payable on monthly basis.

(d) Property Loan

Security

(i) Legal Mortgage of Property having carrying value NIL (March 31st, 2023 : ₹ 953.30 Lakhs) acquired under the specific facility granted.

Terms of Repayment

Property Loans has been fully repaid during the financial year 2023-24.

There are no beanch of contractual terms of the borrowings during the year ended March 31st, 2024 and March 31st, 2023.

Note 20. Lease Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Non-Current		
Lease Liabilities (Refer Note 38)	1,155.51	1,620.99
Total	**1,155.51**	**1,620.99**
Current		
Lease Liabilities (Refer Note 38)	432.61	657.58
Total	**432.61**	**657.58**

Note 21. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
(At Amortised Cost)		
Non-Current		
Security & Trade Deposits From		
Agents and Stockists	497.36	496.01
Total	**497.36**	**496.01**
Current		
Interest Accrued and not Due on Borrowings	42.52	30.53
Unpaid Dividends (Refer Note 21.1)	1.99	2.25
Employee Benefits Payable	1,329.63	1,044.14
Total	**1,374.14**	**1,076.92**

Note 21.1 :

There is no amount due and outstanding to be credited to the Investor Education & Protection Fund.

Note 22. Provisions

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Non-Current		
Provision for Employee Benefits (Refer Note 40)		
Provision For Compensated Absences	334.18	241.66
Provision For Gratuity	905.86	777.45
Others		
Provision for Sales Returns (Refer Note 53)	297.66	310.34
Total	**1,537.70**	**1,329.45**
Current		
Provision for Employee Benefits (Refer Note 40)		
Provision For Compensated Absences	44.22	32.67
Provision For Gratuity	116.49	65.21
Others		
Provision for Sales Returns (Refer Note 53)	312.92	326.24
Total	**473.63**	**424.12**

Note 23. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Loans from Bank - Secured		
Working Capital Facility (Refer Note 23.1)	14,201.73	11,176.08
Current Maturities of Long-Term Debt (Refer Note 19)	2,105.41	896.70
	16,307.14	**12,072.78**

23.1 Working Capital facilties from Saraswat Bank

Collateral Security

For Collateral Security Refer Note 19.1(a).

Guarantees

For Guarantees Refer Note 19.1(a).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is PLR- 7.25 % p.a. i.e subject to minimum 8.25% p.a. for Cash Credit limit and PLR- 7.50 % p.a. i.e subject to minimum 8.00% p.a. for Working Capital Demand Loan. (Effective Interest rate as on March 31st, 2024 was 8.00%)

23.2 Working Capital facilties from HDFC Bank

Collateral Security

(i) The loans are secured by second pari passu charge on all Movable Fixed Assets (Plant & Machinery) of the company, both Navsari and Pithampur, Indore.

(ii) First Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur, Indore & Arisia-Mumbai.

(iii) Second pari passu charges on all Immovable assets property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited. L&B bearing gram panchayat house no. 140 to 141/5, plot area admeasuring about 3,22,218.96 sq. feet. More or less together with all buidling and structure on land survey no. 171 and 195/3, situated at national highway no. 8, Near GEB grid and Tisco Village, Kobilpore, Dist : Navsari - 396424 owned by Gufic Private Limited.

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is 3M T Bill+1.61 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.20%)

23.3 Working Capital facilties from Axis Bank

Collateral Security

i) The loans are secured by second pari passu charge on all Movable Fixed Assets of the company.

ii) First Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur Indore & Arisia-Mumbai.

iii) Second pari passu charges on all Immovable assets (Land and Building) property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited. L&B bearing gram panchayat house no. 140 to 141/5, plot area admeasuring about 3,22,218.96 sq. feet. More or less together with all buidling and structure on land survey no. 171 and 195/3, situated at national highway no. 8, Near GEB grid and Tisco Village, Kobilpore, Dist : Navsari - 396424 owned by Gufic Private Limited

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is Repo rate+2 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.50%)

Note 24. Trade and other Payables Due to :

Particulars	As at March 31st, 2024	As at March 31st, 2023
Micro and Small Enterprises	232.68	981.03
Other than Micro and Small Enterprises (Refer note 39)	16,394.19	12,045.43
	16,626.87	**13,026.46**

The average credit period on purchases is 45 to 90 days. No interest is charged by the trade payables.

Sundry Creditors- Dues to Micro and Small Enterprises

Pursuant to disclosure of amount due to Micro, Small and Medium Enterprises as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED ACT) included under the head "Trade Payable", the Company has initiated process of seeking necessary information from its suppliers based on the information available with the company regarding the total amount due to supplier as covered under MSMED Act is given below. The company is generally regular in making payment of dues to such enterprise. This has been relied upon by the auditors.

Particulars	As at March 31st, 2024	As at March 31st, 2023
I. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year a. Principal amount due to micro and small enterprises b. Interest due on above	232.68	981.03
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small & Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note : The above information has been complied in respect of parties to the extent to which they could identify as Micro and small enterprises on the basis of information available with the Company.

(₹ in Lakhs)

Age of Payables	As at March 31st, 2024	As at March 31st, 2023
Disputed Dues- MSME		
Not Due	-	-
Less than 6 months	-	-
6 Months - 1 Year	-	-
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	-	-
Disputed Dues- Other than MSME		
Not Due	-	-
Less than 6 months	-	-
6 Months - 1 Year	-	-
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	-	-
Undisputed Dues-MSME		
Not Due	232.68	745.50
Less than 6 months	-	234.63
6 Months - 1 Year	-	0.90
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	232.68	**981.03**
Undisputed Dues-Other than MSME		
Not Due	10,849.77	10,606.60
Less than 6 months	5,497.95	1,288.68
6 Months - 1 Year	46.47	75.60
1 Year - 2 Years	-	20.45
2 Years - 3 Years	-	12.85
More than 3 Years	-	41.25
	16,394.19	**12,045.43**
TOTAL	**16,626.87**	**13,026.46**

Note 25. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Advance From Customer	384.52	535.92
Statutory Dues	307.81	265.29
Payable for Capital goods	1,043.64	449.27
Total	**1,735.97**	**1,250.48**

Note 26. Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Provision for Taxation (Net)	254.53	312.41
Total	**254.53**	**312.41**

Note 27. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Sale of Products (Net of Returns and GST) (Refer Note 39) (Formulation and Active Pharma Ingredient)	76,965.62	67,975.46
Other Operating Revenue		
Processing Charges	850.69	558.43
Other Operating Revenues	2,850.26	528.19
Total	**80,666.57**	**69,062.08**
Disaggregation Of Revenue		
India	71,852.11	58,371.78
Africa	987.47	1,341.43
Asia	3,630.15	5,116.16
Europe	2,964.00	2,942.30
North America	1,023.78	1,161.86
Australia	20.21	53.55
South America	188.85	75.00
Revenue from Operations	**80,666.57**	**69,062.08**

The Chief Operating Decision Maker (CODM) monitors the geographic segment of its business separately for the purpose of making decisions about resource allocation and performance assessment.

Reconciliation of Revenue from Operations with Contract Price

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Contract Price	94,016.31	80,082.55
Less:		
Sales Returns/Discounts	13,349.74	11,020.47
Total	**80,666.57**	**69,062.08**
Contract Balances		
Trade Receivables	32,993.53	20,546.57
Contract Assets	-	-
Contract Liabilities	384.52	535.92

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

Contract Liabilities

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Balances at the Beginning of the Year	535.92	603.49
Additional During the Year	384.52	535.92
Reduction During the Year	535.92	603.49
Balances at the Close of the Year	**384.52**	**535.92**

Note 28. Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Interest Income (at Amortised Cost)	141.21	141.20
Dividend Income	0.04	0.05
Other Non Operating Income	26.81	113.12
Profit on Sale of Fixed Assets	-	3.02
Foreign Exchange Gains	49.66	-
Total	**217.72**	**257.39**

Note 29. Cost of Material Consumed

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Consumption of Raw Material		
Opening Stock	5,208.00	2,338.09
Add: Purchases	28,712.93	33,170.55
Less: Closing Stock	(5,877.78)	(5,208.00)
	28,043.15	**30,300.64**
Consumption of Packing Material		
Opening Stock	2,584.61	2,083.39
Add: Purchases	5,249.23	4,136.85
Less : Closing Stock	(2,751.04)	(2,584.61)
	5,082.80	**3,635.63**
Total	**33,125.95**	**33,936.27**

Note 30. Purchases of Stock - In - Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
Purchase of Stock - In - Trade (Refer Note 39)	5,806.09	2,584.38
	5,806.09	**2,584.38**

Note 31. Changes In Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Opening stock of		
Stock-in-Process	5,738.56	2,045.16
Finished Goods	3,678.05	3,943.76
Stock-in-Trade	1,006.31	1,102.51
Right to Recover Return Goods	371.64	364.52
	10,794.56	**7,455.95**
Less: Closing stock of		
Stock-in-Process	5,527.63	5,738.56
Finished Goods	3,254.10	3,678.05
Stock-in-Trade	1,583.71	1,006.31
Right to Recover Return Goods	371.64	371.64
	10,737.08	**10,794.56**
Total	**57.48**	**(3,338.61)**

Note 32. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Salary and Wages (Refer Note 39)	9,583.90	7,776.26
Contribution to Providend and Other Funds (Refer Note 40)	407.75	390.63
Gratutity Expenses (Refer Note 40)	228.59	186.73
Staff Welfare Expenses	742.39	319.56
Total	**10,962.63**	**8,673.18**

Note. 33 Finance Costs

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Interest		
Interest on Financial Liabilities - Borrowing carried at Amortised Cost	1,254.31	532.50
Bank and Other Financial Charges	79.62	158.76
Interest on Lease Liabilites (Refer Note 38)	202.06	131.07
Total	**1,535.99**	**822.33**

Note. 34 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Depreciation on Property,Plant and Equipment (Refer Note 3 and 5)	989.38	1,552.08
Amortisation of Right to Use asset (Refer Note 6)	712.34	676.02
Total	**1,701.72**	**2,228.10**

Note. 35 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Consumable Stores (Refer Note 39)	925.81	897.72
Power and Fuel	1,778.79	1,524.38
Labour Charges	1,029.97	811.91
Other Manufacturing Expenses	13.91	10.63
Rent Expenses (Refer Note 39)	147.00	133.68
Rates and Taxes (Excluding Taxes on Income)	23.81	15.29
Repairs and Maintenance		
- Building	119.41	231.90
- Machinery	560.41	374.91
- Others	193.30	139.71
Printing and Stationery	179.27	245.67
Communication Expenses	110.97	90.08
Director Sitting Fees (Refer Note 39)	3.30	3.30
Insurance Charges	228.69	183.38
Travelling, Conveyance and Vehicle Expenses	3,148.54	2,581.80
Licences and Legal Fees	649.63	212.99
Legal and Professional Fees (Refer Note 39 and Note 45)	869.87	1,003.62
Testing and Laboratory Expenses	508.19	603.30
Transport and Forwarding	1,325.00	1,233.20
Commission and Brokerage (Refer Note 39)	2,483.03	1,345.36
Sales Promotion Expenses	177.71	523.62
Advertisement	34.54	72.00
Donation	-	0.45
Research and Development Expenses (Refer Note 46)	541.25	515.59
Corporate Social Responsibility Activity (Refer Note 48)	183.73	231.30
Allowance for Doubtful Receivables (net) and Write off	120.65	-
Loss on sale of Fixed Assets	229.95	-
Miscellanous Expenses	540.56	459.88
Foreign Exchange loss (Net)	-	296.06
Total	**16,127.28**	**13,741.73**

Note 36. Tax Expenses

a) The major components of Income Tax for the Year Ended March 31st, 2024 are as under:

i) Income tax related to items recognised directly in Profit or Loss of the Statement of Profit and Loss during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
Current Tax Expense		
Current year	2,840.00	2,821.00
	2,840.00	**2,821.00**
Deferred Tax Expense		
Origination and reversal of temporary differences	316.54	(119.39)
Income Tax earlier year	(202.95)	-
Tax expense recognised in the Profit and Loss Statement	**2,953.59**	**2,701.61**

ii) Deferred tax Related to Items Recognized in Other Comprehensive Income (OCI) during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Remeasurements of the defined benefit plans		
Tax benefit	13.58	0.18
Total	**13.58**	**0.18**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakhs)

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Accounting Profit before tax	11,567.15	10,672.09
Applicable tax rate (Current year 25.17% & Previous Year 25.17%)	2,911.22	2,685.95
Adjustment in respect of Current Income Tax in respect of previous years		
Change in Recognised deductible Temporary Differences	316.54	(119.39)
Income not Taxable/Exempt from Tax	(274.17)	135.05
Income Tax Expenses Charged to the Statement of Profit and Loss	**2,953.59**	**2,701.61**
Effective tax rate	**25.53%**	**25.31%**

C) Deferred tax relates to the following:

(₹ in Lakhs)

	Balance-Sheet		Recognized in the statement of profit & loss		Other Comprehensive Income	
	March 31st, 2024	March 31st, 2023	March 31st, 2024	March 31st, 2023	March 31st, 2024	March 31st, 2023
Deferred tax Liabilities/(Assets)						
Deductible temporary differences						
Property, Plant and Equipment	684.23	275.41	408.82	(98.98)	-	-
Borrowing Cost	15.22	19.30	(4.08)	16.85	-	-
Trade Receivables	(140.59)	(110.22)	(30.37)	(3.59)	-	-
Employee Benefits (net of OCI)	(255.96)	(198.13)	(44.25)	(33.49)	13.58	0.18
Other Comprehensive Income	(96.58)	(83.00)	(13.58)	(0.18)	-	-
Net Deferred Tax Liabilities/(Assets)	**206.32**	**(96.64)**	**316.53**	**(119.39)**	**13.58**	**0.18**

There are no unrecognized deferred tax assets and liabilities as at March 31st, 2024 and March 31st, 2023. Further significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.

Note 37. Segment Information

37.1 Basis for segmentation

Based on the "Management approach" as defined in IND AS 108, the Chief Operating Decision Maker (CODM) does not evaluate the Company's Performance", separately and hence the total business needs to be treated as one segment, "Pharmaceutical and related products". The products being sold under this segment are of similar nature and comprise of pharmaceutical products only.

The Chief Operating Decision Maker (CODM) monitors the geographic segment of its business separately for the purpose of making decisions about resource allocation and performance assessment.

Geographical Segments

Revenue is segregated into two segments namely India (sales to customer within India) and other countries (sales to customer outside India) on the basis of geographical location of customers for the purpose of reporting geographical segments. Segment asset are based on the geographical location of the asset.

Segment Revenue

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st ,2023
India	71,852.11	58,371.78
Africa	987.47	1,341.43
Asia	3,630.15	5,116.16
Europe	2,964.00	2,942.30
North America	1,023.78	1,161.86
Australia	20.21	53.55
South America	188.85	75.00
	80,666.57	**69,062.08**
Particulars	**As at March 31st, 2024**	**As at March 31st, 2023**
Carrying Amount of Non-Current Assets		
- India	49,128.54	39,627.41
- Other Countries	78.72	77.68
	49,207.26	**39,705.09**

Information about Major Customers

No Single Customer Account for 10% or More than 10% of Revenue from operation during the year ended March 31st, 2024 and March 31st, 2023.

Note. 38 Lease

The Group have taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

The interest rate applied to lease liabilities is 10.00%.

Note. 38.1 Disclosures Pursuant to Ind As 116 :

As a Lessee :

The following is the break-up of current and non-current lease liabilities as at

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Current Lease Liabilities	432.61	657.58
Non-current Lease Liabilities	1,155.51	1,620.99
	1,588.12	**2,278.57**

The following is the movement in Lease Liabilities during the Year Ended:

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Balance as Begining of the Year	2,278.58	314.52
Additions	-	2,494.92
Finance cost accrued	202.06	131.07
Deletions	-	-
Payment of Lease Liabilities	(892.51)	(661.93)
Balance as at Closing of the year	**1,588.12**	**2,278.58**

The aggregate interest expense amounting to ₹ 202.06 Lakhs (for the year ended March 31st, 2023: ₹ 131.07 Lakhs) on Lease Liabilities is disclosed separately under Note 33 Finance Costs.

The following is the movement of cash outflow on lease liabilities during the year ended

(₹ in Lakhs)

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Payment of Lease Liabilities	(690.45)	(661.93)
Interest on Lease Liabilities	(202.06)	(131.07)
Total Cash Outflow on Leases	**(892.51)**	**(793.00)**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at March 31st, 2024	As at March 31st, 2023
Less than one year	432.61	657.58
One to five years	1,155.51	1,620.99
	1,588.12	**2,278.57**

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following amounts are recognised in the Statement of Profit and Loss for the year ended :

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Depreciation charge on right-of-use assets	712.34	676.02
Interest expense on lease liabilities	202.06	131.07
Expense relating to short-term leases	88.44	85.48
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Income from subleasing right-of-use assets	-	-
Gain on termination of leases	-	-

Total cash outflow for leases from Financing Activites recognised in the Statement of Cash Flows for the year ended March 31st, 2024 is₹ 892.51 Lakhs. (for the year ended March 31st, 2023 : 793.00 Lakhs)

Note 39. Related Party Disclosures

As per Ind AS - 24, the disclosures of transactions with the related parties are given below:

i) List of related parties where control exists and related parties with whom transactions have taken place & relationships:

(₹ in Lakhs)

S. No.	Name of the Related Party	Relationship
1	Mr. Jayesh P. Choksi - Chairman and Managing Director	Key Managerial Personnel
2	Mr. Pranav J. Choksi - Chief Executive Officer and Whole-time Director	
3	Mr. Pankaj J. Gandhi - Whole Time Director	
4	Mr. Dilip Ghosh - Whole Time Director	
5	Mr. Gopal M. Daptari - Independent Director	
6	Mr. Shrirang V. Vaidya - Independent Director (Resigned on April 1st 2024)	
7	Mr. Shreyas K. Patel - Independent Director	
8	Dr. Rabi Narayan Sahoo - Independent Director	
9	Dr. Anu Aurora - Independent Director	
10	Dr. Bal Ram Singh - Non Executive Director	
11	Gufic UK Limited	Wholly owned Subsidiary
12	Mrs. Rita Ghosh	Relatives of Key Managerial Personnel
13	Mrs. Pooja Pranav Choksi	
14	Gufic Private Limited	Enterprises over which KMP are able to exercise influential control
15	Gufic Chem Private Limited	
16	Jal Private Limited	
17	Zire Rushi Construction	
18	Tricon Enterprises Private Limited	
19	Prime Bio Inc	
20	Vishoushadhi Products and Services Private Limited	
21	Greots Lifesciences Private Limited	

Transactions for the year ended

S. no	Particulars	Year ended March 31st,2024	Year ended March 31st,2023
1	**Services Received From (Professional Fees)**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	-	94.18
	Prime Bio Inc	476.48	615.19
	Vishoushadhi Products and Services Private Limited	4.11	264.96
	Relatives of Key Managerial Personnel		
	Pooja Pranav Choksi	9.50	9.50
	Rita Ghosh	6.00	6.00
2	**Commission Expenses**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	18.20	-
3	**Purchase of Stock In Trade and Consumable Stores**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	24.98	92.94
	Prime Bio Inc	3.05	4.78
4	**Payment of Rent**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	420.00	420.00
	Gufic Chem Private Limited	48.00	-
5	**Sales of Goods**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	5.54	30.66
	Tricon Enterprises Private Limited	3.36	8.49
	Greots Lifesciences Private Limited	-	28.44
6	**Investment in Equity Share**		
	Gufic UK Limited	1.04	-

7	**Remuneration KMP**		
	Key Managerial Personnel		
	Jayesh P. Choksi	48.23	40.41
	Pranav J. Choksi	44.32	20.41
	Pankaj J. Gandhi	17.44	15.86
	Dilip Ghosh	21.36	21.36
8	**Directors Sitting Fees**		
	Key Managerial Personnel		
	Gopal M. Daptari	0.60	0.70
	Shrirang V. Vaidya	0.70	0.70
	Shreyas K. Patel	0.60	0.70
	Rabi Narayan Sahoo	0.70	0.50
	Dr. Anu Aurora	0.70	0.70
9	**Reimbursement of Expenses Paid**		
	Key Managerial Personnel		
	Pankaj J. Gandhi	8.65	15.76
	Dilip Ghosh	5.70	7.67
10	**Reimbursement of Expenses Received**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	-	101.83

Balance as at:

S no	Particulars	As at March 31st, 2024	As at March 31st, 2023
1	**Trade Receivables**		
	Enterprises over which KMP are able to exercise influential control		
	Tricon Enterprises Private Limited	1.77	-
	Greots Lifesciences Private Limited	31.85	31.85
2	**Trade Payables**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	27.22	5.26
	Zire Rushi Construction	-	4.96
	Gufic Private Limited	97.37	-
	Key Managerial Personnel		
	Pankaj J. Gandhi	0.18	-
	Gopal M. Daptari	0.36	-
	Relatives of Key Managerial Personnel		
	Pooja Pranav Choksi	0.71	-
3	**Security Deposits**		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	350.00	350.00
	Gufic Chem Private Limited	36.00	120.00
4	**Advance to Suppliers**		
	Enterprises over which KMP are able to exercise influential control		
	Prime Bio Inc	-	3.05
5	**Investments**		
	Wholly Owned Subsidiary		
	Gufic UK Limited	1.04	-

Note 40. Employee Benefit

As required by Ind AS 19 'Employee Benefits' the disclosures are as under:

40.1 Defined contribution plans

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) with the government, and certain state plans such as Employees' State Insurance (ESI). PF cover substantially all regular employees and the ESI covers certain employees. Contributions are made to the Government's administered funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

The company has recognised the following amounts in the profit and loss accounts.

Particulars	For the year ended March 31st,2024	For the year ended March 31st,2023
Employer's contribution to Provident Fund & ESIC Fund	407.75	390.63

40.2 Defined benefit plans

It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end.

These plans typically expose the Company to actuarial risks such as: Salary risk, Interest Rate risk, Asset Liability Matching risk, and Mortality risk

Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at March 31st, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined as at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long term employee benefit plans are recognised in profit or loss.

40.2.1 The principal assumptions used for the purposes of the actuarial valuations were as follows :

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Discount Rate(s)	7.21%	7.49%
Expected Return(s) on Plan Assets	NA	NA
Expected Rate(s) of Salary Increase	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Employee Turnover	3.00%	3.00%
Retirement Age (years)	58 & 75 Years	58 & 75 Years

40.2.2 Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
Expense recognised in the statement of profit & loss (Refer Note 32)		
Current Service Cost	165.47	135.87
Past Service Cost and Gain/(Loss) from Settlements	-	-
Net Interest Expense	63.12	50.86
Expenses Charged to the Statement of Profit and Loss	**228.59**	**186.73**
Remeasurement of Defined Benefit Obligation recognised in Other Comprehensive Income		
Actuarial Gain/(Loss) on Defined Benefit Obligation	(53.97)	(0.71)
Actuarial Gain on Plan Assets	-	-
Expense charged to Other Comprehensive Income	**(53.97)**	**(0.71)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

40.2.3 The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31st, 2024	As at March 31st, 2023
Present value of Defined Benefit Obligation	**1,022.35**	**842.66**
Current Liability	116.49	65.21
Non-Current Liability	905.86	777.45

40.2.4 Movements in the present value of the defined benefit obligation are as follows.

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Reconciliation of defined benefit obligations		
Obligation as at the Beginning of the Year	842.66	697.64
Interest Cost	63.12	50.86
Current Service Cost	165.47	135.87
Benefits Paid Directly by Employer	(102.87)	(42.42)
Actuarial (Gains)/Losses on obligations		
- due to changes in demographic assumptions	-	-
- due to changes in financial assumptions	23.04	(14.30)
- due to experience	30.93	15.01
Obligation as at the Year End	**1,022.35**	**842.66**

40.2.5 Sensitivity Analysis

The sensitivity analysis has been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Impact on Defined Benefit obligation		
Delta Effect of +1% Change in Rate of Discounting	(81.12)	(65.60)
Delta Effect of -1% Change in Rate of Discounting	94.15	75.93
Delta Effect of +1% Change in Rate of Salary Increase	90.34	73.27
Delta Effect of -1% Change in Rate of Salary Increase	(79.86)	(65.03)
Delta Effect of +1% Change in Rate of Employee Turnover	12.64	12.15
Delta Effect of -1% Change in Rate of Employee Turnover	(14.72)	(14.01)
Maturity Analysis of Projected benefit obligation for next		
1st Year	116.49	65.21
2nd Year	56.82	65.37
3rd Year	65.88	76.61
4th Year	59.46	60.71
5th Year	73.88	57.44
Thereafter upto 10 years	421.11	355.49
11 and above years	1,435.14	1,193.38

40.3 Other Long Term Benefit Plan

The Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

Accordingly Liabilty for compensated absences as at March 31st, 2024 of ₹ 378.40 lakhs (as at March 31st, 2023 ₹ 274.33 lakhs) has been provided in the books of accounts as per actuarial valuation.

(₹ in Lakhs)

Note 41. Earnings Per Share

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Basic Earnings Per Share	8.74	8.22
Diluted Earnings Per Share	8.74	8.22

41.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Profit for the year attributable to owners of the Company	8,613.56	7,970.48
Less: Preference dividend and tax thereon	-	-
Earnings used in the calculation of basic earnings per share	**8,613.56**	**7,970.48**
Weighted average number of equity shares	9,85,19,940	9,69,44,506

(₹ in Lakhs)

41.2 Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Profit for the year used in the calculation of basic earnings per share	8,613.56	7,970.48
Add: adjustments on account of dilutive potential equity shares	-	-
Earnings used in the calculation of diluted earnings per share	**8,613.56**	**7,970.48**
Weighted average number of equity shares	9,85,19,940	9,69,44,506

41.3 Reconciliation of Weighted Average Number of Equity Shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023
Weighted Average Number of Equity shares used in the calculation of Basic EPS	9,85,19,940	9,69,44,506
Add: adjustments on account of dilutive potential equity shares	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	**9,85,19,940**	**9,69,44,506**

Note 42. Financial Instruments

42.1 Capital Management

The company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of net debt offset by cash and bank balances and total equity of the company. The company is not subject to any externally imposed capital requirements.

42.1.1 Gearing Ratio

The gearing ratio at end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Debt	31,703.45	31,140.71
Less: Cash and Bank Balances	112.64	2,860.19
Net debt	**31,590.81**	**28,280.52**
Total Equity	**53,256.05**	**34,780.82**
Net Debt to Equity Ratio	**59.32%**	**81.31%**

42.2 Categories of Financial Instruments

(₹ in Lakhs)

Financial Instruments by Category	As at March 31st, 2024			As at March 31st, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investment in Unquoted Equity & Debt Instrument	100.00	78.43	1.04	-	78.43	-
Loans	-	-	78.77	-	-	54.52
Other Financial Assets	-	-	886.75	-	-	809.07
Trade Receivable	-	-	32,993.53	-	-	20,546.57
Cash and bank balances	-	-	112.64	-	-	2,860.19
Other Bank Balances	-	-	1,234.72	-	-	1,808.48
Total Financial Assets	**100.00**	**78.43**	**35,307.45**	**-**	**78.43**	**26,078.83**
Financial Liabilities						
Borrowings	-	-	31,703.45	-	-	31,140.71
Lease Liabilities	-	-	1,588.12	-	-	2,278.57
Other Financial Liabilities	-	-	1,871.50	-	-	1,572.93
Trade Payable	-	-	16,626.87	-	-	13,026.46
Total Financial Liabilities	**-**	**-**	**51,789.94**	**-**	**-**	**48,018.67**

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value	As at March 31st, 2024			As at March 31st, 2023		
	Level			Level		
	I	II	III	I	II	III
Financial assets						
Recurring fair value measurement						
Investments	-	-	-	-	-	-
Total Financial assets	**-**	**-**	**-**	**-**	**-**	**-**

Level 1- Level 1 Hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have declared buyback NAV. The mutual funds are valued using the closing NAV.

Level 2 -The fair value of financial instruments that are not traded in an active market (like Mark to Market Derivative) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

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

42.3 Financial Risk Management

Company has exposure to following risks arising from financial instruments:
- Credit Risk
- Liquidity Risk
- Market Risk
- Currency Risk
- Commodity Risk

Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies, under the guidance of the Audit Committee.

Company's risk management policies are established to identify and analyse the risks faced by it, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. Company, through its training and procedures aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Company's Audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee.

42.3.1 Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Before accepting any new customer, the company evaluates the credit worthiness of the potentional customers based on past history and other external inquiries as deemed appropriate. The company also obtains the necessary KYC documents from all the customer for assessing the credit quality and defines the credit limits accordingly. Limits and scoring attributed to customers are reviewed once a year.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables, which are no interest bearing, are mainly from stockists, distributors and customers and are generally on 30 days to 180 days credit. To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

As at March 31st, 2024, Company had 10 customers, (March 31st, 2023: 10 customers) that owed the company more than ₹15,924.78 lakhs (March 31st, 2023: ₹ 10,007.41 Lakhs) and accounted for approximately - 48.27 % and 48.71 % respectively of the total outstanding as at March 31st, 2024 and March 31st, 2023.

Exposure to the Credit risks

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	32,993.53	20,546.57
Gross Carrying Amount	33,552.12	20,984.51
Average Expected Loss Rate	1.66%	2.09%
Carrying Amount of Trade Receivables (net of impairment)	32,993.53	20,546.57

42.3.2 Liquidity risk management

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

42.3.2.1 Exposure to liquidity risk

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

(₹ in Lakhs)

	Less than 1 year	1to 3 years	3 to 5 years	> 5 years	Total
March 31st, 2024					
Non Derivative					
Borrowings	16,307.14	5,010.76	5,003.25	5,382.30	31,703.45
Lease Liabilities	432.61	1,155.51	-	-	1,588.12
Other Financial Liabilities	1,374.14	-	-	497.36	1,871.50
Trade payable	16,626.87	-	-	-	16,626.87
	34,740.76	**6,166.27**	**5,003.25**	**5,879.66**	**51,789.94**
March 31st, 2023					
Non Derivative					
Borrowings	12,072.78	9,049.29	7,932.12	2,086.52	31,140.71
Lease Liabilities	657.58	1,620.99	-	-	2,278.57
Other Financial Liabilities	1,076.92	-	-	496.01	1,572.93
Trade payable	13,026.46	-	-	-	13,026.46
	26,833.74	**10,670.28**	**7,932.12**	**2,582.53**	**48,018.67**

42.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currencies.

42.4.1 Interest Rate Risk Management

The company is exposed to interest rate risk because it borrows funds from banks and institutions at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. The companies exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Borrowings bearing fixed rate of interest	39.87	58.13
Borrowings bearing variable rate of interest	31,663.58	31,082.58
	31,703.45	**31,140.71**

42.4.1.1 Interest Rate Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the company's (Contracted Interest Rate on all the borrowing) profit for the year ended March 31, 2024 would decrease/increase by ₹ 288.06 Lakhs (for the year ended March 31st, 2023 decrease/increase by ₹ 159.50 lakhs). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings

42.4.2 Currency risk

The Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Company's functional currency; hence exposures to exchange rate fluctuations arise. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Company's foreign exchange risk arises from foreign currency revenues and expenses, (primarily in US Dollars, Euros and GBP). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table analyses foreign currency risk as at the year end that have not been mitigated by a derivative instrument or otherwise are as below:

(in Lakhs)

Particulars	As at 'March 31st, 2024				As at 'March 31st, 2023			
	USD	EURO	GBP	AUS $	USD	EURO	GBP	AUS $
Financial Assets								
Trade Receivable	37.58	9.02	-	-	38.14	8.01	-	-
Other Receivable	2.22	6.01	0.04	0.07	29.07	8.95	0.04	0.07
	39.80	**15.03**	**0.04**	**0.07**	**67.21**	**16.96**	**0.04**	**0.07**
Financial Liabilities								
Trade Payable	55.70	-	-	-	50.42	1.09	-	-
Other Payable	3.90	0.59	-	-	0.49	-	-	-
	59.60	**0.59**	**-**	**-**	**50.91**	**1.09**	**-**	**-**
Net Assets/(Liabilities)	**(19.80)**	**14.44**	**0.04**	**0.07**	**16.30**	**15.87**	**0.04**	**0.07**

42.4.2.1 Foreign Currency Rate Sensitivity Analysis

The table below gives the effect of every 5% strengthening / weakening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities, which would increase / (decrease) the Company's profit and the Company's equity as at the years ended March 31st, 2024 and March 31st, 2023.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(in Lakhs)

Particulars	Change in currency exchange rate	As at March 31st, 2024	As at March 31st, 2023
US Dollar (USD)	5% / (5%)	(83.15)/83.15	72.10/(72.10)
EURO	5% / (5%)	66.43/(66.43)	67.55/(67.55)
GBP	5% / (5%)	(0.22)/0.22	(0.20)/0.20
AUS $	5% / (5%)	(0.18)/0.18	(0.18)/0.18

42.5 Commodity Rate Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31st, 2024, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

42.6 Fair value measurements

The investment of the company are not readily marketable. Further the company has invested in the securities for the purpose of obtaining the credit facilities. Thus in this case the cost of the security represents the fair value.

Except as stated above the carrying amount of all other financial assets approximate their fair values as indicated below:

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
	Fair value	Fair Value
Financial Assets		
Financial Assets at Amortised Cost:	**35,306.41**	**26,078.83**
Trade Receivables	32,993.53	20,546.57
Cash and Cash Equivalent	112.64	2,860.19
Other Bank Balances	1,234.72	1,808.48
Loans - Non-Current	41.44	34.08
Other Finacial Assets	886.75	809.07
Loans - Current	37.33	20.44
Financial Liabilities		
Financial Liabilities held at Amortised Cost:	**51,789.94**	**48,018.67**
Long Term Borrowings	15,396.31	19,067.93
Lease Liability	1,588.12	2,278.57
Short Term Borrowings	16,307.14	12,072.78
Trade Payables	16,626.87	13,026.46
Other Financial Liabilities- Non Current	497.36	496.01
Other Financial Liabilities- Current	1,374.14	1,076.92

Note 43. Commitments For Expenditure

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	517.98	2,116.62

Note 44. Contingent Liabilities

44.1 Disputed Liabilities on account of Sales Tax, Excise Duty and Income Tax as at

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Sales Tax	52.74	52.74
Excise Duty	158.58	158.58

44.2 Guarantees Executed

(₹ in Lakhs)

Particular	As at March 31st, 2024	As at March 31st, 2023
Letter of Credit	148.68	-
Bank Gurantee	302.43	459.13

Note 45. Payments to Statutory Auditors (excluding GST)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
As Auditors		
For audit	30.00	27.00
In other Capacity		
Certification Work & Other Capacity	10.84	9.33
	40.84	**36.33**

Note 46. Research and Development Expenditure

A unit of the Company has been recognised by Department of Scientific and Industrial Research (DSIR) as in-house research and development unit. The amount of capital and revenue are as below :

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
Amount in respect to Capital Expenditure	124.84	214.17
Revenue Expenditure	541.25	515.59
	666.09	**729.76**

Note 47 Analytical Ratios

(₹ in Lakhs)

		For the Year Ended March 31st, 2024	For the Year Ended March 31st, 2023	Changes
(I)	Current Ratio (Total current assets/Total current liabilities)	1.61	1.61	0%
(ii)	Debt-Equity Ratio (Note 1) (Total Debt/Total Equity)	0.60	0.90	-34%
(iii)	Debt Service Coverage Ratio (Note 2) (Profit Before Interest & Tax/Debt Service)	3.60	6.69	-46%
(iv)	Inventory Turnover Ratio (Sale of Products/Average Inventory)	4.01	4.55	-12%
(v)	Trade Receivables Turnover Ratio (Revenue from Operation/Average Trade Receivable)	3.01	3.87	-22%
(vi)	Trade Payables Turnover Ratio (Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods)/Average Trade Payable)	2.68	2.94	-9%
(vii)	Net Capital Turnover Ratio (Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))	3.53	3.93	-10%
(viii)	Return on Equity (Note 3) (Profit for the Year/Total Equity)	16.17%	22.92%	-29%
(ix)	Net Profit Ratio (Profit for the Year/Revenue from Operations)	10.68%	11.54%	-7%
(x)	Return on Capital Employed (Profit before Tax and Finance Costs/Capital Employed (Net worth + Lease liability + Deferred tax Liability))	23.80%	31.10%	-23%
(xi)	Return on Investment (Note 4) (Income Generated from Invested funds/Average Invested Funds)	0.02%	0.06%	-65%

Note - Reason for Changes

1. Debt Equity ratio decreased on account of Increase in Equity Share Capital and Share Premium due to allotment of equity share and repayment of term loan of ₹ 40 Crores.
2. Debt Service converange ratio decreased due to increase in Finance Cost and monthly repayment of Term Loan.
3. Return on Equity decreased on account of Increase in Equity Share Capital and Share Premium due to allotment of equity share. Investment of approximately ₹ 300 crores in the Indore plant, with production yet to commence.
4. Return of Investment decreased due to Increase in Investment.

Note 48 CSR Expenditure

(₹ in Lakhs)

	Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
I	Amount required to be spent by the company during the year	194.09	143.03
ii	Amount of expenditure incurred	183.59	230.05
iii	Shortfall /(Excess) Amount at the beginningof the year	(87.42)	(0.40)
iv	Shortfall / (Excess) Amount at the end of the year	(76.92)	(87.42)
v	Total of previous years shortfall	-	-
vi	Reason for shortfall	NIL	NIL
vii	Nature of CSR activities	Donation to CSR Trust	Donation to CSR Trust
viii	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NIL
ix	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NIL	NIL

Note 49 . Disclosure Of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Note 50. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended

Schedule III:

(a) Crypto Currency or Virtual Currency
(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
(c) Registration of Charges or Satisfaction with Registrar of Companies
(d) Relating to Borrowed funds:
  i. Wilful Defaulter
  ii. Utilisation of Borrowed Funds & Share Premium
  iii. Discrepancy in Utilisation of Borrowings

(e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

Note 51.

In the opinion of the management inventories of ₹20,048.21Lakhs (as at March 31st, 2023: ₹ 18,345.75 Lakhs) shown in Balance Sheet are good and do not include any slow moving, or dead stock. Due provision is made for the near expiry material and depletion in its value, if any. In the opinion of the management, all the current assets including inventories, loans and advances have a value on a realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

Note 52.

The company has given security deposit of ₹ 350 Lakhs (as at March 31st, 2023: ₹ 350 Lakhs) to Gufic Private Limited towards the use of its factory premises at Navsari for its manufacturing activities. Accordingly an amount of ₹ 350 Lakhs has been shown under the head Security deposit with related parties.

Company has also given Security Deposit to Gufic Chem Private Limited of ₹36 Lakhs (as at March 31st, 2023: ₹ 120 Lakhs) towards supply of products at concessional rate to the company and the same has been show under Security deposit with related parties.

Note 53. Provision of anticipated Return of Goods subsequent to Sale:

Provision has been made towards probable return of goods from customers, as per Indian Accounting Standard (Ind AS) 37 estimated by management based on past trends.

Movements of Provisions (Current and Non-current)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024	For the year ended March 31st, 2023
Provision for Right of Return		
Balances at the beginning of the year	1,008.22	1,128.29
Additional provision during the year	77.00	-
Reduction during the year	(103.00)	(120.07)
Balances at the close of the year	**982.22**	**1,008.22**
Less: Right to recover return goods	(371.64)	(371.64)
Net balance at closing of the year	**610.58**	**636.58**

Note 54

Declaration of Dividend

The Board of Directors at its meeting held on May 29th, 2024 has recommended a final dividend of ₹ 0.10 per equity share i.e., @ 10% on the face value of ₹ 1/- each, for the financial year 2023 - 24, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Note 55

The Company has incorporated Gufic UK Limited ("GUL") in United Kingdom on March 15, 2022, Gufic Ireland Limited ("GIL") in Ireland on March 02, 2023, Veira Life FZE ("VLF") in Dubai, UAE on March 25, 2024 and Gufic Prime Private Limited ("GPPL") in India on November 18, 2023, with the intention of making GUL, GIL and VLF its Wholly Owned Subsidiaries and GPPL as its Subsidiary Company. As of March 31, 2024, neither investment have been made in GIL, VLF and GPPL nor they have begun their business operations. Consequently, there was no need to consolidate the accounts of GIL, VLF and GPPL with the Company. Whereas, on September 13, 2023, the Company invested in GUL by subscribing to its shares. Consequently, the consolidated financial Statement of financial year ended March 31, 2024, have been prepared by the Company considering the financials of GUL.

Note 56

Authorisation of Financial Statements

The financial statements for the year ended March 31st, 2024 were approved by the Board of Directors on May 29th, 2024 and are subject to approval of the shareholders at the Annual General Meeting.

Note 57

With effect from April 1, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for every company, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

Note 58

The Company used accounting software Tally Edit Log software to maintain its books of accounts from 1 April 2023 till 30 November 2023 and migrated into SAP software w.e.f. 1 December 2023. Both the software records the audit trail of each and every transaction created in books of account along with the date when such changes were made.

With a view to address the above challenges while ensuring compliance with the MCA notification and mitigate the risks involved therein, the Company has appropriately designed and implemented alternate mitigating controls over direct change at database level.

Note 59

Figures for the previous year have been rearranged/recompanyed as and when necessary in terms of current year's companying.

As per our report of even date
For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

Sd/-
Piyush Agarwal
Partner
M. No. 135505
Place: Mumbai
Date - 29th May, 2024

For and on behalf of the Board

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

INDEPENDENT AUDITORS' REPORT

To

The Members of Gufic Biosciences Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Gufic Biosciences Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at 31 March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

S. No.	Key Audit Matter	How our audit addressed the key audit matter
Revenue from Operations		
1	Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods to a customer. The revenue recognition occurs at a point in time when the control of the goods is transferred to the customer. We focused on this area as a key audit matter due to the amount of Revenue being regarded by Management as a key performance indicator in assessing performance. We believe there exists a risk of revenue being recognized before the control is transferred, including risk of incorrect timing of estimation related to recording the discounts and rebates. Refer note 2.11 and 27 to the consolidated financial statements.	As part of our audit procedures, we: ● Read the Company's accounting policy for revenue recognition and assessed compliance with the requirements of Ind AS 115. ● Evaluated the design, tested the implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue and measurement of rebates, discounts and returns. ● On a sample basis, tested supporting documentation for sales transactions and rebates/discounts recorded during the year which included sales invoices, customer contracts, shipping documents and customer correspondences for rebates/discounts. ● Tested revenue samples focused on sales recorded immediately before the year-end, obtained evidence as regards timing of revenue recognition, based on terms and conditions of sales contracts and delivery documents. ● Obtained management workings for amounts recognised towards discount schemes, returns and rebates during the year and as at year end. On a sample basis, tested the underlying calculations for amounts recorded as accruals and provisions towards the aforementioned obligations, as per the terms of related schemes, contracts and regulations, and traced the underlying data to source documents; ● Tested all the manual sales-related adjustments made to revenue comprising of variable consideration under Ind AS 115 to ensure the appropriateness of revenue recognition during the year; ● Assessed disclosures in consolidated financial statements in respect of revenue, as specified in Ind AS 115.

Inventory, its valuation and provisions		
2	The Company holds inventory at various locations including factory, various depots and third-party locations. Hence existence of inventory is of significant importance. Inventory valuation involves significant assumptions and estimations made by the Management. Management also makes an estimate for near expiry and slow-moving inventory based on the age of the inventory. We have identified inventory as a key audit matter because of the number of locations that inventory is held and the judgment applied in the valuation of inventory and provision for inventory. Refer note 2.7 and 12 to the consolidated financial statements.	Our audit of existence of inventory included, but was not limited to, the following procedures: ● Assessed the appropriateness of the inventory accounting policies and its compliances with applicable accounting standards. ● Obtained an understanding of the management's process for inventory counts, and evaluated the design and tested the operating effectiveness of key controls with respect to physical verification of inventory; ● Inspected the instructions given by supervisory teams to the management count teams; ● Reviewed the management's process for ensuring that there was no movement of stock during the physical verification of inventory; ● Appointed independent auditor's experts for observing inventory counts at certain locations; ● Reviewed the inventory roll back reconciliation statement prepared by the management and performed tests on sample basis by reviewing the supporting documents and records to substantiate the existence of inventory as at the reporting date; ● Tested that the differences noted in management's physical verification of inventory from book records were adequately adjusted in books of accounts. ● Tested, on a sample basis, the valuation of inventories as at the year end and the Management's assessment of provision required for near expiry and slow-moving inventories held as at the balance sheet date.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements, consolidated financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us

for the Holding Company and its subsidiary included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

   (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes on Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2024, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act; and

   (f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

3. 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:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its consolidated financial statements - Refer note 44 to the consolidated financial statements.

   b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March 2024.

   d. (I) 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 Holding Company and its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company and its subsidiary companies incorporated in India or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

      (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary companies incorporated in India shall:

      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

      (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.

e. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act.

f. Based on our examination, which included test checks, the Group has used accounting software Tally Edit Log software to maintain its books of accounts from 1 April 2023 till 30 November 2023 and migrated into SAP software w.e.f. 1 December 2023. Both the software has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies which are incorporated in India 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 by the Holding Company and its subsidiary companies incorporated in India, 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.

For **Mittal Agarwal & Company**
Chartered Accountants
(Firm Registration No. 131025W)

Sd/-
Piyush Agarwal
Partner
Membership No. 135505

Place: Mumbai
Dated:29/05/2024
UDIN: 24135505BKGOSH7912

Annexure A to the Independent Auditors' Report on the consolidated financial statements of Gufic Biosciences Limited for the year ended 31 March 2024

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Gufic Biosciences Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to the Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

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

For **Mittal Agarwal & Company**
Chartered Accountants
(Firm Registration No. 131025W)

Sd/-
Piyush Agarwal
Partner
Membership No. 135505

Place: Mumbai
Dated:29/05/2024
UDIN: 24135505BKGOSH7912

CONSOLIDATED BALANCE SHEET AS AT MARCH 31ST, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31st, 2024
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	3	13,828.67
Capital Work-in-Progress	4	30,705.67
Intangible Assets	5	561.93
Right-of-Use Assets	6	1,498.74
Financial Assets		
Investments	7	178.43
Loans	8	41.44
Others Financial Assets	9	886.75
Deferred Tax Asset (Net)	10	-
Other Non-Current Assets	11	1,504.59
Total Non-Current Assets		**49,206.22**
Current Assets		
Inventories	12	20,048.21
Financial Assets		
Trade Receivables	13	32,993.53
Cash and Cash Equivalents	14	113.68
Other Bank Balances	15	1,234.72
Loans	8	37.33
Other Current Assets	16	5,620.45
Total Current Assets		**60,047.92**
Total Assets		**1,09,254.14**
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	17	1,002.78
Other Equity	18	52,253.27
Equity attributable to owners of the company		**53,256.05**
Non - controliing interests		-
Total Equity		**53,256.05**
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	19	15,396.31
Lease Liabilitiess	20	1,155.51
Other Financial Liabilities	21	497.36
Provisions	22	1,537.70
Deferred Tax Liabilities (Net)	10	206.32
Total Non-Current Liabilities		**18,793.20**
Current Liabilities		
Financial Liabilities		
Borrowings	23	16,307.14
Lease Liabilites	20	432.61
Trade and Other Payables Due to :		
Micro and Small Enterprises	24	232.68
Other than Micro and Small Enterprises	24	16,394.19
Other Financial Liabilities	21	1,374.14
Other Current Liabilities	25	1,735.97
Provisions	22	473.63
Current Tax Liabilities (Net)	26	254.53
Total Current Liabilities		**37,204.89**
Total Liabilities		**55,998.09**
Total Equity and Liabilities		**1,09,254.14**

See accompanying Notes to the Financial Statements 1 to 59

As per our report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Place: Mumbai
Date - 29th May, 2024

For and on behalf of the Board

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

CIN: L24100MH1984PLC033519

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31st, 2024
INCOME		
Revenue From Operations	27	80,666.57
Other Income	28	217.72
Total Income		**80,884.29**
EXPENSES		
Cost of Material Consumed	29	33,125.95
Purchase of Stock-in-Trade	30	5,806.09
Change in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	31	57.48
Employee Benefits Expense	32	10,962.63
Finance Costs	33	1,535.99
Depreciation and Amortisation Expense	34	1,701.72
Other Expenses	35	16,127.28
Total Expenses		**69,317.14**
Profit Before Exceptional Items and Tax		**11,567.15**
Exceptional Items		-
Profit Before Tax		**11,567.15**
Tax Expense	36	
Current Tax		2,840.00
Deferred Tax		316.54
Income Tax earlier Years		(202.95)
Total Tax Expenses		**2,953.59**
Profit for the Year		**8,613.56**
Other Comprehensive Income		
Items that will not be Reclassified to Profit or Loss	40	
i. Remeasurements of the Defined Benefit Plans		(53.97)
ii. Tax Expenses on the above		13.58
Other Comprehensive Loss for the Year (Net of Tax)		**(40.39)**
Total Comprehensive Income for the Year		**8,573.17**
Profit is attributable to :		
Owner of the Company		8,613.56
Non Controlling Interests		-
		8,613.56
Other Comprehensive Loss is attributable to :		
Owner of the Company		(40.39)
Non Controlling Interests		-
		(40.39)
Total Comprehensive Income is attributable to :		
Owner of the Company		8,573.17
Non Controlling Interests		-
		8,573.17
Earnings Per Equity Share of Face Value of ₹ 1 each	41	
Basic (in ₹)		8.74
Diluted (in ₹)		8.74

See accompanying Notes to the Financial Statements 1 to 59

As per our report of even date
For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

Sd/-
Piyush Agarwal
Partner
M. No. 135505
Place: Mumbai
Date - 29th May, 2024

For and on behalf of the Board

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31ST, 2024

(₹ in Lakhs)

Particulars	For Year Ended March 31st, 2024
A. Cash Flow from Operating Activities Profit for the Year After Tax	**8,613.56**
Adjust for:	
Income Tax Expense Recognised in Profit or Loss	2,953.59
Depreciation and Amortisation Expense	1,701.72
Dividend Income	(0.04)
Interest Income on Fixed Deposits with Banks	(86.41)
Interest Income on Financial Assets Carried at Amortised Cost	(53.52)
Interest Costs on Financial Liabilities Measured at Amortised Cost	1,535.99
Non Current Security Deposits at Amortised Cost	58.54
(Profit)/Loss on Sale of Fixed Asset	229.95
Sundry Credit Balances Written back	28.34
	14,981.72
Movements in Working Capital	
Increase in Trade and Other Receivables	(15,324.19)
Increase in Inventories	(1,702.46)
Increase/(Decrease) in Trade and Other Payables	4,003.58
Cash Generated from Operations	**1,958.65**
Direct Taxes Paid (Net)	(2,704.36)
Net Cash Flow Used in Operating Activities	**(745.71)**
B. Cash Flows from Investing Activities	
Purchase of Property, Plant and Equipments including Capital Advances and Purchase of Intangibles	(11,269.45)
Purchase of Investment	(100.00)
Sale of Property, Plant and Equipments	456.62
Dividends Income	0.29
Balance in Earmarked Accounts	573.51
Interest Income on Fixed Deposits with Banks	100.14
Net Cash Flow Used in Investing Activities	**(10,238.89)**
C. Cash Flows from Financing Activities	
Proceeds from Issuance of Shares	9,999.00
Proceeds from Current Borrowings (Net)	4,234.36
Proceeds of Non-Current Borrowings (Net)	(3,683.66)
Processing Fees Paid	(56.00)
Repayment of Lease Liabilities	(690.45)
Payment for Interest Lease Liability	(202.06)
Dividends paid on Equity Shares	(97.20)
Interest Paid	(1,265.89)
Net Cash from Financing Activities	**8,238.10**
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,746.51)
Cash and Cash Equivalents at the Beginning of the Year	2,860.19
Cash and Cash Equivalents at the End of the Year	**113.68**

Note:

a) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) "Cash Flows Statements ".

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31st, 2024

b) Cash and Cash Equivalents comprises of

(₹ in Lakhs)

Components of Cash and Cash Equivalents	For the Year Ended March 31st, 2024
Cash and Bank Balance includes :	
Balances with Banks - In current accounts	59.52
Cash on hand	54.16
Total Cash and Cash Equivalents (Refer Note 14)	**113.68**

As per our Report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

Sd/-
Piyush Agarwal
Partner
M. No. 135505

For and on behalf of the Board

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

Place: Mumbai
Date - 29th May, 2024

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31ST, 2024

A. Equity Share Capital (Refer Note 17)

(₹ in Lakhs)

Particulars	Balance at the Beginning of the Current Year	Changes in Equity Share Capital due to Prior Period Errors	Restated Balance at the Beginning of the Current Year	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Year
Balance at March 31st, 2024	969.45	-	969.45	33.33	1,002.78

B. Other Equity (Refer Note 18)

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Equity attributable
	Capital reserve	General reserve	Security Premium	Retained earnings	Remeasurements of the Defined Benefit Plans	to Equity Holders
Changes in Accounting Policy/Prior Period Errors	-	-	-	-		-
Restated Balance at the Beginning of the year	7,213.39	134.71	-	26,729.03	(265.76)	33,811.37
Total Comprehensive Income for the Current Year						
Profit for the Year	-	-	-	8,613.56	-	8,613.56
Transaction during the year			9,965.67			9,965.67
Other Comprehensive Income for the Year, Net of Income Tax	-	-	-	-	(40.39)	(40.39)
Dividend on Equity shares	-	-	-	(96.94)	-	(96.94)
As at March 31st, 2024	**7,213.39**	**134.71**	**9,965.67**	**35,245.65**	**(306.15)**	**52,253.27**

See accompanying Notes to the Financial Statements 1 to 59

As per our Report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Place: Mumbai
Date: 29th May, 2024

For and on behalf of the Board

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information

"Gufic Biosciences Limited ("the company" or "Holding Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE and NSE in India. The registered office of the company is located at 37, 1st Floor, Kamala Bhavan II, Swami Nityanand Road, Andheri (East), Mumbai - 400 069 and the corporate office is located at 1st to 4th Floor, S.M. House, 11 Sahakar Road, Vile Parle (East), Mumbai - 400 057.

The Company and its subsidiary companies are referred to as the Group hereunder. The Group is principally engaged in manufacturing and marketing of active pharmaceutical ingredients, generic pharmaceuticals and related services. These financial statements were authorized for issue by the Holding company's Board of Directors on May 29th, 2024 and are subject to approval of the shareholders at the Annual General Meeting."

2 Significant Accounting Policies

2.1 Statement of Compliance

"The financial statements of the company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as ammended.

Accounting policies have been constantly applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use."

2.2 Basis of preparation and presentation

2.2.1 Historical cost convention

"These financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('The Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. The financial statements have been prepared on accrual basis and under the historical cost basis, except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

The Company's Board of Directors approved the financial statements for issue on May 29th, 2024. "

2.2.2 Basis of consolidation

(i) Subsidiary companies

"Subsidiary companies are all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are consolidated from the date control commences untill the date control ceases. The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are one or more changes to elements of control described above.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the Financial Statements of the Parent and its subsidiary companies line by line, adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary, to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively."

(ii) Associate companies

Associate companies are all entities over which the Group has significant influence, but not control or joint control. Investments in associate companies are accounted for using the equity method of accounting.

(iii) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest in a joint venture company and a joint operation.

Joint venture company

Interest in joint venture company is accounted for using the equity method.

Joint operation

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operation and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Consolidated Financial Statements under the appropriate headings.

(iv) Equity method

"Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit & loss and other comprehensive income of the entity. Dividends received or receivable from the associate companies and joint venture company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred."

(v) Changes in ownership interest

"The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies.

Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the Consolidated Statement of Profit and Loss where appropriate."

2.2.3 Functional and Presentation Currency

The financial statements are presented in Indian Rupees ('INR' or 'Rupees' or '₹') which is the functional currency for the Company.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs except when herein indicated.

2.2.4 Fair value measurement

Fair value is the price that would be received from sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.5 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Assets:

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;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve 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 twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:
- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve 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 assets/ liabilities are classified as non-current.

2.3 Property, Plant and Equipment

"Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met.

These are amortised over the useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on assets with finite lives is recognised in the statement of profit and loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates these components separately based on their specific useful lives. Likewise, when a major repair/replacement is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest, if any.

Capital expenditure on property, plant and equipment for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment ."

"An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under Other non-current assets."

"Depreciation is recognised on the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used."

2.4 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows; Brands and technical Know-how are amortised on a straight line basis over a period of ten years software cost is amortised on straight line basis over a period of three years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

2.5 Impairment of Tangible and Intangible Assets other than Goodwill

At the end of each reporting period, 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 amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When 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 identifiable group of assets of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years A reversal of an impairment loss is recognised immediately in profit or loss.

2.6 Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.6.1 Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value , in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement:

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Effective Interest Method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Debt instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the below conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the company after initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13.

Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the below criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Investment in Subsidiaries is carried at Cost in the financial Statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- **Trade receivables**

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (statement of profit & loss). This amount is reflected in a separate line in the statement of profit & loss as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment

- allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.6.2 Financial Liabilities and Equity instruments

Initial Recognition and Measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit & loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Reclassification of financial assets and financial liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period of the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original Classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and loss
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount.However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials and Packing Material : purchase cost on a first in, first out basis

(ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

(iii) Traded goods are valued on First in First Out basis.

(iv)Consumable stores are charged to the profit and loss account in the year of its purchases.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

2.8 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of Cash on hand, Cheques on hand and Balances with Bank - In Current Account.

2.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

2.10 Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.11 Revenue recognition

Revenue recognition under Ind AS 115

Under Ind AS 115, the company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company disaggregates revenue from contracts with customers by geography.

(i) Sale of Goods

Effective April 1st, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much & when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue.

The specific recognition criteria described below must also be met before revenue is recognised:

Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer or as per the terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., where applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales Return

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(ii) Rendering of Services

Revenue from sale of dossiers/licenses/services, includes in certain instances, certain performance obligations and based on evaluation of whether or not these obligations are inconsequential or perfunctory, revenue is recognised in accordance with the terms of the contracts with the customers when the related performance obligation is completed at point in time or spread over a period of time, as applicable.

(iii) Other Operating Revenue

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and /or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

(iv) Interest and dividend 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.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.12 Employee benefits

2.12.1 Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, exgratia are recognised during the period in which the employee renders related service.

2.12.2 Post-Employment Benefits:

i. Defined Contribution plans:

Employee benefits in the form of contribution to Provident Fund, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the same is charged to the statement of profit and loss for the year when the contributions to the respective funds are due.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the statement of profit and loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

ii. Defined Benefit plans:

Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the projected unit credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

iii. Other long term employee benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.14 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

(i) Right-of-Use Asset

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The interest rate applied to lease liabilities is 10%.

2.15 Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. 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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT Credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the company will pay normal income tax during the specified period.

2.16 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. 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 is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the 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.

2.17 Segment Reporting:

The Company's Performance are not separately evaluated by the the Board of Directors, which are considered as the Chief Operating Decision Maker (CODM) and hence the total business needs to be treated as one operating segment only.

2.18 Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions (legal and constructive) 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.

The amount recognised as a provision is 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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimates is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and non cancellable operating lease.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.19 Application of New Revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024.

2.20 Critical Estimates and Judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

2.21 Key sources of Estimation Uncertainty

i. Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the management.

ii. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A tax assessement can involve complex issues, which can only be resolved over extended time periods. The recognisation of taxes that are subject to certain legal or economic limits or uncertainities is assessed individually by the managment based on the specific facts and circumstances.

vi. Defined benefit obligations

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 40, 'Employee benefits'.

vii. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

ix. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook.Inventories are written down to NRV where such NRV is lower than their cost.

x. Sales Return

For Information about judgements made in applying the accounting policies for sales return that have the most significant effects on the amounts recognised in the financial statements is included in notes 2.11 above.

Note 3. Property, Plant And Equipment

(₹ in Lakhs)

Description of assets	Factory Buildings(*)	Leasehold Land	Residential Building	Plant & Equipment	Plant & Equipment (R&D)	Furniture & Fixture	Vehicles	Office Equipment	Electrical Installation	Computer	Total
Gross Block (Cost or Deemed Cost)											
As at March 31st, 2023	**3,191.46**	**974.96**	**984.43**	**10,270.36**	**1,261.28**	**356.77**	**418.94**	**2,097.74**	**546.06**	**388.86**	**20,490.86**
Additions	151.86	14.04	-	1,333.17	124.84	52.52	24.85	25.81	-	67.18	1,794.27
Reclassification	-	-	-	(54.20)	54.20	-	-	-	-	-	-
Disposals/reclassifications	-	-	(492.21)	(1,100.42)	-	(54.02)	(54.18)	(428.90)	0.05	(165.96)	(2,295.64)
As at March 31st, 2024	**3,343.32**	**989.00**	**492.22**	**10,448.91**	**1,440.32**	**355.27**	**389.61**	**1,694.65**	**546.11**	**290.08**	**19,989.49**
Accumulated Depreciation											
As at March 31st, 2023	**625.22**	**10.61**	**31.13**	**3,820.44**	**296.41**	**112.35**	**251.00**	**1,093.66**	**315.14**	**286.48**	**6,842.44**
Depreciation expense for the year	99.39	9.47	14.91	305.05	47.52	39.16	38.58	289.92	57.90	55.07	956.97
Reclassification	-	-	-	(9.29)	9.29	-	-	-	-	-	-
Disposals/reclassifications	-		(22.68)	(961.06)	-	(51.32)	(36.14)	(405.58)	-	(161.81)	(1,638.59)
As at March 31st, 2024	**724.61**	**20.08**	**23.36**	**3,155.14**	**353.22**	**100.19**	**253.44**	**978.00**	**373.04**	**179.74**	**6,160.82**
As at March 31st, 2024	**2,618.71**	**968.92**	**468.86**	**7,293.77**	**1,087.10**	**255.08**	**136.17**	**716.65**	**173.07**	**110.34**	**13,828.67**

(*) - Represent Building constructed on leasehold land which will revert to the lessor on completion of lease period.

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3.1 : Impairment Losses Recognised in the Year

There are no impairment losses recognised during the year.

3.2 : Assets Pledged as Security

3.2.1: Factory Buildings, Plant and Equipments, Plant and Equipments (R & D), Furniture and Fixture, Office Equipments, Electrical Installations and Computers having carrying value of ₹ 12,254.72 lakhs have been pledged to secure borrowings of the Company (Refer Note 19 and 23). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity, except items specifically pledged to other.

3.2.2 : Vehicles having carrying value of ₹ 94.27 lakhs have been hypothecated by way of first charge on the vehicles acquired under the specific facility granted.

3.3 : The Company has not revalued its Property, Plant and Equipment during the year ended March 31st, 2024.

3.4: Lease Hold Land having carrying value of ₹ 968.92 lakhs have been pledged to secure borrowings of the Company (Refer Note 19). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity, except items specifically pledged to other.

Note 4. Capital Work In Progress

(₹ in Lakhs)

Description of assets	As at March 31st, 2024
Deemed Cost	
Opening	16,958.86
Additions	15,259.94
Reclassifications	1,513.13
	30,705.67

4.1 Capital Work in Progress includes Factory Building and Plant & Equipment having carrying value of ₹ 25,281.26 Lakhs which has been pledged to secure borrowings of the Group.

4.2 Capital Work in Progess Ageing Schedule

(₹ in Lakhs)

Particulars	As at March 31st, 2024				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	15,259.94	13,635.49	1,810.24	-	30,705.67

4.3 CWIP Completion Schedule

There are no projects under capital work-in-progress, whose completion is either overdue or has exceeded its cost compared to its original plan as on March 31st, 2024 .

Note 5. Intangible Assets

(₹ in Lakhs)

Description of assets	Computer Software	Technical Know How	Brand	Total
Gross Block (Cost or Deemed Cost)				
As at March 31st, 2023	**73.77**	**32.11**	**42.62**	**148.50**
Additions	526.46	-	-	526.46
Disposals/ Reclassifications	-	-	-	-
As at March 31st, 2024	**600.23**	**32.11**	**42.62**	**674.96**
Accumulated Amortisation				
As at March 31st, 2023	**34.84**	**12.84**	**32.94**	**80.62**
Amortisation Expense for the Year	26.06	2.76	3.59	32.41
Disposal of Assets/ Reclassifications	-	-	-	-
As at March 31st, 2024	**60.90**	**15.60**	**36.53**	**113.03**
As at March 31st, 2024	**539.33**	**16.51**	**6.09**	**561.93**

5.1 The Group has not revalued its Intangible Assets during the year ended March 31st, 2024.

Note 6. Right-of-use Assets

(₹ in Lakhs)

Particulars	Leasehold Properities	Total
I. Carrying Amount		
Balance as at March 31st, 2023	**3,988.46**	**3,988.46**
Additions	-	-
Reclassification	-	-
Deletion	29.52	29.52
Balance as on March 31st, 2024	**3,958.94**	**3,958.94**
II. Accumulated Depreciation / Amortization Loss		
Balance as at March 31st, 2023	**1,747.86**	**1,747.86**
Additions	712.34	712.34
Deletion		-
Balance as on March 31st, 2024	**2,460.20**	**2,460.20**
Net Block as on March 31st, 2024	**1,498.74**	**1,498.74**

6.1 The aggregate depreciation expense amounting to ₹ 712.34 Lakhs on ROU assets is included under depreciation and amortisation expenses (Refer Note 34) in the Statement of Profit and Loss.

Note 7. Investments

(₹ in Lakhs)

Particular	As at March 31st, 2024
Non-Current	
Unquoted (at FVTOCI)	
Equity Instruments of Others Entities	
- Saraswat Co-Operative Bank Limited (7,500 (P.Y.: 7,500) Equity Shares of face value Rs. 10 each fully paid up)	0.75
- Selvax PTY LTD (1,30,700 (P.Y.: 1,30,700) Equity Shares	77.68
Unquoted (at FVTPL)	
Debt Instruments	
- Saraswat bank Long Term Subordinated Bonds 23-24(S-IX)	100.00
Total	**178.43**
Aggregate amount of quoted investments and market value thereof	-
Aggregate amount of unquoted investments	178.43
Aggregate amount of impairment in value of investments	-

Note 8. Loans
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particular	As at March 31st, 2024
Non Current	
Loans to Staff	41.44
Total	**41.44**
Current	
Loans to Staff	37.33
Total	**37.33**

Note: These financial assets are carried at amortised cost. No loans are due from directors or other officers of the Group either severally or jointly with any other person.

Note 9. Other Financial Assets

(₹ in Lakhs)

Particular	As at March 31st, 2024
Security Deposits with	
With Related Party (Refer Note 39)	352.47
With Others (Amortised Cost)	534.28
Total	**886.75**

Note: These financial assets are carried at amortised cost. No loans are due from directors or other officers of the Group either severally or jointly with any other person.

Note10. Deferred Tax Assets/(Liabilities) (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Deferred Tax Liabilites	
Property, Plant and Equipment	(684.23)
Borrowing Cost	(15.22)
Deferred Tax Assets	
Trade Receivables	140.59
Employee Benefits (Net of OCI)	255.96
Other Comprehensive Income	96.58
Total	**(206.32)**

Note11. Other Non - Current Assets
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Capital Advances	
Cosidered Good	1,383.44
Cosidered Credit Impaired	-
	1,383.44
Less : Provision for Credit Impaired	-
	1,383.44
Others	
Balances with Statutory Authorities like Value Added Tax etc.	-
Prepaid Expenses	
- For Leave and Lisence Agreement (Factory Builiding and office premises)	121.15
Total	**1,504.59**

Note.12 Inventories

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Inventories (Lower of Cost and Net Realisable Value)	
Raw Materials	5,877.78
Stock-in-Process	5,527.63
Finished Goods	3,254.10
Packing Materials	2,751.04
Stock-in-Trade	1,583.71
Consumables	1,053.95
Total	**20,048.21**

The cost of inventories recognised as an expense during the year was ₹39,989.52 lakhs This is included as part of Cost of Materials Consumed, Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in Note 2.7.

For details of inventories pledge as security, Refer Note 23.

Note 13. Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31st, 2024
(Unsecured, considered good unless stated otherwise)	
Current	
Considered Good (Refer Note 39)	26,122.24
Above credit terms (Refer Note 42.3.1)	7,429.88
	33,552.12
Allowance for Doubtful Debts (expected credit loss allowances)	(558.59)
Total	**32,993.53**

Trade Receivables

The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period. The average credit period allowed to the customers is in the range of 30-180 days.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period as follows.

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Expected credit loss (%)	
Not Due	1.13%
Less than 6 Months	1.51%
6 Months - 1 Year	4.03%
1 Year - 2 Years	15.40%
2 Years - 3 Years	29.77%
More than 3 Years	100.00%
Undisputed Trade receivables – Considered Good	
Not Due	26,122.75
Less than 6 Months	5,849.40
6 Months - 1 Year	937.49
1 Year - 2 Years	577.79
2 Years - 3 Years	24.17
More than 3 Years	40.52
	33,552.12
Undisputed Trade Receivables – Considered Doubtful	
Not Due	
Less than 6 Months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	-
Disputed Trade Receivables Considered Good	
Not Due	-
Less than 6 Months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	-
Disputed Trade Receivables Considered Doubtful	
Not Due	-
Less than 6 Months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	-
Movement in the Expected Credit Loss Allowance	
Balance at Beginning of the Year	437.94
Actual Bad Debts During the Year	-
Provision for Expected Credit Loss Allowance on Trade Receivables Calculated at Lifetime Expected Credit Losses	120.65
Balance at the Year End	**558.59**

Note14. Cash And Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Balances with Banks	
- In current accounts	59.52
Cash on Hand	54.16
Total	**113.68**

Note 15. Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Earmarked Balances with Banks	
Unpaid Dividend Accounts	1.99
Deposits against Guarantees and Other Commitments	1,232.73
Total	**1,234.72**

Note 16. Other Current Assets

Particulars	As at March 31st, 2024
Advances other than Capital Advances	
Employees Imprest Advance	291.75
	291.75
Others	
Advance to Vendors	
Cosidered Good	1,039.44
Credit Impaired	-
	1,039.44
Less : Provision for Credit Impaired	-
	1,039.44
Balances with Statutory Authorities like Goods and Service tax, Value Added Tax etc.	3,913.99
Prepaid Expenses	86.14
Others	289.13
Total	**5,620.45**

Note 17. Equity Share Capital

Particulars	As at March 31st, 2024	
	No of shares	**₹In Lakhs**
Authorised Share Capital		
Equity Shares of ₹ 1 Each	10,52,00,000	1,052.00
9.5% Non-Cumulative, Non- Convertible Redeemable Preference Shares of ₹ 1 Each	75,22,66,610	7,522.67
Unclassified shares	33,390	0.33
		8,575.00
Issued and Subscribed capital Comprises		
Equity Shares of ₹ 1 Each, Fully Paid Up	10,02,77,506	1,002.78
	10,02,77,506	**1,002.78**

17.1 Reconciliation of the Equity Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31st, 2024	
	No of shares	**₹In Lakhs**
Equity Shares at the beginning of the year	9,69,44,506	969.45
Equity Shares issued during the year	33,33,000	33.33
Equity Shares at the end of the year	**10,02,77,506**	**1,002.78**

17.2 The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

17.3 Details of sharesholders holding more than 5% shares in the company

Name of Shareholder	As at March 31st, 2024	
	No of shares held	% of holding
Fully Paid Equity Shares		
a) Jayesh Pannalal Choksi	2,46,90,829	24.62%
b) Zircon Teconica Private Limited	2,05,23,330	20.47%
c) Gufic Private Limited	1,01,91,523	10.16%
d) Vipula Jayesh Choksi	1,00,33,843	10.01%
e) Pranav Jayesh Choksi	72,68,626	7.25%

17.4 The company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any equity shares during the period of five years immediately preceding March 31st 2024 .

17.5 Details of Equity shares held by promoters at the end of the year

Name of Shareholder	As at March 31st, 2024		
	Number of Shares Held	% Holding in the Class of Shares	% Change During the Year
a) Jayesh Pannalal Choksi	2,46,90,829	24.62%	-0.85%
b) Zircon Teconica Private Limited	2,05,23,330	20.47%	-0.70%
c) Gufic Private Limited	1,01,91,523	10.16%	-0.35%
d) Vipula Jayesh Choksi	1,00,33,843	10.01%	-0.34%
e) Pranav Jayesh Choksi	72,68,626	7.25%	-0.25%

Note 18. Other Equity

(₹ in Lakhs)

Particular	As at March 31st, 2024
Capital Reserve	
Balance at Beginning of the Year	7,213.39
Movements	-
Balance at End of the Year	**7,213.39**
General Reserve	
Balance at Beginning of the Year	134.71
Movements	-
Balance at End of the Year	**134.71**
Security Premium	
Balance at Beginning of the Year	-
Movements	9,965.67
Balance at End of the Year	**9,965.67**
Retained Earnings	
Balance at Beginning of the Year	26,729.03
Add : Profit for the Year	8,613.56
Less : Final Dividend on Equity Shares (Refer Note 18.4)	(96.94)
Balance at End of the Year	**35,245.65**
Other Items of Other Comprehensive Income (Re-Measurement Gains (Losses) on Defined Benefit Plans)	
Balance at Beginning of the Year	(265.76)
Less : Amount Transferred	(40.39)
Less: Others (Refer Note 18.5)	-
Balance at End of the Year	**(306.15)**
Total	**52,253.27**

18.1: The Capital reserve is created on receipts of government grants for setting up of tissue culture division in the earlier years and on account of business combination.

18.2: The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

18.3: Security Premium is created through premium received on issue of shares. The reserve is to be utilised in accordance with provisions of the Companies Act, 2013.

18.4: The Holding company has paid dividend of ₹ 0.10 per share on September 29th, 2023 totalling to ₹ 96.94 lakhs for the year ended March 31st, 2023 (Previous year : ₹ 0.10 per share totalling to ₹ 96.94 lakhs) was paid to the holders of fully paid equity shares.

18.5: Others includes the notional interest charged to the Statement of Profit & Loss account on account of interest free loan given by the directors of the company.

Note 19. Non-current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024	
	Non current	Current
Secured - at Amortised Cost		
From Banks		
Term Loans (Refer Note 19.1 (a) and 19.1 (b))	15,388.80	2,073.05
Vehicle Loans (Refer Note 19.1 (c))	7.51	32.36
From Others		
Property Loans (Refer Note 19.1 (d))	-	-
	15,396.31	**2,105.41**

19.1 Summary of Borrowing Arrangements

The terms of repayment of term loans and other loans are stated below:

(a) Term Loans from Saraswat Bank

Collateral Security

1) Factory Land and Building bearing gram panchayat house no. 140 to 140/5 and 141 to 141/5 with all building and structure on land survey no. 171 and 195/3, situated at national highway no. 8, near GEB grid and Tisco Village, Kabilpore, Dist : Navsari - 396424 in the name of M/s Gufic Pvt. Ltd.
2) Movable Fixed Assets at Navsari.
3) Factory Land and Building Plot No. 48, Smart Industrial Park, Near NATRIP, Pithampur, Dhar, Madhya Pradesh - 454774.
4) Movable Fixed Assets at Indore, Madhya Pradesh.
5) Movable Fixed Assets at Arisia, 6th Floor, S.M. House, 11, Sahakar Road, Vile Parle East, Mumbai 400057.

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee (restricted to the exposure of 3,640/- Lakhs) from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 18,00,000/- to ₹ 32,14,000/- (excluding interest), over a period of 1 to 84 months.

Rate of Interest

The Rate of Interest is PLR- 7.25% p.a. i.e subject to minimum 8.25% p.a. for Term Loan and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.25%)

(b) Term Loans from HDFC Bank

Security

(i) The loans are secured by first pari passu charge on all Movable Fixed Assets (Plant & Machinery) of the company, both Navsari and Pithampur, Indore.

(ii) Second Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur, Indore.

(iii) First pari passu charges on all Immovable assets property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited.

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 3,52,561/- to ₹ 21,16,092/- (excluding interest), over a period of 1 to 84 months starting from October 2024 i.e. after morotorium period of 18 months.

Rate of Interest

The Rate of Interest is 3M T Bill + 1.57 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.45%)

(c) Vehical Loan from Bank

Security

(i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.

(ii) Carrying value of the fixed assets pledged is ₹ 94.27 lakhs.

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 34,701/- to ₹ 1,57,505/- (including Interest), over a period of 1 to 36 months.

Rate of Interest

The Rate of Interest is between 6.75 % to 8.65 % p.a. and shall be payable on monthly basis.

(d) Property Loan

Security

(i) Legal Mortgage of Property having carrying value NIL acquired under the specific facility granted.

Terms of Repayment

Property Loans has been fully repaid during the financial year 2023-24

There are no beanch of contractual terms of the borrowings during the year ended March 31st, 2024.

Note 20. Lease Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Non-Current	
Lease Liabilities (Refer Note 38)	1,155.51
Total	**1,155.51**
Current	
Lease Liabilities (Refer Note 38)	432.61
Total	**432.61**

Note 21. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024
(At Amortised Cost)	
Non-Current	
Security & Trade Deposits From	
Agents and Stockists	497.36
Total	**497.36**
Current	
Interest Accrued and not Due on Borrowings	42.52
Unpaid Dividends (Refer Note 21.1)	1.99
Employee Benefits Payable	1,329.63
Total	**1,374.14**

Note 21.1 :

There is no amount due and outstanding to be credited to the Investor Education & Protection Fund.

Note 22. Provisions

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Non-Current	
Provision for Employee Benefits (Refer Note 40)	
Provision For Compensated Absences	334.18
Provision For Gratuity	905.86
Others	
Provision for Sales Returns (Refer Note 53)	297.66
Total	**1,537.70**
Current	
Provision for Employee Benefits (Refer Note 40)	
Provision For Compensated Absences	44.22
Provision For Gratuity	116.49
Others	
Provision for Sales Returns (Refer Note 53)	312.92
Total	**473.63**

Note 23. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Loans from Bank - Secured	
Working Capital Facility (Refer Note 23.1)	14,201.73
Current Maturities of Long-Term Debt (Refer Note 19)	2,105.41
Total	**16,307.14**

23.1 Working Capital facilties from Saraswat Bank

Collateral Security

For Collateral Security Refer Note 19.1(a).

Guarantees

For Guarantees Refer Note 19.1(a).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is PLR- 7.25 % p.a. i.e subject to minimum 8.25% p.a. for Cash Credit limit and PLR- 7.50 % p.a. i.e subject to minimum 8.00% p.a. for Working Capital Demand Loan. (Effective Interest rate as on March 31st, 2024 was 8.00%)

23.2 Working Capital facilties from HDFC Bank

Collateral Security

(i) The loans are secured by second pari passu charge on all Movable Fixed Assets (Plant & Machinery) of the company, both Navsari and Pithampur, Indore.

(ii) First Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur, Indore and Arisia Mumbai.

(iii) Second pari passu charges on all Immovable assets property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited. L&B bearing gram panchayat house no. 140 to 141/5, plot area admeasuring about 3,22,218.96 sq. feet. More or less together with all buidling and structure on land survey no. 171 and 195/3, situated at national highway no. 8, Near GEB grid and Tisco Village, Kabilpore, Dist : Navsari - 396424 owned by Gufic Private Limited.

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is 3M T Bill+1.61 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.20%)

23.3 Working Capital facilties from Axis Bank

Collateral Security

i) The loans are secured by second pari passu charge on all Movable Fixed Assets of the company.

ii) First Pari passu charge on entire present and future current asset of the company, both at Navsari and Pithampur Indore and Arisia Mumbai

iii) Second pari passu charges on all Immovable assets (Land and Building) property situated at Plot No - 48, Smart Industrial Park, Near Natrip, Pithampur, Indore, District: Dhar - 454775 owned by Gufic Biosciences Limited. L&B bearing gram panchayat house no. 140 to 141/5, plot area admeasuring about 3,22,218.96 sq. feet. More or less together with all buidling and structure on land survey no. 171 and 195/3, situated at national highway no. 8, Near GEB grid and Tisco Village, Kabilpore, Dist : Navsari - 396424 owned by Gufic Private Limited

Guarantees

It is also secured by Personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee from Gufic Private Limited (Company in which directors are interested).

Terms of Repayment

Repayable on Demand.

Rate of Interest

The Rate of Interest is Repo rate+2 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2024 was 8.50%)

Note 24. Trade and other Payables Due to :

Particulars	As at March 31st, 2024
Micro and Small Enterprises	232.68
Other than Micro and Small Enterprises (Refer Note 39)	16,394.19
	16,626.87

The average credit period on purchases is 45 to 90 days. No interest is charged by the trade payables.

Sundry Creditors- Dues to Micro and Small Enterprises

Pursuant to disclosure of amount due to Micro, Small and Medium Enterprises as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED ACT) included under the head "Trade Payable", the Company has initiated process of seeking necessary information from its suppliers based on the information available with the company regarding the total amount due to supplier as covered under MSMED Act is given below. The company is generally regular in making payment of dues to such enterprise. This has been relied upon by the auditors.

Particulars	As at March 31st, 2024
I. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year a. Principal amount due to micro and small enterprises b. Interest due on above	232.68
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small & Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-
v. The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	-

Note : The above information has been complies in respect of parties to the extent to which they could identify as Micro and small enterprises on the basis of information available with the Company.

(₹ in Lakhs)

Age of Payables	As at March 31st, 2024
Disputed Dues- MSME	
Not Due	-
Less than 6 months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	-
Disputed Dues- Other than MSME	
Not Due	-
Less than 6 months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	-
Undisputed Dues-MSME	
Not Due	232.68
Less than 6 months	-
6 Months - 1 Year	-
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	232.68
Undisputed Dues-Other than MSME	
Not Due	10,849.77
Less than 6 months	5,497.95
6 Months - 1 Year	46.47
1 Year - 2 Years	-
2 Years - 3 Years	-
More than 3 Years	-
	16,394.19
TOTAL	**16,626.87**

Note 25. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Advance From Customer	384.52
Statutory Dues	307.81
Payable for Capital goods	1,043.64
Total	**1,735.97**

Note 26. Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Provision for Taxation (Net)	254.53
Total	**254.53**

Note 27. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Sale of Products (Net of Returns and GST) (Refer Note 39)	76,965.62
(Formulation and Active Pharma Ingredient)	
Other Operating Revenue	
Processing Charges	850.69
Other Operating Revenues	2,850.26
Total	**80,666.57**
Disaggregation Of Revenue	
India	71,852.11
Africa	581.14
Asia	3,630.15
Europe	2,964.00
North America	1,023.78
Australia	426.64
South America	188.85
Revenue from Operations	**80,666.57**

The Chief Operating Decision Maker (CODM) monitors the geographic segment of its business separately for the purpose of making decisions about resource allocation and performance assessment.

Reconciliation of Revenue from Operations with Contract Price

Particulars	For the year ended March 31st,2024
Contract Price	94,016.31
Less:	
Sales Returns/Discounts	13,349.74
Total	**80,666.57**
Contract Balances	
Trade Receivables	32,993.53
Contract Assets	-
Contract Liabilities	384.52

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

Contract Liabilities

Particulars	Amount
Balances at the Beginning of the Year	535.92
Additional During the Year	384.52
Reduction During the Year	535.92
Balances at the Close of the Year	**384.52**

Note 28. Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Interest Income (at Amortised Cost)	141.21
Dividend Income	0.04
Other Non Operating Income	26.81
Foreign Exchange Gains	49.66
Total	**217.72**

Note 29. Cost of Material Consumed

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Consumption of Raw Material	
Opening Stock	5,208.00
Add: Purchases	28,712.93
Less: Closing Stock	(5,877.78)
	28,043.15
Consumption of Packing Material	
Opening Stock	2,584.61
Add: Purchases	5,249.23
Less : Closing Stock	(2,751.04)
	5,082.80
Total	**33,125.95**

Note 30. Purchases of Stock - In - Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
Purchase of Stock - In - Trade (Refer Note 39)	5,806.09
	5,806.09

Note 31. Changes In Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Opening stock of	
Stock-in-Process	5,738.56
Finished Goods	3,678.05
Stock-in-Trade	1,006.31
Right to Recover Return Goods	371.64
	10,794.56
Less: Closing stock of	
Stock-in-Process	5,527.63
Finished Goods	3,254.10
Stock-in-Trade	1,583.71
Right to Recover Return Goods	371.64
	10,737.08
Total	**57.48**

Note 32. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Salary and Wages (Refer Note 39)	9,583.90
Contribution to Providend and Other Funds (Refer Note 40)	407.75
Gratutity Expenses (Refer Note 40)	228.59
Staff Welfare Expenses	742.39
Total	**10,962.63**

Note. 33 Finance Costs

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Interest	
Interest on Financial Liabilities - Borrowing carried at Amortised Cost	1,254.31
Bank and Other Financial Charges	79.62
Interest on Lease Liabilites (Refer Note 38)	202.06
Total	**1,535.99**

Note. 34 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Depreciation on Property,Plant and Equipment (Refer Note 3 and 5)	989.38
Amortisation of Right to Use asset (Refer Note 6)	712.34
Total	**1,701.72**

Note. 35 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Consumable Stores (Refer Note 39)	925.81
Power and Fuel	1,778.79
Labour Charges	1,029.97
Other Manufacturing Expenses	13.91
Rent Expenses (Refer Note 39)	147.00
Rates and Taxes (Excluding Taxes on Income)	23.81
Repairs and Maintenance	
- Building	119.41
- Machinery	560.41
- Others	193.30
Printing and Stationery	179.27
Communication Expenses	110.97
Director Sitting Fees (Refer Note 39)	3.30
Insurance Charges	228.69
Travelling, Conveyance and Vehicle Expenses	3,148.54
Licences and Legal Fees	649.63
Legal and Professional Fees (Refer Note 39 and Note 45)	869.87
Testing and Laboratory Expenses	508.19
Transport and Forwarding	1,325.00
Commission and Brokerage (Refer Note 39)	2,483.03
Sales Promotion Expenses	177.71
Advertisement	34.54
Research and Development Expenses (Refer Note 46)	541.25
Corporate Social Responsibility Activity (Refer Note 48)	183.73
Allowance for Doubtful Receivables (net) and Write off	120.65
Loss on sale of Fixed Assets	229.95
Miscellanous Expenses	540.56
Total	**16,127.28**

Note 36. Tax Expenses

a) The major components of Income Tax for the Year Ended March 31st, 2024 are as under:

i) Income tax related to items recognised directly in Profit or Loss of the Statement of Profit and Loss during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
Current Tax Expense	
Current year	2,840.00
	2,840.00
Deferred Tax Expense	
Origination and reversal of temporary differences	316.54
Income Tax earlier year	(202.95)
Tax expense recognised in the Profit and Loss Statement	**2,953.59**

ii) Deferred tax Related to Items Recognized in Other Comprehensive Income (OCI) during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31st,2024
Remeasurements of the defined benefit plans	
Tax benefit	13.58
Total	**13.58**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakhs)

Particulars	For the year ended March 31,2024
Accounting Profit before tax	11,567.15
Applicable tax rate (Current year 25.17% and Previous Year 25.17%)	2,911.22
Adjustment in respect of Current Income Tax in respect of previous years	
Change in Recognised deductible Temporary Differences	316.54
Income not Taxable/Exempt from Tax	(274.17)
Income Tax Expenses Charged to the Statement of Profit and Loss	**2,953.59**
Effective tax rate	**25.53%**

C) Deferred tax relates to the following:

(₹ in Lakhs)

	Balance-Sheet	Recognized in the statement of profit & loss	Other Comprehensive Income
	March 31st, 2024	March 31st, 2024	March 31st, 2024
Deferred tax Liabilities/(Assets)			
Deductible temporary differences			
Property, Plant and Equipment	684.23	408.82	-
Borrowing Cost	15.22	(4.08)	-
Trade Receivables	(140.59)	(30.37)	-
Employee Benefits (net of OCI)	(255.96)	(44.25)	13.58
Other Comprehensive Income	(96.58)	(13.58)	-
Net Deferred Tax Liabilities/(Assets)	**206.32**	**316.53**	**13.58**

There are no unrecognized deferred tax assets and liabilities as at March 31st, 2024. Further significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.

Note 37. Segment Information

37.1 Basis for segmentation

Based on the "Management approach" as defined in IND AS 108, the Chief Operating Decision Maker (CODM) does not evaluate the Group Performance", separately and hence the total business needs to be treated as one segment, "Pharmaceutical and related products". The products being sold under this segment are of similar nature and comprise of pharmaceutical products only.

The Chief Operating Decision Maker (CODM) monitors the geographic segment of its business separately for the purpose of making decisions about resource allocation and performance assessment.

Geographical segments

Revenue is segregated into two segments namely India (sales to customer within India) and other countries (sales to customer outside India) on the basis of geographical location of customers for the purpose of reporting geographical segments. Segment asset are based on the geographical location of the asset.

Segment Revenue

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
India	71,852.11
Africa	581.14
Asia	3,630.15
Europe	2,964.00
North America	1,023.78
Australia	426.54
South America	188.85
	80,666.57

Particulars	As at March 31st, 2024
Carrying Amount of Non-Current Assets	
- India	49,128.54
- Other Countries	77.68
	49,206.22

Information about Major Customers

No Single Customer Account for 10% or More than 10% of Revenue from operation during the year ended March 31st, 2024.

Note. 38 Lease

The Group have taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

The interest rate applied to lease liabilities is 10.00%.

Note. 38.1 Disclosures Pursuant To Ind As 116 :

As a Lessee :

The following is the break-up of current and non-current lease liabilities as at

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Current Lease Liabilities	432.61
Non-current Lease Liabilities	1,155.51
	1,588.12

The following is the movement in Lease Liabilities during the Year Ended:

Particulars	For the Year Ended March 31st, 2024
Balance as Begining of the Year	2,278.58
Additions	-
Finance cost accrued	202.06
Deletions	-
Payment of Lease Liabilities	(892.51)
Balance as Closing of the year	**1,588.12**

The aggregate interest expense amounting to ₹ 202.06 Lakhs on Lease Liabilities is disclosed separately under Note 33 Finance Costs.

The following is the movement of cash outflow on lease liabilities during the year ended

(₹ in Lakhs)

Particulars	For the Year Ended March 31st, 2024
Payment of Lease Liabilities	(690.45)
Interest on Lease Liabilities	(202.06)
Total Cash Outflow on Leases	**(892.51)**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at March 31st, 2024
Less than one year	432.61
One to five years	1,155.51
	1,588.12

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following amounts are recognised in the Statement of Profit and Loss for the year ended :

Particulars	For the Year Ended March 31st, 2024
Depreciation charge on right-of-use assets	712.34
Interest expense on lease liabilities	202.06
Expense relating to short-term leases	88.44
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	-
Expense relating to variable lease payments not included in the measurement of lease liabilities	-
Income from subleasing right-of-use assets	-
Gain on termination of leases	-

Total cash outflow for leases from Financing Activites recognised in the Statement of Cash Flows for the year ended March 31st, 2024 is₹ 892.51 Lakhs.

Note 39. Related Party Disclosures

As per Ind AS - 24, the disclosures of transactions with the related parties are given below:

1) List of related parties where control exists and related parties with whom transaction have taken place & relationship

(₹ in Lakhs)

S. No.	Name of the Related Party	Relationship
1	Mr. Jayesh P. Choksi - Chairman and Managing Director	Key Managerial Personnel
2	Mr. Pranav J. Choksi - Chief Executive Officer and Whole-time Director	Key Managerial Personnel
3	Mr. Pankaj J. Gandhi - Whole Time Director	Key Managerial Personnel
4	Mr. Dilip Ghosh - Whole Time Director	Key Managerial Personnel
5	Mr. Gopal M. Daptari - Independent Director	Key Managerial Personnel
6	Mr. Shrirang V. Vaidya - Independent Director (Resigned on April 1st, 2024)	Key Managerial Personnel
7	Mr. Shreyas K. Patel - Independent Director	Key Managerial Personnel
8	Dr. Rabi Narayan Sahoo - Independent Director	Key Managerial Personnel
9	Dr. Anu Aurora - Independent Director	Key Managerial Personnel
10	Dr. Bal Ram Singh - Non Executive Director	Key Managerial Personnel
11	Mrs. Rita Ghosh	Relatives of Key Managerial Personnel
12	Mrs. Pooja Pranav Choksi	Relatives of Key Managerial Personnel
13	Gufic Private Limited	Enterprises over which KMP are able to exercise influential control
14	Gufic Chem Private Limited	Enterprises over which KMP are able to exercise influential control
15	Jal Private Limited	Enterprises over which KMP are able to exercise influential control
16	Zire Rushi Construction	Enterprises over which KMP are able to exercise influential control
17	Tricon Enterprises Private Limited	Enterprises over which KMP are able to exercise influential control
18	Prime Bio Inc	Enterprises over which KMP are able to exercise influential control
19	Vishoushadhi Products and Services Private Limited	Enterprises over which KMP are able to exercise influential control
20	Greots Lifesciences Private Limited	Enterprises over which KMP are able to exercise influential control

Transactions for the year ended

S. no	Particulars	Year ended March 31st,2024
1	**Services Received From (Professional Fees)**	
	Enterprises over which KMP are able to exercise influential control	
	Prime Bio Inc	476.48
	Vishoushadhi Products and Services Private Limited	4.11
	Relatives of Key Managerial Personnel	
	Pooja Pranav Choksi	9.50
	Rita Ghosh	6.00
2	**Commission Expenses**	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Private Limited	18.20
3	**Purchase of Stock In Trade and Consumable Stores**	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Chem Private Limited	24.98
	Prime Bio Inc	3.05
4	Payment of Rent	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Private Limited	420.00
	Gufic Chem Private Limited	48.00
5	**Sales of Goods**	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Chem Private Limited	5.54
	Tricon Enterprises Private Limited	3.36
6	**Remuneration KMP**	
	Key Managerial Personnel	
	Jayesh P. Choksi	48.23
	Pranav J. Choksi	44.32
	Pankaj J. Gandhi	17.44
	Dilip Ghosh	21.36
7	**Directors Sitting Fees**	
	Key Managerial Personnel	
	Gopal M. Daptari	0.60
	Shrirang V. Vaidya	0.70
	Shreyas K. Patel	0.60
	Rabi Narayan Sahoo	0.70
	Dr. Anu Aurora	0.70
8	**Reimbursement of Expenses Paid**	
	Key Managerial Personnel	
	Pankaj J. Gandhi	8.65
	Dilip Ghosh	5.70

Balance as at:

S no	Particulars	As at March 31st, 2024
1	Trade Receivables	
	Enterprises over which KMP are able to exercise influential control	
	Tricon Enterprises Private Limited	1.77
	Greots Lifesciences Private Limited	31.85
2	**Trade Payables**	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Chem Private Limited	27.22
	Gufic Private Limited	97.37
	Key Managerial Personnel	
	Pankaj J. Gandhi	0.18
	Gopal M. Daptari	0.36
	Relatives of Key Managerial Personnel	
	Pooja Pranav Choksi	0.71
3	**Security Deposits**	
	Enterprises over which KMP are able to exercise influential control	
	Gufic Private Limited	350.00
	Gufic Chem Private Limited	36.00

Note 40. Employee Benefit

As required by Ind AS 19 'Employee Benefits' the disclosures are as under:

40.1 Defined contribution plans

The Group offers its employees defined contribution plans in the form of Provident Fund (PF) with the government, and certain state plans such as Employees' State Insurance (ESI). PF cover substantially all regular employees and the ESI covers certain employees. Contributions are made to the Government's administered funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

The company has recognised the following amounts in the profit and loss accounts.

Particulars	For the year ended March 31st,2024
Employer's contribution to Provident Fund & ESIC Fund	407.75

40.2 Defined benefit plans

It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end.

These plans typically expose the Company to actuarial risks such as: Salary risk, Interest Rate risk, Asset Liability Matching risk, and Mortality risk

Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at March 31st, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long term employee benefit plans are recognised in profit or loss.

40.2.1 The principal assumptions used for the purposes of the actuarial valuations were as follows :

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Discount Rate(s)	7.21%
Expected Return(s) on Plan Assets	NA
Expected Rate(s) of Salary Increase	5.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)
Employee Turnover	3.00%
Retirement Age (years)	58 & 75 Years

40.2.2 Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
Expense recognised in the statement of profit & loss (Refer Note 32)	
Current Service Cost	165.47
Past Service Cost and Gain/(Loss) from Settlements	-
Net Interest Expense	63.12
Expenses Charged to the Statement of Profit and Loss	**228.59**
Remeasurement of Defined Benefit Obligation recognised in Other Comprehensive Income	
Actuarial Gain/(Loss) on Defined Benefit Obligation	(53.97)
Actuarial Gain on Plan Assets	-
Expense charged to Other Comprehensive Income	**(53.97)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

40.2.3 The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31st, 2024
Present value of Defined Benefit Obligation	**1,022.35**
Current Liability	116.49
Non-Current Liability	905.86

40.2.4 Movements in the present value of the defined benefit obligation are as follows.

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Reconciliation of defined benefit obligations	**842.66**
Interest Cost	63.12
Current Service Cost	165.47
Benefits Paid Directly by Employer	(102.87)
Actuarial (Gains)/Losses on obligations	
- due to changes in demographic assumptions	-
- due to changes in financial assumptions	23.04
- due to experience	30.93
Obligation as at the Year End	**1,022.35**

40.2.5 Sensitivity Analysis

The sensitivity analysis has been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Impact on Defined Benefit obligation	
Delta Effect of +1% Change in Rate of Discounting	(81.12)
Delta Effect of -1% Change in Rate of Discounting	94.15
Delta Effect of +1% Change in Rate of Salary Increase	90.34
Delta Effect of -1% Change in Rate of Salary Increase	(79.86)
Delta Effect of +1% Change in Rate of Employee Turnover	12.64
Delta Effect of -1% Change in Rate of Employee Turnover	(14.72)
Maturity Analysis of Projected benefit obligation for next	
1st Year	116.49
2nd Year	56.82
3rd Year	65.88
4th Year	59.46
5th Year	73.88
Thereafter upto 10 years	421.11
11 and above years	1,435.14

40.3 Other Long Term Benefit Plan

The Group employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Group rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

Accordingly Liabilty for compensated absences as at March 31st, 2024 of ₹ 378.40 lakhs has been provided in the books of accounts as per actuarial valuation.

(₹ in Lakhs)

Note 41. Earnings Per Share

Particulars	For the Year Ended March 31st, 2024
Basic Earnings Per Share	8.74
Diluted Earnings Per Share	8.74

41.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the Year Ended March 31st, 2024
Profit for the year attributable to owners of the Company	8,613.56
Less: Preference dividend and tax thereon	-
Earnings used in the calculation of basic earnings per share	**8,613.56**
Weighted average number of equity shares	9,85,19,940

41.2 Diluted Earnings Per Share

(₹ in Lakhs)

The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

Particulars	For the Year Ended March 31st, 2024
Profit for the year used in the calculation of basic earnings per share	8,613.56
Add: adjustments on account of dilutive potential equity shares	-
Earnings used in the calculation of diluted earnings per share	**8,613.56**
Weighted average number of equity shares	9,85,19,940

41.3 Reconciliation of Weighted Average Number of Equity Shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the Year Ended March 31st, 2024
Weighted Average Number of Equity shares used in the calculation of Basic EPS	9,85,19,940
Add: adjustments on account of dilutive potential equity shares	-
Weighted average number of equity shares used in the calculation of Diluted EPS	**9,85,19,940**

Note 42. Financial Instruments

42.1 Capital Management

The Group manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt offset by cash and bank balances and total equity of the Group. The Group is not subject to any externally imposed capital requirements.

42.1.1 Gearing Ratio

The gearing ratio at end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Debt	31,703.45
Less: Cash and Bank Balances	113.68
Net debt	**31,589.77**
Total Equity	**53,256.05**
Net Debt to Equity Ratio	**59.32%**

42.2 Categories of Financial Instruments

(₹ in Lakhs)

Financial Instruments by Category	As at March 31st, 2023		
	FVTPL	FVTOCI	Amortised Cost
Financial assets			
Investment in Unquoted Equity & Debt Instrument	100.00	78.43	
Loans	-	-	78.77
Other Financial Assets	-	-	886.75
Trade Receivable	-	-	32,993.53
Cash and bank balances	-	-	113.68
Other Bank Balances	-	-	1,234.72
Total Financial Assets	**100.00**	**78.43**	**35,307.45**
Financial Liabilities			
Borrowings	-	-	31,703.45
Lease Liabilities	-	-	1,588.12
Other Financial Liabilities	-	-	1,871.50
Trade Payable	-	-	16,626.87
Total Financial Liabilities	**-**	**-**	**51,789.94**

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value	As at March 31st, 2024		
	Level		
	I	II	III
Financial assets			
Recurring fair value measurement			
Investments	-	-	-
Total Financial assets	**-**	**-**	**-**

Level 1- Level 1 Hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have declared buyback NAV. The mutual funds are valued using the closing NAV.

Level 2 -The fair value of financial instruments that are not traded in an active market (like Mark to Market Derivative) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

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

42.3 Financial Risk Management

Group has exposure to following risks arising from financial instruments:
- Credit Risk
- Liquidity Risk
- Market Risk
- Currency Risk
- Commodity Risk

Group board of directors has overall responsibility for the establishment and oversight of the Group risk management framework. Management is responsible for developing and monitoring the Group risk management policies, under the guidance of the Audit Committee.

Group risk management policies are established to identify and analyse the risks faced by it, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. Group through its training and procedures aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Group Audit committee oversees how management monitors compliance with the Group risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee.

42.3.1 Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. Before accepting any new customer, the company evaluates the credit worthiness of the potentional customers based on past history and other external inquiries as deemed appropriate. The Group also obtains the necessary KYC documents from all the customer for assessing the credit quality and defines the credit limits accordingly. Limits and scoring attributed to customers are reviewed once a year.

Customer credit risk is managed by each business unit subject to the Group established policy, procedures and control relating to customer credit risk management. Trade receivables, which are no interest bearing, are mainly from stockists, distributors and customers and are generally on 30 days to 180 days credit. To manage the credit risk from trade receivables, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

As at March 31st, 2024, Group had 10 customers, that owed the company more than ₹15,924.78 lakhs and accounted for approximately - 48.27 % of the total outstanding as at March 31st, 2024.

Exposure to the Credit risks

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	
Trade Receivables	32,993.53
Gross Carrying Amount	33,552.12
Average Expected Loss Rate	1.66%
Carrying Amount of Trade Receivables (net of impairment)	32,993.53

42.3.2 Liquidity risk management

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

42.3.2.1 Exposure to liquidity risk

The following tables detail the Group remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

(₹ in Lakhs)

	Less than 1 year	1to 3 years	3 to 5 years	> 5 years	Total
March 31st, 2024					
Non Derivative					
Borrowings	16,307.14	5,010.76	5,003.25	5,382.30	31,703.45
Lease Liabilities	432.61	1,155.51	-	-	1,588.12
Other Financial Liabilities	1,374.14	-	-	497.36	1,871.50
Trade payable	16,626.87	-	-	-	16,626.87
	34,740.76	**6,166.27**	**5,003.25**	**5,879.66**	**51,789.94**

42.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currencies.

42.4.1 Interest Rate Risk Management

The Group is exposed to interest rate risk because it borrows funds from banks and institutions at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(₹ in Lakhs)

Particulars	As at March 31st, 2024
Borrowings bearing fixed rate of interest	39.87
Borrowings bearing variable rate of interest	31,663.58
	31,703.45

42.4.1.1 Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the company's (Contracted Interest Rate on all the borrowing) profit for the year ended March 31, 2024 would decrease/increase by ₹ 288.06 Lakhs. This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings

42.4.2 Currency risk

The Group is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Group functional currency; hence exposures to exchange rate fluctuations arise. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Group foreign exchange risk arises from foreign currency revenues and expenses, (primarily in US Dollars, Euros and GBP). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table analyses foreign currency risk as at the year end that have not been mitigated by a derivative instrument or otherwise are as below:

(in Lakhs)

Particulars	As at 'March 31st, 2024			
	USD	**EURO**	**GBP**	**AUS $**
Financial Assets				
Trade Receivable	37.58	9.02	-	-
Other Receivable	2.22	6.01	0.04	0.07
	39.80	**15.03**	**0.04**	**0.07**
Financial Liabilities				
Trade Payable	55.70	-	-	-
Other Payable	3.90	0.59	-	-
	59.60	**0.59**	**-**	**-**
Net Assets/(Liabilities)	**(19.80)**	**14.44**	**0.04**	**0.07**

42.4.2.1 Foreign Currency Rate Sensitivity Analysis

The table below gives the effect of every 5% strengthening / weakening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities, which would increase / (decrease) the Group profit and the Company's equity as at the years ended March 31st, 2024.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(in Lakhs)

Particulars	Change in currency exchange rate	As at March 31st, 2024
US Dollar (USD)	5% / (5%)	(83.15)/83.15
EURO	5% / (5%)	66.43/(66.43)
GBP	5% / (5%)	(0.22)/0.22
AUS $	5% / (5%)	(0.18)/0.18

42.5 Commodity Rate Risk

Exposure to market risk with respect to commodity prices primarily arises from the Group purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31st, 2024, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

42.6 Fair value measurements

The investment of the company are not readily marketable. Further the company has invested in the securities for the purpose of obtaining the credit facilities. Thus in this case the cost of the security represents the fair value.

Except as stated above the carrying amount of all other financial assets approximate their fair values as indicated below:

(₹ in Lakhs)

Particulars	As at March 31st, 2024
	Fair value
Financial Assets	
Financial Assets at Amortised Cost:	**35,307.45**
Trade Receivables	32,993.53
Cash and Cash Equivalent	113.68
Other Bank Balances	1,234.72
Loans - Non-Current	41.44
Other Finacial Assets	886.75
Loans - Current	37.33
Financial Liabilities	
Financial Liabilities held at Amortised Cost:	**51,789.94**
Long Term Borrowings	15,396.31
Lease Liability	1,588.12
Short Term Borrowings	16,307.14
Trade Payables	16,626.87
Other Financial Liabilities- Non Current	497.36
Other Financial Liabilities- Current	1,374.14

Note 43. Commitments For Expenditure

(₹ in Lakhs)

Particular	As at March 31st, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	517.98

Note 44. Contingent Liabilities

44.1 Disputed Liabilities on account of Sales Tax, Excise Duty and Income Tax as at

(₹ in Lakhs)

Particular	As at March 31st, 2024
Sales Tax	52.74
Excise Duty	158.58

44.2 Guarantees Executed

(₹ in Lakhs)

Particular	As at March 31st, 2024
Letter of Credit	148.68
Bank Gurantee	302.43

Note 45. Payments to Statutory Auditors (excluding GST)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
As Auditors	
For audit	30.00
In other Capacity	
Certification Work & Other Capacity	10.84
	40.84

Note 46. Research and Development Expenditure

A unit of the Company has been recognised by Department of Scientific and Industrial Research (DSIR) as in-house research and development unit. The amount of capital and revenue are as below :

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
Amount in respect to Capital Expenditure	124.84
Revenue Expenditure	541.25
	666.09

Note 47 Analytical Ratios

(₹ in Lakhs)

		For the Year Ended March 31st, 2024
(I)	Current Ratio (Total current assets/Total current liabilities)	1.61
(ii)	Debt-Equity Ratio (Total Debt/Total Equity)	0.60
(iii)	Debt Service Coverage Ratio (Profit Before Interest & Tax/Debt Service)	3.60
(iv)	Inventory Turnover Ratio (Sale of Products/Average Inventory)	4.01
(v)	Trade Receivables Turnover Ratio (Revenue from Operation/Average Trade Receivable)	3.01
(vi)	Trade Payables Turnover Ratio (Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods)/Average Trade Payable)	2.68
(vii)	Net Capital Turnover Ratio (Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))	3.53
(viii)	Return on Equity (Profit for the Year/Total Equity)	16.17%
(ix)	Net Profit Ratio (Profit for the Year/Revenue from Operations)	10.68%
(x)	Return on Capital Employed (Profit before Tax and Finance Costs/Capital Employed (Net worth + Lease liability + Deferred tax Liability))	23.80%
(xi)	Return on Investment (Income Generated from Invested funds/Average Invested Funds)	0.02%

Note 48 **CSR Expenditure**

(₹ in Lakhs)

	Particulars	For the year ended March 31st, 2024
I	Amount required to be spent by the company during the year	194.09
ii	Amount of expenditure incurred	183.59
iii	Shortfall /(Excess) Amount at the beginningof the year	(87.42)
iv	Shortfall / (Excess) Amount at the end of the year	(76.92)
v	Total of previous years shortfall	-
vi	Reason for shortfall	NIL
vii	Nature of CSR activities	Donation to CSR Trust
viii	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL
ix	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NIL

Note 49 . Disclosure Of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Note 50. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended

Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Registration of Charges or Satisfaction with Registrar of Companies

(d) Relating to Borrowed funds:

i. Wilful Defaulter
ii. Utilisation of Borrowed Funds and Share Premium
iii. Discrepancy in Utilisation of Borrowings

(e) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

Note 51.

In the opinion of the management inventories of ₹20,048.21 Lakhs shown in Balance Sheet are good and do not include any slow moving, or dead stock. Due provision is made for the near expiry material and depletion in its value, if any. In the opinion of the management, all the current assets including inventories, loans and advances have a value on a realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

Note 52.

The Group has given security deposit of ₹ 350 Lakhs to Gufic Private Limited towards the use of its factory premises at Navsari for its manufacturing activities. Accordingly an amount of ₹ 350 Lakhs has been shown under the head Security deposit to related parties.

Group has also given Security Deposit to Gufic Chem Private Limited of ₹36 Lakhs towards supply of products at concessional rate to the company and the same has been show under the head Security deposit to related parties.

Note 53. Provision of anticipated Return of Goods subsequent to Sale:

Provision has been made towards probable return of goods from customers, as per Indian Accounting Standard (Ind AS) 37 estimated by management based on past trends.

Movements of Provisions (Current and Non-current)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2024
Provision for Right of Return	
Balances at the beginning of the year	1,008.22
Additional provision during the year	77.00
Reduction during the year	(103.00)
Balances at the close of the year	**982.22**
Less: Right to recover return goods	(371.64)
Net balance at closing of the year	**610.58**

Note 54

Declaration of Dividend

The Board of Directors at its meeting held on May 29th, 2024 has recommended a final dividend of ₹ 0.10 per equity share i.e., @ 10% on the face value of ₹ 1/- each, for the financial year 2023 - 24, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Note 55

The Group has incorporated Gufic UK Limited ("GUL") in United Kingdom on March 15, 2022, Gufic Ireland Limited ("GIL") in Ireland on March 02, 2023, Veira Life FZE ("VLF") in Dubai, UAE on March 25, 2024 and Gufic Prime Private Limited ("GPPL") in India on November 18, 2023, with the intention of making GUL, GIL and VLF its Wholly Owned Subsidiaries and GPPL as its Subsidiary Company. As of March 31, 2024, neither investment have been made in GIL, VLF and GPPL nor they have begun their business operations. Consequently, there was no need to consolidate the accounts of GIL, VLF and GPPL with the Group. Whereas, on September 13, 2023, the Group invested in GUL by subscribing to its shares. Consequently, the consolidated financial Statement of financial year ended March 31, 2024, have been prepared by the Group considering the financials of GUL.

Note 56

Authorisation of Financial Statements

The financial statements for the year ended March 31st, 2024 were approved by the Board of Directors on May 29th, 2024 and are subject to approval of the shareholders at the Annual General Meeting.

Note 57

"With effect from April 1, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for every company, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company used accounting software Tally Edit Log software to maintain its books of accounts from 1 April 2023 till 30 November 2023 and migrated into SAP software w.e.f. 1 December 2023. Both the software records the audit trail of each and every transaction created in books of account along with the date when such changes were made.

With a view to address the above challenges while ensuring compliance with the MCA notification and mitigate the risks involved therein, the Company has appropriately designed and implemented alternate mitigating controls over direct change at database level."

Name of the Entity	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount in Lakhs	As % of consolidated profit or loss	Amount in Lakhs
A. Parent				
Gufic Biosciences Limited	100.00%	53,255.02	100.00%	8,573.17
B. Subsidiary				
a) Indian				
b) Foreign				
C). Step Down Subsidiary				
a) Indian				
I Gufic UK Limited	0.00%	1.04	0.00%	-
D. Minority Interests in all subsidiaries	0.00%	-	0.00%	-
E. Associates (Investments as per the equity method)				
a) Indian				
b) Foreign	-	-	-	-
F. Joint Ventures(as per proportionate consolidation /Investment as per the equity method)				
a) Indian				
b) Foreign	-	-	-	-

Note 59

Figures for the previous year have been rearranged/recompanyed as and when necessary in terms of current year's companying.

As per our Report of even date

For **Mittal Agarwal & Company**
Chartered Accountants
Registration No. 131025W

For and on behalf of the Board

Sd/-
Piyush Agarwal
Partner
M. No. 135505

Sd/-
Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

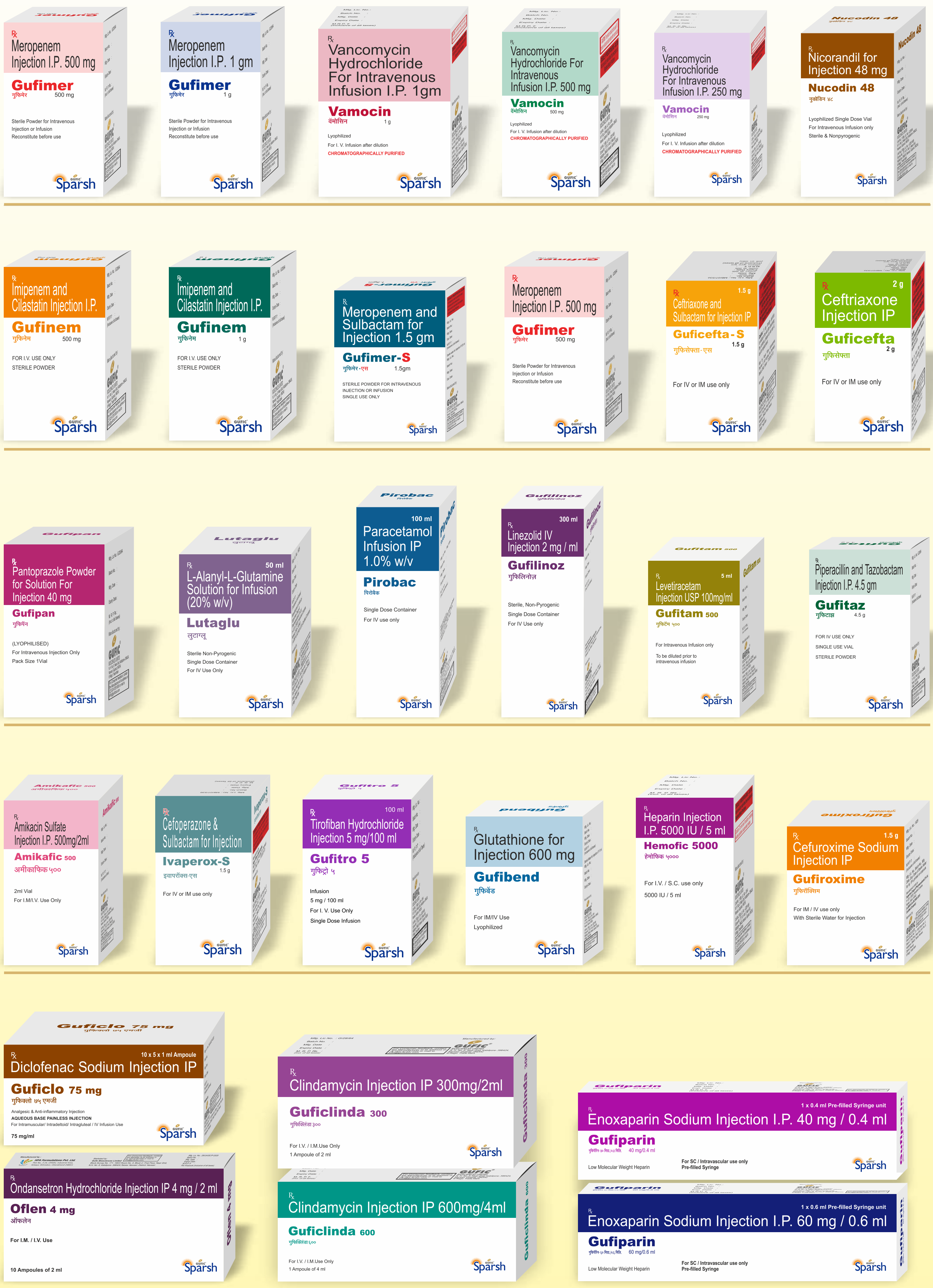
Place: Mumbai
Date - 29th May, 2024

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

GUFIC FertiCare
A Comprehensive Fertility Care
GUFIC FertiCare life
Helps creating life
GUFIC FertiMax
Pioneering Fertility Science
Thymosin Alpha 1 for Injection 1.6 mg & Sterile water for Injections I.P. 1ml Ampoule (Combipack)
Guficin α
Lyophilized
For Subcutaneous use only
1200 IU
Menotropin for Injection I.P. 1200 IU
Supergraf 1200 IU
Menotropin for Injection I.P. 75 IU
Supergraf 75 IU
Menotropin for Injection I.P. 150 IU
Supergraf 150 IU
1200 IU
Menotropin Injection 1200 IU/4 ml
Puregraf JUMBO 1200 IU
4ml Multidose Vial
Highly Purified
600 IU
Menotropin Injection 600 IU/2 ml
Puregraf XXL 600 IU
2ml Multidose Vial
Highly Purified
Sildenafil Citrate Orally Disintegrated Strip 25 mg
Endosure
4 x 1 Strip
Leuprolide Acetate for Injection (Depot) 3.75 mg
LUPROCARE Depot
Urofollitropin for Injection B.P. 75 IU
Qualifol 75 IU
Urofollitropin for Injection B.P. 150 IU
Qualifol 150 IU
Menotropin for Injection IP 75 IU
Puregraf 75 IU
S.C./I.M. use only
Combi-Pack
Menotropin for Injection IP 150 IU
Puregraf 150 IU
S.C./I.M. use only
Combi-Pack
Cetrorelix Acetate for Injection 0.25mg
Cetrocare 0.25 mg
Lyophilized • For Subcutaneous use only
Chorionic Gonadotrophin Injection 5000 IU
Puretrig AQ
5000 IU/1mL
S.C./I.M. use only
Highly Purified
Myo-Inositol, D-Chiro-Inositol, L-Methyl Folate, Vitamin D3 & Chewable Tablets
Myritol 40:1
1 x 10 Tablets
Co Enzyme Q 10, L-Carnitine, Astaxanthin, Lycopene, Selenium, Zinc & Piperine Soft Gelatin Capsules
Qutacare-M
10 x 10 Softgels
Chorionic Gonadotrophin Injection IP 5000 IU
Puretrig 5000 IU
S.C./I.M. use only
Combi-Pack
Progesterone Soft Gelatin Capsules 200 mg
Gufigest SR Cap 200 mg
Progesterone Soft Gelatin Capsules 400 mg
Gufigest SR Cap 400 mg
Natural Micronized Progesterone Sustained Release Tablets 400 mg
Gufigest SR Tab 400 mg
Natural Micronized Progesterone Sustained Release Tablets 200 mg
Gufigest SR Tab 200 mg
Progesterone Injection
Gufigest Aqua
Progesterone Gel 8.0% w/w
Gufigest GEL
Enoxaparin Injection IP 300mg/3mL
LOMOCARE-PEN
To be used for LOMOCARE Cartridge only
Low Molecular Weight Heparin Enoxaparin Sodium Injection IP
LOMOCARE 60 mg/0.6 ml
For Subcutaneous or Intravascular use
Pre-filled Syringe unit
17-β Estradiol 2 mg Tablets
28 Tablets
Estofert 17-β
Urofollitropin Injection 150 IU/0.5 ml
(Follicle Stimulating Hormone Injection)
Qualifol 150 IU PFS
FSH 150 IU
Highly Purified / For SC/IM Injection only
Single use only
Pre-Filled Syringe
Cetrorelix Acetate Injection 0.25mg/ 0.5ml
(Cetrorelix Acetate Injection)
Cetrofirst 0.25 mg PFS
For SC use only
Single use only
Pre-Filled Syringe
Progesterone Gel 8.0% w/w
Gestobond Gel
Menotropin Injection 150 IU/0.5 ml
(Human Menopausal Gonadotropin Injection)
Puregraf 150 IU PFS
HMG 150 IU
Highly Purified / For SC/IM Injection only
Pre-Filled Syringe
Menotropin Injection 225 IU/0.75 mL
(Human Menopausal Gonadotropin Injection)
Puregraf 225 IU PFS
HMG 225 IU
Pre-Filled Syringe
Menotropin Injection 300 IU/1.0 mL
(Human Menopausal Gonadotropin Injection)
Puregraf 300 IU PFS
HMG 300 IU
Pre-Filled Syringe

SPARSH DIVISION PRODUCTS



AESTHADERM DIVISION PRODUCTS

Dynamic Wrinkles

Stunnox

Botulinum Toxin Type A 50 & 100 IU Inj

For Stunning Looks

Anti-Aging Formula

Revanox
Serum

Revanox
Face Wash

Revanox
Cream

The Next Generation Anti-Aging Formula

Emollient

Moiseta
Moisturizer

Moiseta
Face wash

Revitalizes Dry & Dull Skin

Hyperpigmentation

G-Lite
Kojic Acid Based Formula

Bring Back The Glow

Prevent UV damage

XtraSun-P
Sunscreen

INVISIBLE SKIN DEFENCE SYSTEM

Prevent Photo & Pollution damage

XtraSun-AP
Anti-Pollution Sunscreen

2% EXO-P + Salisol 3+ Octocrylene + Uvinal A Plus + Z Cote + Biophilic HMB

Complete Skin Defence System

Local Anaesthetic

Prosil
Pre Procedural Cream

Lidocaine 2.5% / Prilocaine 2.5%

Fast & Long Lasting Pain Relief

Post procedure

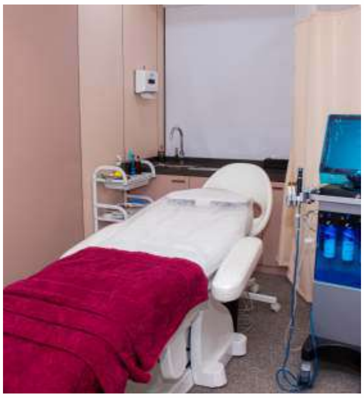
PPS
GEL

β-glucan-2% + Tazman pepper AF 2% + Superox-C AF -2%

Recover and Rejuvenates

ARISIA

The Aura of Eternal Beauty & Youth



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- Teicoplanin for Inj. 200mg, 400mg
- Biapenem for Inj. 300mg
- Doripenem for Inj. 500mg
- Fosfomycin for Inj. 4000mg
- Imipenem + Cilastatin for Inj 125mg, 250mg, 500mg, 1000mg

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- Ensures accuracy of dose
- Ease of handling
- Avoids dilution error

GUFIC BIOSCIENCES LIMITED

CIN: L24100MH1984PLC033519

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Corp. Office: SM House, 11 Sahakar road, Vile Parle (East), Mumbai - 400 057 Maharashtra, (INDIA)
Tel.: (91-22) 6726 1000 Fax : (91-22) 6726 1068 • Email : info@guficbio.com • www.gufic.com

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting (AGM) of the Members of Gufic Biosciences Limited will be held on Wednesday, September 25, 2024 at 3:30 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2024 together with Reports of the Board of Directors and Auditors' thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2024 including Auditors' Report thereon.

2. To declare a Final Dividend @ 10% i.e., Re. 0.10/- per equity share of the face value of Re. 1/- each for the Financial Year ended March 31, 2024.

3. To appoint a director in place of Mr. Pankaj J. Gandhi (DIN: 00001858), who retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. RATIFICATION OF REMUNERATION PAYABLE TO M/S. KALE & ASSOCIATES (FRN: 001819), COST AUDITORS FOR THE FINANCIAL YEAR 2024-25

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

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹1,20,000/- per annum plus applicable taxes and reimbursement of actual travel and out of pocket expenses incurred in connection with the audit, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, for M/s. Kale & Associates (FRN: 001819), Cost Accountants, Mumbai, who was appointed as Cost Auditors of the Company by the Board of Directors for conducting audit of the cost records of the Company for the Financial Year ending March 31, 2025, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable and expedient to give effect to the said resolution."

5. APPOINTMENT OF MR. KAMAL KISHORE SETH (DIN: 00194986) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), and pursuant to the recommendation of the Nomination And Remuneration Committee and approval of the Board of Directors, Mr. Kamal Kishore Seth (DIN 00194986), who was appointed as an Additional Director (Non-Executive Independent Director) of the Company with effect from June 27, 2024 in terms of Section 161(1) of the Act and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting and in respect of whom a notice have been received in writing under Section 160 (1) of the Act from a member, proposing his candidature for the office of Director, and who is eligible for appointment as a Non Executive Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the term of five consecutive years, commencing from June 27, 2024 to June 26, 2029 (both days inclusive).

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) and all other applicable provisions of the Listing Regulations as amended from time to time, the Act and Rules framed thereunder and such other applicable laws, rules, regulations, guidelines ("other applicable laws") (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force), the Company do hereby approve continuation of the directorship of Mr. Kamal Kishore Seth (DIN 00194986), Independent Director of the Company till June 26, 2029, who has attained the age of 75 (seventy five) years on May 12, 2020.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable and expedient to give effect to this resolution."

6. **RE-APPOINTMENT OF MR. JAYESH P. CHOKSI (DIN: 00001729) AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) read with Schedule V to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and Members of the Company be and is hereby accorded for re-appointment of Mr. Jayesh Pannalal Choksi (DIN: 00001729), whose tenure expires on March 31, 2025 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as Chairman & Managing Director of the Company, liable to retire by rotation, for a further period of five years commencing from 1st April, 2025 to 31st March, 2030 (both days inclusive) on the terms and conditions as mentioned below and specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment (s) and/or modification(s) thereof:

a. Salary: ₹49,00,000/- (Rupees Forty Nine Lakhs only) per annum, with increments, as may be decided by the Board of Directors from time to time.

b. Perquisites and allowances: In addition to the salary, Mr. Jayesh P. Choksi shall also be entitled to the perquisites and allowances like house rent allowance or rent free furnished/non-furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, club subscription, special allowance, use of company car exceeding cubic capacity of 1.6 litres along with chauffer, telephone at residence, insurance coverage for self and spouse and such other allowances, benefits, amenities and facilities, as amended from time to time and in accordance with the Company's policy and the Income-Tax Rules, 1962 and/or as may be decided by the Board from time to time;

c. Contribution to Provident Fund, Superannuation Fund, National Pension System, Gratuity as per rules of the Fund/ Scheme in force from time to time;

d. Grant of leaves and encashment of earned leave, as per the Company's policy;

e. Entitlement to the reimbursement of expenses incurred by him, in the course of legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, for the business of the Company;

f. His Office shall be liable to termination with 3 months' notice from either side except for certain unforeseen circumstances.

RESOLVED FURTHER THAT pursuant to Section 196(3) read with Part I of Schedule V and other applicable provisions, if any, of the Act & 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), approval of the Members of the Company be and is hereby accorded for the continuation of holding of office of Chairman & Managing Director by Mr. Jayesh P. Choksi (DIN: 00001729), who has attained the age of 70 (Seventy years) on March 29, 2024.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution".

7. **RE-APPOINTMENT OF MR. PRANAV J. CHOKSI (DIN: 00001731) AS WHOLE TIME DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof) read with Schedule V to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and Members of the Company be and is hereby accorded for re-appointment of Mr. Pranav Jayesh Choksi (DIN 00001731), whose tenure expires on March 31, 2025, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as Whole Time Director designated as "Whole Time Director & Chief Executive Officer", liable to retire by rotation, for a period of five years commencing from 01st April, 2025 to 31st March, 2030 (both days inclusive) on the terms and conditions as mentioned below and specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof:

a. Salary: ₹45,00,000/- (Rupees Forty Five Lakhs only) per annum, with increments as may be decided by the Board of Directors from time to time;

b. Perquisites and allowances: In addition to the salary, Mr. Pranav Choksi shall also be entitled to the perquisites and allowances like house rent allowance or rent free furnished/non-furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of company car exceeding cubic capacity of 1.6 litres along with Chauffer, telephone at residence, insurance coverage for self, spouse and children, such other allowances, benefits, amenities and facilities, as amended from time to time and in accordance with the Company's policy and the Income-Tax Rules, 1962 and/or as may be decided by the Board from time to time;

c. Contribution to Provident Fund, Superannuation Fund, National Pension System, Gratuity as per rules of the Fund/ Scheme in force from time to time;

d. Grant of leaves and encashment of earned leave, as per the Company's policy;

e. Entitlement to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company;

f. The Office shall be liable to termination with 3 months' notice from either side except for certain unforeseen circumstances.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to this resolution or otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

By order of the Board of Directors
of Gufic Biosciences Limited

Sd/-

Ami N. Shah
Company Secretary
Membership No. A39579

Place: Mumbai
Date: August 14, 2024

Regd. Office:
37, First Floor, Kamala Bhavan II,S. Nityanand Road,
Andheri (East), Mumbai – 400 069
CIN: L24100MH1984PLC033519

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), which sets out details relating to Special Business to be transacted at AGM, is annexed hereto. Further, information as required under Regulation 36(3) and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circulars issued thereunder and Secretarial Standard - II on General Meetings issued by The Institute of Company Secretaries of India ("ICSI") seeking appointment/re appointment at this AGM are also part of this Notice..
2. Pursuant to the General Circulars issued by Ministry of Corporate Affairs ("MCA") vide circular No. 9/2023 dated September 25, 2023, read together with Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021,December 14, 2021 and May 05, 2022 December 28, 2022 (collectively referred to as **"MCA Circulars"**) and Circular No. SEBI/HO/CFD/CFD PoD2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circular") issued by Securities and Exchange Board of India ("SEBI"), companies are permitted to send the annual reports to shareholders through email and to hold Annual General Meeting ("AGM"/ "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") without physical presence of the Members at a common venue. In compliance of the same, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. Since, this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice. However, in pursuance to Sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
4. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
5. The Members can join the AGM in the VC / OAVM mode 15 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first-come, first-served basis. This provision will not apply to 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.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, 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, National Securities Depository Limited (NSDL) has been appointed as the authorized agency to provide facility of casting votes by a member using remote e-Voting system prior to the AGM and e-voting during the AGM.
8. In line with the requisite MCA and SEBI Circulars, Notice of AGM along with the Annual Report for FY 2023-24 is being sent through electronic mode to those members whose email address is registered with the Company /Registrar and Share Transfer Agent (RTA) /Depository Participants/ Depositories. Members may note that the Notice and Annual Report for FY 2023-24 will also be available on the Company's website at www.gufic.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.
9. Institutional/Corporate Shareholders (i.e. other than individuals/HUF/NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Scrutinizer at its registered email address viz. scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.co.in, at least 48 hours before the commencement of the AGM.
10. The Register of Members and the Transfer Books in respect of the Equity Shares will remain closed from Thursday, September 19, 2024 to Wednesday, September 25, 2024 (both days inclusive) for the purpose of AGM & payment of final dividend for the year ended March 31, 2024, if approved by the Members.
11. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle an equity shareholder from attending the Meeting. However, any equity shareholder who has voted through remote e-voting prior to the Meeting cannot vote through e-voting during the Meeting. The equity shareholders attending the Meeting through VC/ OAVM who have not cast their vote through remote e-voting prior to the Meeting shall

be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC/OAVM.

12. The Board of Directors at its Meeting held on May 29, 2024, recommended a Final Dividend @ 10% i.e. ₹ 0.10/- per equity share of face value of ₹ 1/- each of the Company for the financial year ended March 31, 2024 and the same if declared/ approved at the 40th AGM, will be paid, subject to deduction of tax at source, at prescribed rates on or after September 30, 2024 but before the expiry of statutory period of 30 days from the date of AGM, to the Company's members whose names stand in the Register of Members as beneficial owners at the close of business hours on September 18, 2024.

13. SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD1/P/CIR/2023/131 dated July 31, 2023, which was subsequently consolidated by the Master Circular No. SEBI/HO/OIAE/OIAE_IAD3/P/CIR/2023/195 (Updated as on December 28, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

    Pursuant to above-mentioned circular, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login.

14. In reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 dated June 08, 2023, issued by SEBI titled online processing of investor service requests and complaints by RTA. Members are requested to note that Link Intime India Private Limited, our Company's RTA has launched 'SWAYAM', a brand new Investor Self- Service Portal, designed exclusively for the Investors serviced by RTA.

    'SWAYAM' is a secure, user-friendly web based application, developed by our RTA that empowers shareholders to effortlessly access various services. We request you to get registered and have first hand experience of the portal.

    This application can be accessed at https://swayam.linkintime.co. which offers the following functionalities:

    - Effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM.
    - Features - A user-friendly GUI.
    - Track Corporate Actions like Dividend/Interest /Bonus/split.
    - PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.
    - Effortlessly Raise request for Unpaid Amounts.
    - Self-service portal - for securities held in demat mode and physical securities, whose folios are KYC compliant.
    - Statements - View entire holdings and status of corporate benefits.
    - Two-factor authentication (2FA) at Login - Enhances security for investors.

15. Members are requested to do following, if not done yet:

    - Provide / update details of their bank accounts indicating the name of the bank, branch, account number and the nine-digit MICR code and IFSC code (as appearing on the cheque) along with photocopy of the cheque / cancelled cheque, self- attested identity proof and address proof, for remittance of dividend through ECS / NEFT and prevent fraudulent encashment of dividend warrants.
    - Mandatory updation of PAN, KYC, nomination and bank details by Members.

    Members holding shares in physical form

    SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 01, 2024. Such payment shall be made only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. The relevant forms for updating the records are available on Company's website at http://gufic.com/media/investors/investor-communications/ and the duly filled forms to be submitted to the Company's RTA.

    Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

    Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at https://gufic.com/media/investors/investor-communications/ in case of holdings in physical form.

    Members holding shares in Dematerialised Form

    Relevant documents, as mentioned, needs to be submitted to Depository Participants.

    - SEBI vide its Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 , has mandated that securities shall be issued only in dematerialised form while processing duplicate/unclaimed suspense/ renewal/ exchange/endorsement/ sub division/ consolidation/transmission/ transposition service requests received from physical securities holders. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at http://gufic.com/media/investors/investor-communications/. Members can contact the Company or its RTA for assistance in this regard.

- Pursuant to the provisions of Section 72 of the Act, 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. The said forms can be downloaded from the Company's website http://gufic.com/media/investors/investor-communications/. Members are requested to submit the said details to their Depository Participant (DP) in case the shares are held by them in dematerialized form and to Link Intime India Private Limited, RTA of the Company in case the shares are held in physical form.

16. Members holding shares in physical form, in identical order of names & in multiple folios are requested to send to the Company or RTA, details of such folios along with the share certificate for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

17. Pursuant to Notification No. SEBI/LAD NRO/GN /2018/24 dated June 8, 2018 and Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018 issued by SEBI, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.

18. Non Resident Indian (NRI) Members are requested to inform the RTA immediately about:

    - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier and
    - Change in their residential status and address in India on their return to India for permanent settlement.

19. As mandated under relevant regulations/directives, in case of non-updation of PAN or choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend /interest etc. shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety to Registrar and Share Transfer Agent. In respect of shares held in demat mode, bank particulars registered against respective depository accounts will be used by the Company for payment of dividend through ECS/NEFT. Please note that the Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be informed only to the DP of the Members.

20. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February, 2019 that a person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholder is holding shares in the Company on behalf of other or fulfilling the criteria, he/she is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.

21. In terms of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any dividend remaining unpaid for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Accordingly, unpaid / unclaimed dividends till FY 2015-16 have been transferred to IEPF. Further, the unpaid dividend for the year 2016-17 shall be transferred to IEPF within the stipulated time frame in the current financial year, as stated in the Act. Members who have not encashed their dividend warrants are requested to write to the RTA. Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unclaimed/ unpaid dividend account shall also be transferred to IEPF Authority. In view of this, the Company hereby request those members, whose dividends for financial years from 2016-17 if remaining unclaimed / unpaid, to claim the said dividend amount before transfer thereof to IEPF. The details of unclaimed and unpaid dividend is displayed on the website of the Company a http://gufic.com/media/investors/unclaimed_shares/gufic-iepf/unclaimed-and-unpaid-dividend/

22. Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the unclaimed dividend of ₹ 43,042/- pertaining to the dividend for the financial year ending March 31, 2016 and 5344 unclaimed shares were transferred to IEPF during the Financial Year 2023-24.

The Company had sent individual communication to the concerned shareholders to claim their dividend in order to avoid transfer of dividends/ shares to IEPF Authority. The Company has initiated the process of transfer of shares on which dividend has not been claimed for seven consecutive years since FY 2016-17 and the same will be transferred on due date. Members who have not claimed dividend since FY 2016-17 are requested to claim the same before the dividend and the underlying shares gets transferred to IEPF account. Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in web Form No. IEPF - 5 available on www.iepf.gov.in

23. Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 25, 2024. Members seeking to inspect such documents can send an email to assistantlegal@guficbio.com / corporaterelations@guficbio.com.

24. To support the green initiative and pursuant to MCA and SEBI Circulars, only electronic copy of the Annual Report for the year ended March 31, 2024 and notice of the 40th AGM are being sent to the members whose names appear on the Register of Members / List of Beneficial Owners as received from RTA and whose email address are available with the RTA/ DP(s). Physical copy of the report is not sent to any of the shareholder. Annual Report and the notice of the 40th AGM are also posted on the website of the Company at www.gufic.com for download.

    The notice can also be accessed from the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

    The AGM Notice is also disseminated on the website of National Securities Depository Limited ("NSDL") (agency for providing the remote e-voting facility and e voting system during the AGM) at www.evoting.nsdl.com.

    In case any Member is desirous of obtaining hard copy of the Annual Report for the Financial Year 2024 and Notice of the 40th AGM of the Company, may send request to the Company's e-mail address at corporaterelations@guficbio.com mentioning Folio No./DP ID and Client ID.

25. To disseminate all the communication promptly, members who have not registered their email IDs so far, are requested to register the same with DP / RTA for receiving all the communications including Annual Reports, Notices etc. electronically.

26. Voting through electronic means

    i. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of Listing Regulations, the Company is pleased to provide members facility of remote e-voting to its Members through e-Voting agency NSDL.

    ii. The remote e-voting period commences on Sunday, September 22, 2024 (9:00 a.m.) and ends on Tuesday, September 24, 2024 (5:00 p.m.). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 18, 2024, may cast their vote by remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    iii. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page, click on the "**Beneficial Owner"** icon under **"Login"** which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are 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 held 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
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 users to login Easi /Easiest are requested to visit CDSL website at www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, 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 CDSL website at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 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 e-voting is in progress and also able to directly access the system of all e Voting Service Providers.
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. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
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.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no 1800 21 09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your login credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4 Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
For Members who hold shares in demat account. with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/ Password**?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022-4886 7000 or send a request to Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to: assistantlegal@guficbio.com /corporaterelations@guficbio.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to assistantlegal@guficbio.com / corporaterelations@guficbio.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1(A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 & Depository Participants. Share holders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. 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.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **"Access to NSDL e-voting system".** After successful login, you can see link of "VC/ OAVM " placed under **"Join Meeting"** menu against company name. You are requested to click on VC / OAVM link under Join Meeting menu. The linkfor VC/ OAVM will be available in shareholder/members login where the EVEN of the Company will be displayed.

Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ ask questions during the 40th AGM may register themselves as speaker by sending their request, mentioning their name, demat account number/folio number, email id, mobile number at assistantlegal@guficbio.com / corporaterelations@guficbio.com on or before September 18, 2024. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries, mentioning their name, demat account number /folio number, email id, mobile number, to the aforementioned email ids. The Company will suitably reply to these queries by email.

6. Shareholders, who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number / folio number, email id, mobile number at assistantlegal@guficbio.com / corporaterelations@guficbio.com. The same will be replied by the company suitably.

OTHER INSTRUCTIONS:

i. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

ii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 18, 2024.

iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 18, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at 022-4886 7000

iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.

v. M/s. Manish Ghia & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

vi. The Chairman shall at the end of discussion on the resolutions on which voting is to be held at the AGM, allow voting with the assistance of scrutinizer, by use of e-voting facility available during the AGM for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

vii. The Scrutinizer shall after the conclusion of e-voting at the general meeting, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-voting) in the presence of at least two witnesses not in the employment of the Company and shall submit a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results within the time stipulated under the applicable laws.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.gufic.com and on the website of NSDL at www.evoting.nsdl.com simultaneously after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed viz. BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

ITEM NO. 4:

The Board of Directors of the Company at its meeting held on May 29, 2024, upon the recommendation of the Audit Committee, approved the appointment of M/s. Kale & Associates, Cost Accountants (FRN: 001819), as the Cost Auditors of the Company for conducting the audit of the cost records maintained by the Company for the financial year ending March 31, 2025, at a remuneration of ₹1,20,000 (Rupees One Lakh And Twenty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit.

The overall remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2025 is commensurate with the scope of the audit to be carried out by the Cost Auditors and is in line with the guidelines issued by the Institute of Cost Accountants of India.

M/s. Kale & Associates, Cost Accountants, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959.

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending March 31, 2025.

The Board recommends resolution no. 4 for approval of members by way of Ordinary Resolution.

None of the Directors /Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 4 of the Notice.

ITEM NO. 5:

Mr. Kamal Kishore Seth (DIN 00194986), was appointed as an Additional Director of the Company, under the category of Non-Executive Independent Director with effect from June 27, 2024 , pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company. Mr. Kamal Seth shall hold office upto the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from June 27, 2024 to June 26, 2029 (both days inclusive).

The Company has also received declaration from Mr. Kamal Seth confirming that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and as per Listing Regulations. Further, Mr. Kamal Seth has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has also received notice pursuant to Section 160 of the Act from a member of the Company proposing the candidature of Mr. Kamal Seth for appointment as an Independent Director.

A brief profile of Mr. Kamal Seth is mentioned hereunder:

Mr. Seth, aged 79 years, is a Commerce and Law Graduate. He is a Fellow Member of the Institute of Chartered Accountants of India. He is also a qualified Company Secretary from The Institute of Company Secretaries of India. He holds diploma in Managerial Accounting and Tax Management from The Jamnalal Bajaj Institute of Management Studies, Mumbai.

Mr. Seth has over four decades of working experience in several multi-national companies like Wyeth Pharmaceuticals, Hindustan Unilever Ltd., Reliance Industries Ltd. and Reliance Infrastructure Ltd. in leadership positions in the functional areas of Finance, Planning, Commercial, Marketing, Risk Management, Business Management, Investment and General Management with profit center responsibilities in multiple sectors including Drugs and Pharmaceuticals, Cosmetics, FMCG, Fibre & Petrochemicals, Energy, Infrastructure and Real Estate.

Mr. Seth has travelled extensively and has a wide range of international exposure in dealing with Fortune 500 companies. He is a Director of the Indo-Vietnamese Chamber of Commerce & Industry, Ipca Foundation and Ipca Laboratories Limited.

Given his expertise, knowledge and experience, the Board is of the opinion that Mr. Seth possesses appropriate skills, expertise and competencies in areas such as financial management and accounting, Corporate Governance and Regulatory requirements, Strategic Planning, Industry knowledge, Risk Management, leadership skills, etc. which would be in the interest of the Company to avail his services as an Independent Director of the Company and his continuation on the Board of the Company as an Independent Director even after attaining the age of 75 years will be in the interest of the Company and he has given his consent to act as a Director of the Company.

Pursuant to the Regulation 17(1C) of the Listing Regulations, the approval of the members of the Company is required to be taken within a period of three months from date of his/her appointment or at the next general meeting, whichever is earlier.

Further, as per Regulation 17(1A) of the Listing Regulations, no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy-five) years unless it is approved by the members by passing a special resolution to that effect. Mr. Kamal Seth is of 79 years of age and hence continuation of Mr. Seth as an Independent Director requires the approval of members by way of a special resolution.

Copy of the draft letter for appointment of Mr. Kamal Kishore Seth as an Independent Director setting out terms and conditions of his appointment would be available for inspection without any fee by the members at the Corporate Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day except Saturday upto the date of AGM and are also placed on website of the Company at http://gufic.com/wp-content/uploads/2022/05/Terms%20and%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf

In the opinion of the Board, Mr. Seth fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Act and Regulation 17 of Listing Regulations, the appointment of Mr. Kamal Kishore Seth as an Independent Director is now being placed before the Members for their approval.

Accordingly, the Board recommends Special Resolution at Item No. 5 of this notice, in relation to the appointment of Mr. Kamal Kishore Seth as an Independent Director for a period of five consecutive years with effect from June 27, 2024 to June 26, 2029 for the approval by the members of the Company.

Except Mr. Kamal Kishore Seth, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

A brief profile of Mr. Kamal Seth and disclosure required under Regulation 36 of the SEBI Listing Regulations and the Secretarial Standard on General Meetings are provided as Annexure-I to the AGM Notice.

ITEM NO. 6:

The Members of the Company at its 35th AGM held on September 30, 2019 approved the re-appointment of Mr. Jayesh Pannalal Choksi (DIN: 00001729) as the Chairman & Managing Director of the Company for a period of five years commencing from April 01, 2020. Mr. Jayesh P. Choksi will complete his present term as the Chairman & Managing Director of the Company on March 31, 2025.

Further, the shareholder of the Company at its 39th AGM approved continuation of holding of office of Mr. Jayesh P. Choksi as Chairman & Managing Director, post attaining the age of 70 years i.e., with effect from March 29, 2024 on the same terms and conditions, as approved by the shareholders at its 35th AGM.

The Company has also received notice pursuant to Section 160 of the Act from a member of the Company proposing the candidature of Mr. Jayesh Choksi for appointment as Chairman & Managing Director.

A brief profile of Mr. Jayesh Choksi is mentioned hereunder:

Mr. Jayesh Pannalal Choksi, aged 70 years, is the Chairman & Managing Director of the Company, having more than forty-five years of experience in the pharma sector. With his vision and sheer dedication, he has ensured the growth and development of the business of the Company and has been the main contributory to it. Under his stewardship, the Company has seen great success and the Company expanded its business and entered into various divisions like Sparsh, Critical Care, Aesthaderm, Infertility, API manufacturing, Healthcare and Pharma verticals.

Mr. Jayesh P. Choksi satisfies all the conditions set out in Part I of Schedule V to the Act and also conditions set out under Section 196 of the Act for being eligible for his appointment. He is not disqualified from continuing as a Director in terms of Section 164 of the Act and has consented to continue as a Director of the Company. He is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority pursuant to BSE Circular No.LIST/COMP/14/2018-19 and NSE Circular No. NSE/CML/2018/24, both dated 20th June, 2018. The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. Jayesh P. Choksi in terms of section 190 of the Act.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience and on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 14, 2024 has approved re-appointment of Mr. Jayesh P. Choksi as the Chairman & Managing Director of the Company for a further term of five years effecting from April 01, 2025 to March 31, 2030 (both days inclusive) on the terms and conditions of re-appointment including payment of remuneration as stated in the resolution set out in Item No. 06. Further, the Company seeks consent of the members under the provisions of Section 196(3)(a) of the Act by way of special resolution for continuation of his holding the existing office, even though he attained the age of

70 years on the terms and conditions as stated in the resolution set out in item No. 06.

Relevant details relating to re-appointment of Mr. Jayesh Choksi, including his profile, as required under the Act, the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure- A" to this Notice.

The Board recommends the Resolution set out in Item No. 06 of this Notice for approval of the members as Special Resolution as per requirement of the Act.

None of the Director/key managerial personnel/ their relatives, except Mr. Jayesh P. Choksi to whom this resolution is related and his relative Mr. Pranav J. Choksi, are concerned or interested, financially or otherwise, in the special resolution set out in Item No.06 of the Notice.

ITEM NO. 7:

The Members of the Company at its 35th AGM held on September 30, 2019 approved the re-appointment of Mr. Pranav Jayesh Choksi (DIN: 00001731) as a Whole Time Director of the Company for a period of five years commencing from April 01, 2020. Mr. Pranav Choksi will complete his present term as the Director of the Company on March 31, 2025.

The Company has also received notice pursuant to Section 160 of the Act from a member of the Company proposing the candidature of Mr. Pranav Choksi, for appointment as an Whole Time Director.

A brief profile of Mr. Pranav Choksi is mentioned hereunder:

Mr. Pranav J. Choksi, aged 41 years, is a Bachelor in Pharmacy from the Institute of Chemical Technology, University of Mumbai and have done Masters in Biotechnology from The John Hopkins University, USA. He has specialization in Autologous Cancer Vaccines in the US.

He joined the Company in 2004 and has been instrumental in driving vital changes to take the Company on the international arena. This led to the Company being awarded EU GMP for its formulation business and US FDA for its API. He has been instrumental in various strategic growth initiatives, innovations including implementation of automated and other technology-enabled platforms. Under his leadership, the Company has showed sizeable growth in terms of revenue, profitability and other benchmarks.

Mr. Pranav J. Choksi satisfies all the conditions set out in Part I of Schedule V to the Act and also conditions set out under Section 196 of the Act for being eligible for his appointment. He is not disqualified from continuing as a Director in terms of Section 164 of the Act, and has consented to continue as a Director of the Company. He is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority pursuant to BSE Circular No. LIST/COMP/14/ 2018-19 and NSE Circular No. NSE/CML/2018/24, both dated 20th June, 2018. The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. Jayesh P. Choksi in terms of section 190 of the Act.

Considering the aforesaid contribution of Mr. Pranav J. Choksi towards the growth of the Company and on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 14, 2024 approved the re-appointment of Mr. Pranav J. Choksi as a Whole Time Director designated as "Whole Time Director and Chief Executive Officer" of the Company for a further term of five years effecting from April 01, 2025 to March 31, 2030 (both days inclusive) on the terms and conditions of re-appointment including payment of remuneration as stated in the resolution set out in Item No. 07.

Relevant details relating to Re-appointment of Mr. Pranav Choksi, including his profile, as required under the Act, the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure- A" to this Notice.

The Board recommends the Resolution set out in Item No. 07 of this Notice for approval of the members as Special Resolution as per requirement of Schedule V of the Act.

None of the Director/key managerial personnel/ their relatives, except Mr. Pranav J.Choksi to whom this resolution is related and his relative Mr. Jayesh P. Choksi, are concerned or interested, financially or otherwise, in the special resolution set out in Item No.07 of the Notice.

By order of the Board of Directors of
Gufic Biosciences Limited

Sd/-

Ami N. Shah
Company Secretary
Membership No. A39579

Place: Mumbai
Date: August 14, 2024

Annexure A

Details of the Directors seeking appointment/re-appointment at 40th Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Secretarial Standard 2 issued by the Institute of Company Secretaries of India

Name of Director	Mr. Pankaj Gandhi	Mr. Kamal Kishore Seth	Mr. Jayesh Choksi	Mr. Pranav Choksi
Relevant item no. of the Notice	Item No. 3	Item No. 5	Item No. 6	Item No. 7
DIN	00001858	00194986	00001729	00001731
Age (in years)	65	79	71	41
Qualification	Bachelor in Commerce	• Commerce and Law Graduate • Fellow Member of the Institute of Chartered Accountants of India • Company Secretary from the Institute of Company Secretaries of India • Diploma in Managerial Accounting & Tax Management from The Jamnalal Bajaj Institute of Management Studies, Mumbai.	Bachelors in Pharmacy	• Bachelors in pharmacy from the Institute of Chemical Technology, University of Mumbai • Masters in Biotechnology from The John Hopkins University, USA.
Date of first Appointment on the Board	August 01, 2013	June 27, 2024	August 31, 1999	June 25, 2004
Expertise in specific functional areas	Rich and vast experience in liasioning with Regulatory Authorities.	Commercial, Business Management, Marketing, Risk Management, Finance, Legal and General Management.	Rich and wide experience in the field of strategy, business development, corporate planning, manufacturing and general management.	Specialization in Autologous Cancer Vaccines in the USA and have wide and rich experience in business development, planning, manufacturing, leading domestic and international business.
Terms & Conditions of Appointment / Re-Appointment	Retire by rotation and being eligible, offers himself, for re-appointment as a Director	Appointment as an Independent Director for a term of five years commencing from June 27, 2024. (Refer resolution at Item No. 5 of the Notice read with explanatory statement thereto)	Re-appointment as Chairman & Managing Director for a term of five years commencing from April 01, 2025. (Refer resolution at Item No. 6 of the Notice read with explanatory statement thereto)	Re-appointment as Whole Time Director designated as "Whole Time Director & CEO" for a term of five years commencing from April 01, 2025. (Refer resolution at Item No. 7 of the Notice read with explanatory statement thereto)
Remuneration Sought to be Paid	Not Applicable	Sitting Fees*	As per the resolution at Item No. 6 of this Notice read with the explanatory statement thereto.	As per the resolution at Item No. 7 of this Notice read with the explanatory statement thereto.
Remuneration last drawn, for the financial year 2023-24	Refer Report on Corporate Governance	Not Applicable	Refer Report on Corporate Governance	Refer Report on Corporate Governance
Shareholding in the Company (As on the date of this report)	NIL	NIL	2,46,90,829 equity shares	72,68,626 equity shares
No. of Board Meetings attended during the year	Entitled to attend: 7 Attended : 7	Not Applicable	Entitled to attend: 7 Attended : 5	Entitled to attend: 7 Attended : 7

Name of Director	Mr. Pankaj Gandhi	Mr. Kamal Seth	Mr. Jayesh Choksi	Mr. Pranav Choksi
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	Mr. Jayesh P. Choksi is the father of Mr. Pranav J. Choksi who is Chief Executive Officer and Whole Time Director of the Company.	Mr. Pranav J. Choksi is the son of Mr. Jayesh P. Choksi who is Chairman & Managing Director of the Company.
Directorships in other Companies as on March 31, 2024	1. Gufic Chem Private Limited 2. Jal Private Limited 3. Gufic Private Limited 4. Gufic Prime Private Limited 5. Veira Life FZE	1. Ipca Laboratories Limited 2. Ipca Foundation 3. Indo-Vietnamese Chamber Of Commerce And Industry	1. Zire Realty Limited 2. Gufic Private Limited 3. Gufic Chem Private Limited 4. Jal Private Limited 5. Zircon Teconica Private Limited 6. Tricon Enterprises Private Limited 7. Gufic Prime Private Limited 8. Veira Life FZE	1.Gufic Chem Private Limited 2.Jal Private Limited 3.Gufic Private Limited 4.Zircon Teconica Private Limited 5.Gufic Prime Private Limited 6.Veira Life FZE
Membership / Chairmanship of committees of all public limited companies including Gufic Biosciences Limited as on March 31, 2024	**Gufic Biosciences Limited** • Executive Committee - Member	**Ipca Laboratories Limited** • Audit Committee-Chairman • Stakeholders Relationship Committee – Chairman • Corporate Social Responsibility Committee – Chairman • Risk Management Committee – Chairman • Nomination & Remuneration Committee - Member	**Gufic Biosciences Limited** • Audit Committee - Member • Stakeholders Relationship Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Chairman • Executive Committee - Chairman	**Gufic Biosciences Limited** • Audit Committee - Member • Stakeholders Relationship Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Member • Executive Committee - Member
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL	NIL

**exclusive of travelling expenses*