

181/LG/SE/SEPT/2023/GBSL

September 6, 2023

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

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

Dear Sir/Madam,

Subject: Annual Report for the Financial Year 2022-2023 along with the Notice of 39th Annual General Meeting

This is to inform that the 39th Annual General Meeting ('AGM') of the Company is scheduled to be held on Friday, September 29, 2023 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 for the Financial Year 2022-23 along with Notice of the AGM.

The Annual Report and the Notice of 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: 2023.09.06
20:03:05 +05'30'

Ami Shah
Company Secretary
Membership No.: A39579

Encl.: As above

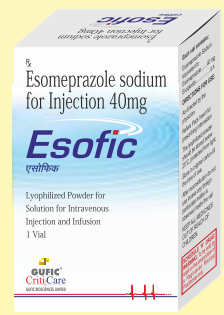
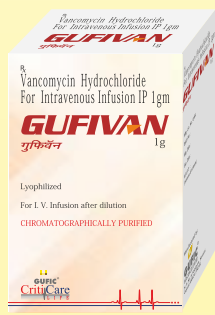
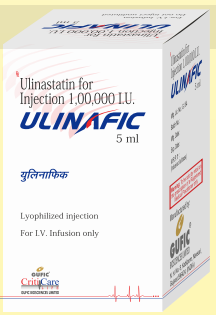
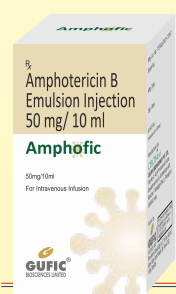
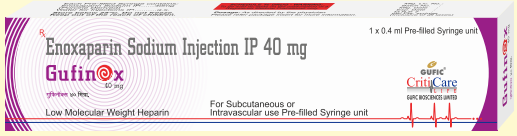
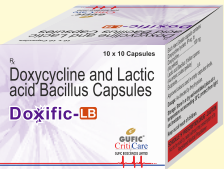
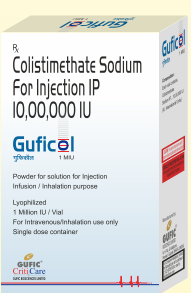
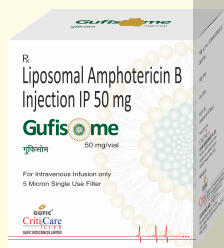
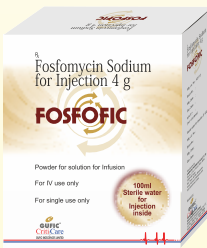
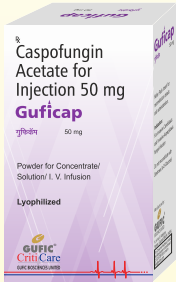
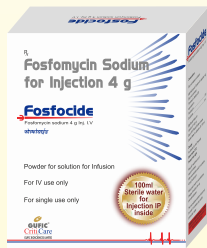
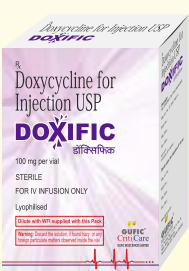
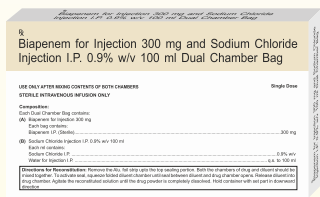
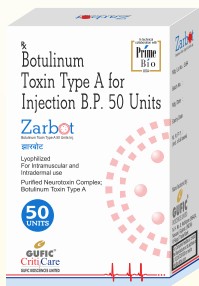


Global Health Care



39th Annual Report 2022-2023

GUFIC CRITI CARE / CRITI CARE LIFE DIVISION PRODUCTS



BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Mr. Devkinandan B. Roonghta

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Ami N. Shah

STATUTORY AUDITOR

Mittal Agarwal & Co

COST AUDITOR

Kale & Associates

SECRETARIAL AUDITOR

Manish Ghia & Associates

BANKERS

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

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
• CIN L24100MH1984PLC033519

CORPORATE OFFICE

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

REGISTRAR AND TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD.

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

39th Annual General Meeting

DAY & DATE

Friday, 29th September, 2023

TIME

03.30 P.M.

MODE

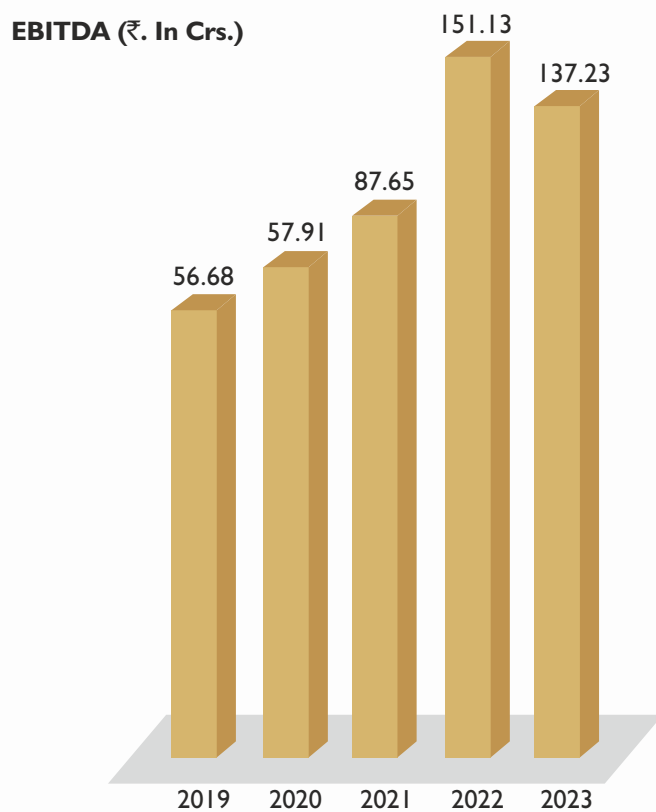
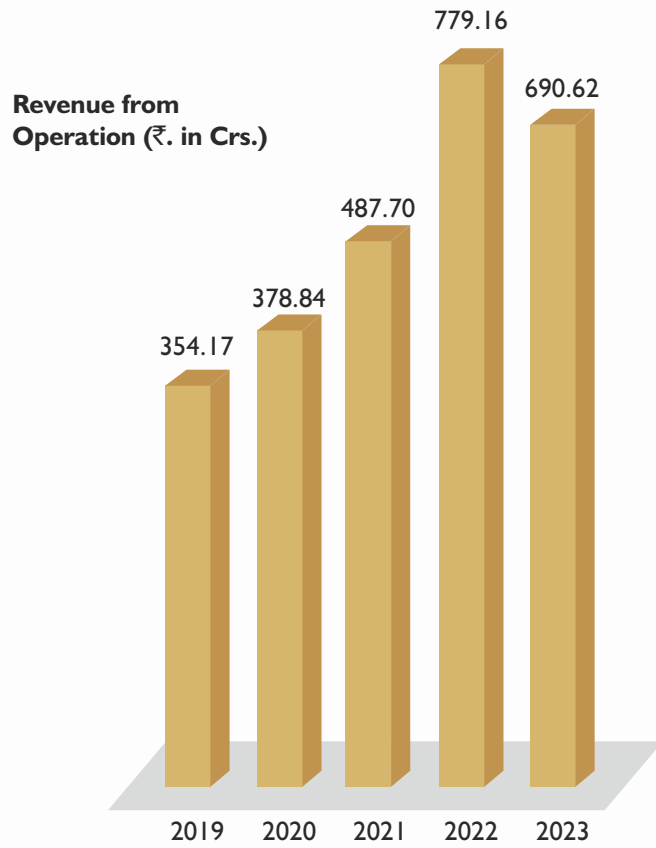
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FINANCIAL HIGHLIGHTS



CHAIRMAN'S MESSAGE

Dear Shareholders,



With great enthusiasm and commitment, I address you on behalf of Gufic, a pioneering force in the pharmaceutical landscape for over two decades. Our journey, which commenced with the noble aim of enhancing accessibility to affordable medications, continues to be steered by our resolute vision: "Empowering well-being through innovative and affordable healthcare for all". This vision, coupled with our fundamental purpose of "making advanced healthcare solutions accessible to everyone" serves as the bedrock of our existence.

As Gufic evolves and expands, our dedication remains focused on translating our vision and purpose into tangible actions that positively impact the world. By democratizing access to medicines, we endeavor to transform lives and make a meaningful difference. Our strides forward are fueled by a steadfast commitment to advancing the accessibility and affordability of medications, thus contributing to the global welfare.

The Indian pharmaceutical sector finds itself at a critical juncture, poised for innovation and transformation. With healthcare trends undergoing a profound shift, we are poised to participate in this transformation. According to the Economic Survey of 2022-23, the Indian pharmaceutical industry's growth trajectory points towards an expansion to approximately \$130 billion by the year 2030. In this remarkable landscape, our immediate and long-term strategies are meticulously aligned to optimize our presence within the burgeoning parenteral segment.

While we acknowledge the global landscape, our heart lies in nurturing our domestic roots. The Indian market remains a cornerstone of our endeavors. We continue to solidify our stance as a reliable partner, particularly in areas of critical care, infertility solutions, and mass-market offerings. Our domestic endeavors focus on cultivating a specialty portfolio of high-barrier products and novel dosage forms, thereby creating a shield against pricing pressures. This balanced approach, blending traditional generics with sophisticated offerings, fortifies our future trajectory. Anchored in Navsari, Gujarat, our state-of-the-art manufacturing facility is poised to catalyze growth through strategic contract manufacturing, bolstering the business's resilience.


Gufic stands tall as a trailblazer in lyophilization technology, shaping India's pharmaceutical landscape for over two decades. Our legacy of supplying sterile lyophilized IV injections to the Indian market underscores our commitment to quality and innovation at accessible prices. Over the past five years, our products have garnered acclaim in both regulated and semi-regulated markets, a testament to our core principles. To leverage this legacy and advance Gufic's vision of becoming a global leader in the parenteral domain, we've invested in a cutting-edge facility in Indore, Madhya Pradesh. This landmark facility positions us as a formidable lyophilization player on the global stage. Our immediate focus in research and development lies in diversifying our portfolio with complex offerings, thereby propelling our growth in the international injectables market.

Our diversified business model, spanning domestic branded generics, contract manufacturing, and international markets, positions Gufic as a robust player in specialized injectables. This blueprint primes us to capitalize on future prospects, including the vaccine platform, innovative aesthetic and neurological solutions, as well as novel immunotherapies for cancer treatment. This strategic roadmap cements our position as a forward-looking enterprise, committed to advancing healthcare on a global scale.

Our strategy is primed to foster growth, delivering not just financial gains, but also a continuous flow of critical medicines to those in need. Our portfolio continues to evolve, now encompassing pioneering parenteral products such as nanoparticles, liposomes, microspheres, suspensions, and emulsions.

In closing, I extend my heartfelt gratitude to our stakeholders, partners, customers, communities, employees and above all, our cherished shareholders. Your unwavering support has fueled our journey towards addressing the world's evolving healthcare needs with fervor and empathy. With humility, I thank each one of you for entrusting us with your faith and supporting us in our mission of creating value by serving the needs of patients around the world.

Yours faithfully,
For Gufic Biosciences Limited



Jayesh P. Choksi
Chairman & Managing Director

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 39th Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2023.

FINANCIAL SUMMARY AND HIGHLIGHTS

The Financial Statements of the Company for the year ended March 31, 2023 have been prepared in accordance with the Indian Accounting Standards (Ind AS), Section 133 and other applicable provisions of the Companies Act, 2013 ("Act") and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

The financial performance of the Company, for the financial year ended March 31, 2023 is summarized below: (₹ in Lakhs)

Particulars	2022-23	2021-22
Total Revenue from Operations	69,062.08	77,915.56
Other Income	257.39	310.42
Total Income	69,319.47	78,225.98
Profit / (Loss) before Depreciation & Amortization, Finance Cost, exceptional item & tax	13,722.52	15,113.30
(Less): Depreciation and Amortization expense	2,228.10	1,892.89
(Less): Finance Costs	822.33	536.58
Profit / (Loss) before Exceptional items and Tax	10,672.09	12,683.83
Add / (Less): Exceptional item	-	-
Profit / (Loss) before tax	10,672.09	12,683.83
(Less): Tax Expense: Current Tax	2821.00	3215.00
Deferred Tax	(119.39)	(115.18)
Profit / Loss for the year (1)	7,970.48	9,584.01
Other Comprehensive Income / (Loss) (2)	(0.53)	(44.06)
Total Comprehensive Income (1+2)	7,969.95	9,539.95

FINANCIAL PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS

The Company's total revenue from operations stood at ₹ 69,062.08 lakhs in the financial year 2022-23, thereby showing a decline as compared to ₹ 77,915.56 lakhs in the previous financial year 2021-22. The Profit before Interest, Tax, Depreciation & Amortization (EBITDA) was ₹ 13,722.52 lakhs in the year under review as compared to ₹ 15,113.30 lakhs in the financial year 2021-22. However, the EBITDA margin for the financial year 2022-23 showed an improvement of 19.9% as compared to 19.4% in the previous financial year.

During the year under review, the Company made significant progress in diversifying its revenue sources, with the domestic market contributing around 84.50% to the turnover, and exports accounting for around 15.50%, marking a substantial increase in the export market share, as compared to the financial year 2021-22 when exports contribution to turnover was accounted at 9.26%.

The Net Profit of the Company during the year under review was ₹ 7970.48 lakhs as compared to ₹ 9,584.01 lakhs in the previous financial year 2021-22. It's important to note that the financials of 2021-22 and 2022-23 are not directly comparable due to the significant impact of the COVID-19 portfolio in the financial year 2021-22.

The financial year 2022-2023 was a decent year for the Company in terms of financial performance. The Company's position in the market is strengthened by its relentless focus on innovation and strong R&D skills. Also, it consistently invests in upgrading its manufacturing and R&D capabilities to seize potential opportunities.

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 have recommended a final dividend of ₹ 0.10/- (10%) per equity share having face value of ₹ 1/- each fully paid-up of the Company for the financial year ended March 31, 2023. The payment of dividend is subject to the approval of members at the ensuing Annual General Meeting (“AGM”) and deduction of tax at source. Upon approval, the dividend will be paid to those members whose name will appear in the Register of Members as on the Book Closure date as mentioned in the Notice of AGM. The total dividend pay-out would amount to ₹ 96,94,450.60/-.

The recommended dividend is in accordance with the Company's Dividend Distribution Policy and the same is available on the website of the Company which can be accessed at

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

SHARE CAPITAL

During the period under review, there was no change in the Authorised, Issued, Subscribed and Paid up share capital of the Company. The Issued, Subscribed and Paid up share capital of the Company is ₹ 9,69,44,506/- divided into 9,69,44,506 Equity Shares of face value of ₹ 1/- each.

The Company have neither issued any 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, in the financial year ending March 31, 2023.

The Board of Directors at their meeting held on August 11, 2023, has approved “Gufic Biosciences Limited Employee Stock Option Plan - 2023” authorizing stock options not exceeding 500,000 (Five Lakh) convertible into equivalent number of equity shares to the eligible employees, in one or more tranches, subject to approval of shareholders at the ensuing AGM.

REGISTERED OFFICE

There was no change in the Registered Office of the Company during the Financial Year under review. The present address of the Registered Office is as follows:

37, First Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai - 400069, Maharashtra.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company has two foreign Wholly Owned Subsidiaries as on March 31, 2023. The details of which are mentioned hereinbelow:

- i) Gufic UK Limited (GUL) : GUL was incorporated on March 15, 2022 in the United Kingdom (UK) with the intent of expanding its business operations in UK.
- ii) Gufic Ireland Limited (GIL): GIL was incorporated on March 02, 2023 in Ireland with the intent of expanding its business operations all over Europe.

As on March 31, 2023, neither the Company have made any investment in GIL and GUL nor have GIL and GUL commenced any business operations. Hence, the Company has not prepared Consolidated Financial Statements of the Company and its foreign subsidiaries i.e. GIL and GUL for the financial year ending March 31, 2023.

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.

Accordingly, the statement containing salient features of financials of subsidiaries pursuant to Section 129 of the Act read with Rule 5 and 8(1) of the Companies (Accounts) Rules, 2014 in Form AOC- I, is not applicable to the Company.

Further, the Company's “Policy on Material Subsidiaries” can be accessed at http://gufic.com/wp-content/uploads/2022/07/Policy_on_Material_Subsiary.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment/ Re-appointment and Cessation:

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

- At the 38th AGM of the Company held on September 2, 2022, the shareholders approved the re-appointment of Dr. Rabi Sahoo (DIN: 01237464) as an Independent Director of the Company for the second term of two consecutive years with effect from June 29, 2022.
- At the 38th AGM of the Company held on September 2, 2022, the shareholders approved through Special Resolution, the continuation of directorship of Mr. Dilip Ghosh (DIN: 00412406) as a Whole Time Director of the Company upon attaining the age of 70 years on December 29, 2022, on the existing terms and conditions duly approved by the shareholders at its 37th AGM held on September 20, 2021.

Based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members in the ensuing AGM, the Board of Directors have approved the following appointment/re-appointment/continuation of directorship:

- Continuation of Directorship of Mr. Jayesh P. Choksi (DIN: 00001729) as Chairman & Managing Director upon attaining the age of 70 years i.e. on March 29, 2024 which require passing of special resolution, on the existing terms and conditions duly approved by the shareholders in the 35th AGM held on September 30, 2019.
- Continuation of Directorship of Mr. Gopal Daptari (DIN: 07660662) as an Independent Director upon attaining the age of 75 years i.e. on October 29, 2024, which require passing of special resolution, on the existing terms and conditions duly approved by the shareholders in the 35th AGM held on September 30, 2019.

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

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

Retirement 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. Pranav J. Choksi, Chief Executive Officer (CEO) and Whole Time Director and Dr. Balram Singh, Non-Executive Non-Independent Director of the Company will retire by rotation at the ensuing 39th AGM and being eligible, have offered themselves for re-appointment. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee (“NRC”) has recommended their appointment.

Key Managerial Personnel (“KMP”)

Pursuant to Section 203 of the Act, the Key Managerial Personnel (“KMP’s”) of the Company as on March 31, 2023 and 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. Dilip B. Ghosh, Whole Time Director, Mr. Devkinandan B. Roonghta, Chief Financial Officer and Ms. Ami N. Shah, Company Secretary & Compliance Officer.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have confirmed that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and provisions of SEBI Listing Regulations and also none of the Directors of the Company are disqualified under Section 164 of the Act. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed 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 judgement and without any external influence.

All the Independent Directors of the Company had 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.

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 interests 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 Corporate Governance Report 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 the Whole Time Director draws any remuneration or commission from the subsidiary company.

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, 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/2023/03/Familiarisation%20Programme.pdf>

Every newly appointed Independent Director undergoes a familiarization programme including visits to the manufacturing plant of the Company, interactive sessions with functional heads through which they can understand the objective of the

Company, its business, current progress, future prospects etc. Further, during the meeting of the Board, the Directors are provided with performance updates of the Company, industry scenario, business strategy, 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

<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 Nomination and Remuneration Committee (“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.

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

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met Seven (7) times during the year under review. Details of the meetings of the Board of Directors along with other details are provided in the Corporate Governance Report, 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

To effectively discharge the obligations and to comply with the statutory requirements, the Company has in place 5 (five) committees of the Board as on March 31, 2023 viz.:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Nomination & Remuneration Committee;
4. Risk Management Committee and
5. Stakeholders' Relationship Committee.

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report that forms part of this Annual Report. Further the Board of Directors, at their meeting held on May 29, 2023, has constituted Executive Committee for dealing with various urgent operational matters.

AUDIT COMMITTEE

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 Corporate Governance Report, 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 February 10, 2023. The details of the meeting held is included in the Corporate Governance Report, which forms part of this report.

CODE OF CONDUCT

The Company has laid down a Code of Conduct (“Code”) for the Board of Directors & Senior Management which places a strong emphasis on maintaining integrity in both workplace & business practices, promoting honest & ethical conduct, & fostering diversity & fairness, among other important principles. The Code of Conduct can be accessed at: <http://gufic.com/wp-content/uploads/2020/10/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 2022-23, as required under the provisions of SEBI Listing Regulations. A declaration to that effect duly signed by Mr. Pranav J. Choksi, Chief Executive Officer & Whole Time Director, pursuant to Regulation 17(5) read with Schedule V of the SEBI Listing Regulations forms part of this 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, 2023, 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 judgments 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, 2023 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. proper internal financial controls were in place and that the said financial controls were 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

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 Company is also in the process of implementing Systems, Applications and Products ("SAP") which will enhance and fortify its internal control mechanism. Serving as a powerful tool, SAP is set to bolster the Company's internal control systems, effectively mitigating risks associated with errors and fraud. Additionally, SAP ensures the Company's strict adherence to regulatory requirements, promoting a more secure and compliant operational environment.

The Company's Internal Control System process is reviewed by the Audit Committee periodically. The management duly considers and takes appropriate actions on the recommendations made by the Internal Auditors, Statutory Auditors and the Audit Committee.

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, 2023.

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, 2023, 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 seven years. Accordingly, during the year under review, unpaid or unclaimed dividend amounting to ₹ 47,707/- (Rupees Forty Seven Thousand Seven Hundred and Seven Only) was transferred by the Company to the IEPF.

In accordance with the IEPF Rules, 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, 30,173 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. 2023-24 to claim their dividend on or before September 30, 2023. Details of unclaimed dividends and shareholders whose shares are liable to be transferred to IEPF, are uploaded on the website of the Company i.e. www.gufic.com.

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.

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, 2023 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. 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 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>

The Annual Report on Corporate Social Responsibility ('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 A**” of this Report.

CONSERVATION OF ENERGY

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

- Installation and Investment in energy-efficient equipment's/machines and approaching towards utilization of Variable Frequency Drive (VFD) to enable power consumption control;
- Installation of motion sensors for lighting load optimisation;
- Have Energy Management System in place;
- Installation of Steam Strap on main stream line to improve quality of steam;
- Treated high salt content in waste water system;
- Transition from CFL lights to LED lights which enables energy efficiency;
- Implementing energy-efficient practices by ensuring power factor between 0.99 to 1.0;

- Increasing the set point temperature of the Air Handling Units (AHUs) with an aim to save energy by reducing the frequency of compressor operation;
- Setting-up water level controller systems which ensures conserving water and avoiding potential damage;
- Setting up timers on the streetlights located within the factory premises to enable automated control of lighting;
- Implemented a limit switch on the Air Curtain to cease constant energy consumption during its operation;
- Utilizing an Online Energy Monitoring System to track daily consumption, enabling analysis and reduction of excess power use by comparing it with production levels;
- Energy audit undertaken by an external agency at the factory premises situated at Navsari, Gujarat and actionable steps have been taken in accordance with the audit results.

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 as an alternative power sources which helps during power interruptions.

3. Capital investment on energy conservation equipment

During the year under review, the Company has not made any specific capital investment on energy conservation.

TECHNOLOGY ABSORPTION

(I) Efforts made towards technology absorption

- Updating and improving the processes and systems used for existing products;
- Developing and introducing new technologies for enhancing efficacy, bio-availability and the potency of the existing as well as new products;
- Developing and launching new drug delivery systems with a special focus on Lyophilized products;
- Development and launch of dermatological formulations for moisturisation, anti-pigmentation, anti-aging, sun protection products etc.;
- Strategic collaborations with other independent teams for introducing new products and technologies;
- Ensuring the quality of Research work by In-house Quality Assurance Team;
- Filed multiple Process Patents for many life - saving drug injections, Stability testing of the current as well as new products with a focus on quality and bio-availability;
- Development and scale-up of new formulations for existing and newer active drug substances using innovative and advanced processing equipment.

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

- Successfully launched 20 Generic products in the market in the financial year 2022-23;
- About 10 products are poised for commercialisation;
- About 22 New products are in projection and development of many products is already initiated;
- Development of new drug delivery systems and devices to improve patient benefit;
- 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 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	No	Product under stability
Super purified Menotropin	2021-22	No	Product under development

(IV) The expenditure incurred on Research and Development

₹ in Lakhs

Particulars	2022-23	2021-22
Capital Expenditure	214.17	264.49
Revenue Expenditure	515.59	442.86
Total	729.76	707.35

FOREIGN EXCHANGE EARNINGS AND OUT-GO

₹ in Lakhs

Particulars	2022-23	2021-22
Earnings in foreign currency	8603.22	7315.63
Out-go in foreign currency	27,156.19	23,003.95

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 exist 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. 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 ensure a robust risk management framework is in place.

The Company takes a proactive approach to risk mitigation, systematically addressing major risks through appropriate actions and measures. This continuous effort fosters a resilient and secure environment.

The risk management policy adopted by the Company can be accessed on the Company's website at <http://gufic.com/wp-content/uploads/2016/08/Risk-Management-Policy-2017-18.pdf>

The details of the membership of Risk Management Committee and its meeting held during the Financial Year 2022-23 is mentioned in the Corporate Governance Report, which forms part of this 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 - B” 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 details of the policy are made available on the website of the Company at the link: http://gufic.com/wp-content/uploads/2016/08/WHISTLE_BLOWER_POLICY.pdf The policy is reviewed by the Audit Committee from time to time.

It is affirmed that during the financial year 2022-23, 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 2022-23. 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 2023-24 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-enactment(s) 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, 2024. 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 39th 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, 2022, was filed by the Company with the Central Government on September 30, 2022. The Cost Auditors' Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark. The Cost Audit Report for the year ended March 31, 2023 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 2022-23.

The Secretarial Audit Report for the year 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 - C**'.

The Annual Secretarial Compliance Report for the financial year ended March 31, 2023, 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) within 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 and Mrs. Saroj R. Kirdolia, Chartered Accountant has been appointed as the Chief Internal Auditor for the financial year 2023-24.

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, 2023 is available on the Company's website at : <http://gufic.com/Notice/Form%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

Regulation 34 of the SEBI Listing Regulations mandates the inclusion of the Business Responsibility and Sustainability Report (BRSR) as part of the Annual Report for the top 1,000 listed entities based on market capitalization. Accordingly, BRSR forms part of this Annual Report and the same is also available on the website of the Company at <https://gufic.com/media/investors/annual-reports/>

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.

Corporate Governance Report 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, 2023 forms part of this Annual Report.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

The Company has zero tolerance towards sexual harassment at the workplace. Your Company is committed to fostering a secure, supportive and healthy working environment that empowers employees to work without any concerns about prejudice or gender bias.

Your Company has adopted policy on prevention, prohibition and redressal of sexual harassment of women at workplaces in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH”) and Rules framed thereunder. The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the Internal Complaints Committee (“ICC”), whilst dealing with issues related to sexual harassment at the work place. All employees (permanent, temporary, contractual and trainees) are covered under this policy. Training / Awareness programs are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

During the year under review, no complaints pertaining to sexual harassment was received by the Company. The Company has submitted the Annual Returns to the local authorities, as required under the above mentioned Act.

GREEN INITIATIVE

As a responsible Corporate Citizen, the Company welcomes and supports 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.

Shareholders who have not registered their e-mail addresses so far are requested to do the same and become a part of the initiative and contribute towards a Greener environment.

HUMAN RESOURCES

The Company believes that human resources are the valuable assets and we are committed to provide work environment which is safe, diverse, inclusive and full of growth opportunities. The Company take utmost care while recruiting quality resources.

The Company provides opportunities for employees to enhance their skills and knowledge through various training programs, workshops which fosters career growth and satisfaction. Your Company maintains the highest standards of health and safety in all its plants and facilities.

Industrial relations remained cordial throughout the year. The Company has strengthened its focus on overall well-being of the employees.

PREVENTION OF INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), as amended from time to time, the Company 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”) in line with the provisions of PIT Regulations.

The aforementioned Codes can be accessed 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>

These Codes lays down the obligations and responsibilities of Designated Persons, maintenance of the structured digital database, procedure for pre clearance, mechanism for preventing insider trading and handling of Unpublished Price Sensitive Information (UPSI), disclosure of UPSI for legitimate purposes, consequences of violation etc. The Company periodically educates the Designated Person about the Code of Conduct. The Company has also maintained Structured Digital Database (SDD) to ensure compliance with the statutory requirements.

In line with the PIT regulations, Directors and Designated Persons are not permitted to deal in shares of the Company while in possession of UPSI in relation to the Company and during the period when the Trading Window is closed. The Company has also formulated a policy on inquiry in case of leak of UPSI.

Further, the Compliance Officer has received requisite disclosure from the Directors and Designated Persons in compliance with the Code from all the designated persons.

CREDIT RATING

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

OTHER DISCLOSURES

During the year under review:

- a. no application has been made and no such proceeding is pending under the Insolvency and Bankruptcy Code, 2016. Hence, the requirement of disclosing the details of application and proceedings 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 onetime 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. the securities of the Company were not suspended.

ACKNOWLEDGEMENTS

Your Directors fully acknowledge the exemplary contribution made by every employee of Gufic at all levels for achieving business goals. Their dedicated efforts and enthusiasm have been pivotal to enable the Company to navigate this period with confidence. The Board of Directors would also like to thank all stakeholders for the continued confidence and trust placed by them with the Company.

Your Directors take this opportunity to express their sincere appreciation for the support and co-operation extended by the stakeholders, medical professionals, customers, bankers, financial institutions, government authorities and other business associates. We look forward to continued support of all these partners in our journey of progress.

**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 11, 2023

ANNEXURE 'A' 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 is dedicated to conducting its business with a strong focus on social responsibility, ethics and environmental sustainability. Our primary goal is to enhance the quality of life and create a positive impact on both society and the areas where our Company operates. We firmly recognize that our mission goes beyond mere pursuit of profit, as we actively seek to contribute to the betterment and upliftment of the society as a whole.

Our CSR initiatives focuses on various areas including healthcare, education, animal health and welfare and various other activities as stipulated in Schedule VII of the Companies Act 2013 ("Act"). These initiatives aim to foster the development and upliftment of the underprivileged and economically disadvantaged groups. The Company undertakes its CSR activities directly as well as through various implementing agencies, in accordance with the CSR policy of the Company.

The CSR Policy of the Company is in compliance with the provisions of 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	6	6
2	Mr. Shreyas K. Patel	Member of CSR Committee / Independent Director	6	6
3	Mr. Jayesh P. Choksi	Member of CSR Committee / Chairman & Managing Director	6	6
4	Mr. Pranav J. Choksi	Member of CSR Committee / Chief Executive Officer and Whole Time Director	6	6

3. Provide the web-link 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/Notice/CSR%20Projects_FY%202022-23.pdf

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 2022-23 for the CSR projects undertaken by the Company.

5. (a) Average net profit of the company as per section 135(5): ₹ 7151.63 Lakhs

(b) Two percent of average net profit of the company as per section 135(5): ₹ 143.03 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: ₹ 0.40 Lakhs
 - (e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 142.63 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project) : ₹ 225.45 Lakhs*
- (b) Amount spent in Administrative Overheads: NIL
 - (c) Amount spent on Impact Assessment, if applicable: NA
 - (d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 225.45 Lakhs

* includes amount of ₹0.40 lakhs excess spent during the financial year 2021-22

Note: During the financial year 2022-23, in addition to the above mentioned contribution, the Company made a contribution of ₹ 5.00 lakhs towards CSR activities through an implementing agency. However, the implementing agency could not utilize the said amount in the said financial year and hence, as per the applicable provisions of the Act read with the rules framed thereunder, the said amount is not included in the total CSR contribution spent during the said financial year. The said unutilized amount shall be considered by the Company as CSR contribution as and when utilized by the said implementing agency.

(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
225.45	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)	143.03
(ii)	Total amount spent for the Financial Year	225.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	82.42
(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)]	82.42

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 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 11, 2023**

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

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

ANNEXURE 'B' TO 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 2022-23 and the percentage increase/(decrease) in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2022-23:

Sr. No.	Name	Designation	% increase remuneration in the year ended March 31, 2023	Ratio of the remuneration of each Director to the median remuneration of the employees
1	Mr. Jayesh P. Choksi	Chairman & Managing Director	Nil	13.20
2	Mr. Pranav J. Choksi	Chief Executive Officer & Whole Time Director	Nil	6.67
3	Mr. Pankaj J. Gandhi	Whole Time Director	10.64	5.18
4	Mr. Dilip B. Ghosh	Whole Time Director	1.83	6.98
5	Mr. Devkinandan Roonghta	Chief Financial Officer	17.41	-
6	Ms. Ami N. Shah	Company Secretary	16.88	-

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.

- The percentage increase in the median remuneration of the employees for the financial year 2022-23 is 7.10%.
- The Company has 1628 permanent employees on the rolls of Company as on March 31, 2023
- 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 12.32%, while the average increase in the managerial remuneration was 1.99% The employees were awarded increment in the financial year 2022-23 keeping in view company's progress, service performance, future prospects keeping align with market benchmarks and economy scenario etc.

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.

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

I. 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

- No employees who were employed throughout the financial year 2022-23 were in receipt of remuneration exceeding Rupees One Crore and Two Lakhs.
- No employees who were employed for a part of the financial year 2022-23 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 2022-23 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**

**Place: Mumbai
Date: August 11, 2023**

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

ANNEXURE 'C' TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2023

[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, 2023 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, 2023 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; (not applicable to the company during the audit period)
- (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 (**Not applicable to the Company during the audit period**);
 - (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.
- The Drugs and Cosmetics Act, 1940 and rules made thereunder.
 - The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made thereunder.
 - Drugs (Prices Control) Order.
 - The Legal Metrology Act, 2009 and rules made thereunder.
 - The Narcotic Drugs and Psychotropic Substances Act, 1985.
 - The Poisons Act, 1919

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

Adequate notice 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

- Obtained approval of the members of the Company under section 180(1)(c) for increasing the borrowing limit from ₹ 150 crores to ₹ 200 crores over and above the aggregate of the paid up share capital and free reserves vide special resolution passed in the 38th Annual General Meeting held on September 2, 2022.
- The Company has incorporated a wholly owned subsidiary named "Gufic Ireland Limited" (incorporated in the Ireland) on March 2, 2023 for the purpose of expanding of its pharmaceutical business in European market; however, the Company is yet to make investment in Gufic Ireland Limited towards its subscribed shares. Accordingly, the said subsidiary is yet to become operative.
- The Company has signed an Equity Subscription Agreement with M/s. Selvax Pty Limited ("**Selvax**"), a biotechnology company based in Perth, Western Australia, for subscription of 1,307,000 fully paid ordinary equity shares in Selvax aggregating to 2.67% of its total paid up share capital.

Further the Company have also entered into a research and collaboration agreement with Selvax to accelerate the commercialization of Selvax's cancer immunotherapy treatment.

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 11, 2023
UDIN: F006252E000783787

**Annexure 'A' to Form No. MR-3 - SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2023**

[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 11, 2023
UDIN: F006252E000783787

REPORT ON CORPORATE GOVERNANCE

I. GUFIC'S PHILOSOPHY ON CODE OF GOVERNANCE

At Gufic, the core principle of Corporate Governance centers on achieving sustainable growth in an ethical manner while prioritizing the best interests of all stakeholders. Your Company recognizes that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance through application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

By upholding the Company's core values of unwavering commitment to Quality, Trust, Fairness, Accountability, Transparency, Professionalism, Integrity, Passion and Innovation, your Company's philosophy is aimed at making a global impact and positively influencing people's lives worldwide. We are steadfast in adhering to these values in all our interactions with stakeholders, including shareholders, employees, consumers, suppliers and statutory authorities.

Your Company firmly believes that good governance is vital for attaining long-term corporate objectives and enhancing stakeholder value. As a responsible corporate citizen, we are devoted to meeting the expectations of our stakeholders. Our Company's Code of Conduct for Directors and Senior Management Personnel, along with the Code of Internal Procedures and Conduct for Regulating, Monitoring, and Reporting of Trades by Designated Persons, embody our values and reflect our commitment to ethical business practices, integrity, and regulatory compliance

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 Company operates under the comprehensive oversight of the Board of Directors ("Board"). The Board bears the ultimate responsibility for the Company's strategy, management, general affairs, direction, and performance, and it possesses the necessary powers, authorities, and duties. The Chairman leads the Board and facilitates effective communication among the Directors. The Board's primary focus is to provide strategic direction and leadership while overseeing the management policies to ensure their effectiveness, always considering the long-term interests of shareholders and other stakeholders. All actions and decisions taken by the Board are in alignment with the Company's best interest.

(A) Composition and size of the Board

Your Company has an active, experienced, highly qualified, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy.

As on March 31, 2023 and on the date of this Report, 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. Your Company maintains an appropriate mix of Executive and Non-Executive Directors including Independent Directors and Woman Director, in compliance with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Companies Act 2013 ("the Act"). The Board regularly assesses the necessity for potential adjustments in its composition and size.

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.

The Board consists of individuals hailing from diverse backgrounds, including business management, medicine, banking & finance, and financial management. This diversity enables a comprehensive analysis of market dynamics, competitive landscape, and future trends. Leveraging their varied knowledge and experiences, the Board introduces innovative ideas, alternative approaches, and novel solutions to address challenges effectively. Such diversity also brings numerous advantages to the Company, such as enhanced decision-making, improved risk management, adaptability to change, a strategic vision, inclusive stakeholder representation, fostering innovation and ensuring effective oversight, thereby contributing significantly to the Company's long-term success.

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

- The Board vide resolution by circulation on June 28, 2022 and shareholders at its 38th Annual General Meeting ("AGM") of the Company approved the re-appointment of Dr. Rabi Sahoo (DIN: 01237464) as an Independent Director of the Company for the second term of two consecutive years with effect from June 29, 2022.

- The Board at their meeting held on July 14, 2022 and shareholders at its 38th AGM of the Company approved through Special Resolution, the continuation of directorship of Mr. Dilip Ghosh (DIN: 00412406) as a Whole Time Director of the Company upon attaining the age of 70 years on December 29, 2022, on the existing terms and conditions duly approved in the 37th AGM through an Ordinary Resolution passed on September 20, 2021.

During the financial year 2022-23 and as on the date of this report, there have been no resignations from the Company by any of the Directors, including the Independent Directors.

(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 April 19, 2022, May 20, 2022, July 14, 2022, August 11, 2022, September 27, 2022, November 11, 2022 and February 10, 2023. 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 year, one resolution by way of circulation was also passed on June 28, 2022.

Names and categories of the Directors on the Board, number of Directorship and Committee Chairmanship/ Membership held in public companies, shareholding details and their attendance in the Board Meetings and Annual General Meeting (AGM) during the Financial Year 2022-23 are given herein below:

Name of the Director	Category	Attendance			No. of equity shares held in the Company as on 31.03.2023	No. of Directorship in other Companies ^	No. of Chairmanship / Membership in Committees ^ ^		Directorship in other Listed Entity (Category of Directorship)
		Number of Board Meetings		AGM held on 02.09.2022			Chairman-ship	Member-ship	
		Entitled to attend	Attended						
Executive Director									
Mr. Jayesh P. Choksi	Promoter, Chairman & Managing Director	7	7	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	7	Yes	2,600	1	Nil	1	Nil
Mr. Gopal M. Daptari	Non-Promoter, Independent Director	7	7	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	1	Yes	0	Nil	Nil	Nil	Nil
Dr. Rabi N. Sahoo	Non-Promoter, Independent Director	7	5	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 39th Annual General Meeting and forming part of this Annual Report.

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

The Board of Directors 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	√	√	√	√			√		√	

In the table above, the specific areas of focus or expertise of individual Board members has been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding skills/expertise/competencies.

(H) Confirmation as regards to independence of Independent Directors

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 in accordance with Regulation 25(8) of the SEBI Listing Regulations 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 152 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 from the Management.

(I) Compliance as to applicable laws

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 on March 31, 2023.

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 few meetings 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 distribution 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 occupied in other companies, and notifies the Company of any changes regarding their directorships. Pursuant to Section 152 of the Act & Rules made thereunder, Mr. Pranav Choksi, CEO & Whole Time Director and Dr. Balram Singh, Non-executive Non-Independent Director of the Company retires by rotation at the forthcoming AGM and being eligible, seek re-appointment.

(J) Independent Director Familiarisation Programme

The Company has issued a formal letters of appointment to the Independent Directors at the time of appointment of an Independent Director, which, inter alia, explains the 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: <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 engage in one-on-one discussion with newly appointed Directors to familiarize them with Company's operations. The Board members are 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/2023/03/Familiarisation%20Programme.pdf>

3. SENIOR MANAGEMENT:

As on the date of this report, following are the particulars of Senior Management:

Sr. No.	Name of the Employee	Designation
1.	Mr. Nagesh Yarrabathina	Chief Operating Officer
2.	Mr. Ashok Laxman Dev	President - Operation
3.	Mr. Shekhar Tarabir Aley	Senior Vice President - Criticare
4.	Mr. Rasik Vasudev Kulkarni	Vice President – Marketing
5.	Mr. Pinak Padhya	Associate Vice President – Marketing
6.	Mr. Gaurang Shantilal Pancholi	Associate Vice President - Operation
7.	Mr. Devkinandan Roonghta	Chief Financial Officer
8.	Mrs. Hemal Milan Desai	Head - Taxation
9.	Ms. Ami Naresh Shah	Company Secretary & Legal Manager
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 2022 - 2023 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, 2023. 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 held prior to the board meeting and the chairperson of the respective committee reports to the Board about the deliberations and decisions taken by the committees. During the year under review, the Board has accepted all recommendations made by the various Committees. 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 primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them.

The terms of reference of the Committee are in accordance with Regulation 18 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 ₹ 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, 2023, 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 and 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 meets the requirements of Regulation 18 of the SEBI Listing Regulations and the Act.

The invitees in the Audit Committee Meetings include 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 2022-2023, 7 (Seven) meetings of the Audit Committee were held i.e. on April 19, 2022, May 20, 2022, July 14, 2022, August 11, 2022, September 27, 2022, November 11, 2022 and February 10, 2023

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	7	7
Mr. Shreyas K. Patel	Member	Independent Director	7	7
Mr. Gopal M. Daptari	Member	Independent Director	7	7
Dr. Anu S. Aurora	Member	Independent Director	7	7
Mr. Jayesh P. Choksi	Member	Executive Director	7	7
Mr. Pranav J. Choksi	Member	Executive Director	7	7

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 were present at every Audit Committee Meeting.

During the year under review, the Audit Committee has not passed any resolution by way of circulation. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on September 2, 2022 to respond to the shareholder's queries.

B. Nomination & Remuneration Committee

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in alignment with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and terms of reference, including role & powers of the Committee, has been modified accordingly.

The terms of reference of the NRC, *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 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 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 Nomination and Remuneration Committee 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, 2023, 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 2, 2022. During the Financial Year 2022-23, 3 (Three) meetings of the NRC were held i.e. on May 20, 2022, July 14, 2022 and September 27, 2022.

The Company Secretary acts as Secretary of NRC.

The details of meetings attended by the Members during FY 2022-23 are as below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Mr. Shrirang V. Vaidya	Chairman	Independent Director	3	3
Mr. Shreyas K. Patel	Member	Independent Director	3	3
Mr. Gopal M. Daptari	Member	Independent Director	3	3

During the year under review, the NRC has also passed one resolution by way of circulation on June 27, 2022.

Performance Evaluation of Board, Committees and Directors

The Board has carried out the annual performance evaluation of its own performance, committees and of the independent directors in accordance with the provisions of the Act and the SEBI Listing Regulations as per the criteria formulated by NRC for evaluation of independent directors and board of directors, 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 Board 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 Policy and Annual Performance Evaluation process and evaluation results.

Remuneration of Directors

Based on the recommendation of the NRC, the Board of Directors have 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 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 revisions in remuneration of Executive Directors based on Company’s remuneration policy and the Board fixes

their remuneration taking into consideration their performance, contribution towards Company's growth, 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, 2023 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	40,01,700	39,600	0	0	0	40,41,300
2.	Mr. Pranav J. Choksi	20,01,300	39,600	0	0	0	20,40,900
3.	Mr. Pankaj J. Gandhi	15,86,008	0	0	0	0	15,86,008
4.	Mr. Dilip B. Ghosh	20,96,616	39,600	0	0	0	21,36,216
5	Mr. Shreyas Patel	0	0	0	0	70,000	70,000
6	Mr. Gopal Daptari	0	0	0	0	70,000	70,000
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	50,000	50,000
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 at the end of tenure, 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. Moreover, there is no separate provision for payment of severance fees to the Directors.

The Independent Directors were paid sitting fees of ₹ 10,000/- for attending each Board meeting for the financial year 2022-23.

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.

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, *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, 2023, 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 Committee.

Ms. Ami Shah, Company Secretary acts as the Compliance Officer of the Company. Dr. Rabi Sahoo, Chairman attended the last AGM of the Company held on September 2, 2022.

During the Financial Year 2022-23, the Committee met two times i.e. on August 11, 2022 and February 10, 2023

The details of meetings attended by the Members during FY 2022-23 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

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

Summary of Investors Complaints received and resolved to the satisfaction of the shareholders during the Financial Year 2022-2023.

Particulars	No. of Complaints
Complaints pending at beginning of the year	NIL
Complaints received during the year	1
Complaints disposed off during the year	1
Complaints not resolved to the satisfaction of the shareholders	NIL
Complaints pending at the end of the year	NIL

D. Corporate Social Responsibility (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee constituted in accordance with the provisions of the Act. The terms of reference of the CSR Committee, *inter alia*, include 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,
- Review 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, 2023, 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 of the Committee. During the financial year under review, the Committee met six times i.e. on May 20, 2022, July 14, 2022, August 11, 2022, September 27, 2022, November 11, 2022 and February 10, 2023.

The details of meetings attended by the Members during FY 2022-23 are given below:

Name of the Members	Designation	Category	No. of Meetings	
			Entitled to Attend	Attended
Mr. Gopal M. Daptari	Chairman	Independent Director	6	6
Mr. Shreyas K. Patel	Member	Independent Director	6	6
Mr. Jayesh P. Choksi	Member	Executive Director	6	6
Mr. Pranav J. Choksi	Member	Executive Director	6	6

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, 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, 2023, the RMC comprises of seven members which are as follows:

Name	Designation	Category
Mr. Jayesh P. Choksi	Chairman & Managing Director	Chairman
Mr. Pranav J. Choksi	CEO & Whole Time Director	Member
Mr. Shrirang V. Vaidya	Independent Director	Member
Mr. Gopal M. Daptari	Independent Director	Member
Mr. Devkinandan B. Roonghta	Chief Financial Officer	Member
Mr. Nagesh Yarrabathina	Chief Operating Officer	Member
Mr. Ashok Dev	Vice President-Operations	Member

During the Financial Year 2022-23, the RMC met twice i.e. on May 20, 2022 and November 11, 2022.

The details of meetings attended by the Members during FY 2022-23 are as below:

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

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

SEPARATE INDEPENDENT DIRECTORS MEETING

During the year under review, one (1) separate meeting of the Independent Directors was held on February 10, 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. 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, 2023.

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_Subsiidiary.pdf

6. SHAREHOLDERS

A. GENERAL BODY MEETINGS

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

Financial Year	Date & Time	Special Resolution passed
36th Annual General Meeting		
2019-20	November 11, 2020 at 11.00 A.M. (IST)	1. Re-appointment of Mr. Shrirang V. Vaidya (DIN: 03618800) as an Independent Director of the Company for the second term of five consecutive years with effect from February 12, 2021.
		2. Ratification of remuneration of the Cost Auditors for the Financial Year 2020-21.
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.

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, 2023.

iii) Postal Ballot:

During the Financial Year 2022-23, 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 recognises the importance of two-way communication and hence it communicates with its stakeholders through multiple channels such as disclosures, press releases, analysts meeting, investor calls, etc. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions at the AGM. 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, Financial Express (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

Comprehensive information about the Company, its business and operations, Press Releases and investor information can be viewed at the Company's website at www.gufic.com. The "Investor" section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, corporate governance, investor presentation, 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, Board's Report, Auditor's 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, SEBI and 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 2021-22 were sent to any shareholders, except to those shareholders who had made requests for physical copies. Further SEBI vide Circular No. SEBI/HO/CFD/PoD 2/P/CIR/2023/4 dated January 5, 2023 and MCA vide General Circular 10/2022 dated December 28, 2022, has further extended the said relaxation so no physical copies of the Annual Report for FY 2022- 23 will be sent. However, members desiring a physical copy of the Annual Report for FY 2022-23 may either write to us or email us on 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/>

● REMINDER TO INVESTORS

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 www.gufic.com. 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 view online the action taken and current status of their complaints.

The Company has a dedicated email address i.e. corporaterelations@guficbio.com to address investor concerns. The Company's Compliance Officer monitors this email regularly.

● 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 etc., all Price Sensitive Information and Disclosures under Regulation 30 of the SEBI Listing Regulations, are filed electronically with the BSE Limited and the National Stock Exchange of India Limited, regularly.

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 and media releases are submitted to the Stock Exchanges and are displayed on Company's website.

● **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. The Company also hosts calls or meetings with institutional investors on request. The quarterly, half-yearly, annual financial results, audio call recordings of the investor/ analyst calls and written transcript are submitted with the Stock Exchanges and are also uploaded on the Company's website at www.gufic.com.

● **DISPUTE RESOLUTION MECHANISM AT STOCK EXCHANGES**

In SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May, 2022, introduced the option of arbitration as a Dispute Resolution Mechanism for investors. As per this Circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request

In compliance with SEBI Circular no. SEBI/HO/OIAE/2023/03391 dated January 27, 2023, regarding Generating Awareness on Availability of Dispute resolution mechanism at Stock Exchanges against Listed Companies/Registrar to an Issue and Share Transfer Agents (RTAs), the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.

C. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting: Date, Time and Venue	Date : September 29 th , 2023 Day : Friday 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 22, 2023 to September 29, 2023 (both days inclusive)
Record Date	September 21, 2023
Dividend Payment Date	On or after October 04, 2023 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	1 st April 2022 to 31 st March, 2023
Adoption of Financial Results (Tentative, subject to change)	For the Financial Year 2023-24
For the quarter ending June 30, 2023	On or before August 14, 2023
For the quarter and half year ending September 30, 2023	On or before November 14, 2023
For the quarter and nine months ending December 31, 2023	On or before February 14, 2024
For the quarter and year ending March 31, 2024	On or before May 30, 2024
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 for FY 2022-2023	The Annual Listing Fees for the financial year 2023-24 have been paid 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

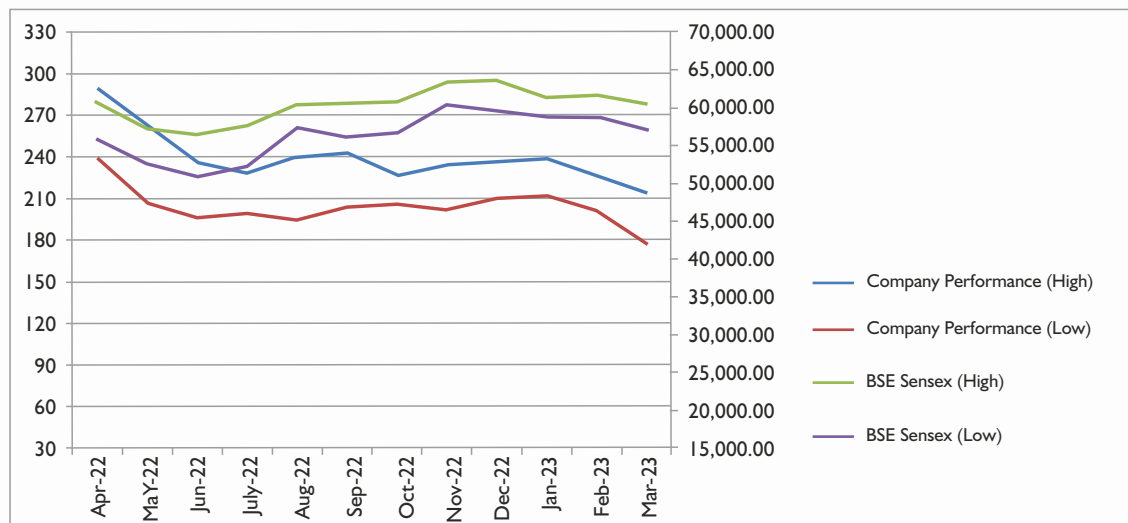
Market highs and lows for the period from April 2022 to March 2023 are as under:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High (₹)	Low (₹)	Monthly volume	High (₹)	Low (₹)	Monthly volume
April, 2022	289.55	239.00	12,08,375	290.00	236.80	107,67,272
May, 2022	264.90	207.05	428,580	269.60	207.05	29,39,790
June, 2022	236.00	196.10	882,002	235.50	195.65	26,01,200
July, 2022	229.00	199.00	214,460	230.00	199.00	23,13,340
August, 2022	239.30	194.70	597,214	216.10	196.10	36,09,564
September, 2022	242.70	203.45	639,804	243.00	208.10	47,29,367
October, 2022	227.00	205.45	557,907	230.40	205.80	16,55,474
November, 2022	234.00	201.80	301,436	234.50	201.85	20,80,332
December, 2022	237.10	210.00	365,038	237.00	209.15	34,29,283
January, 2023	238.00	212.00	328,007	238.40	212.75	17,48,284
February, 2023	228.40	201.05	217,531	225.05	201.00	16,32,573
March, 2023	214.25	177.10	370,858	214.40	177.65	17,93,550

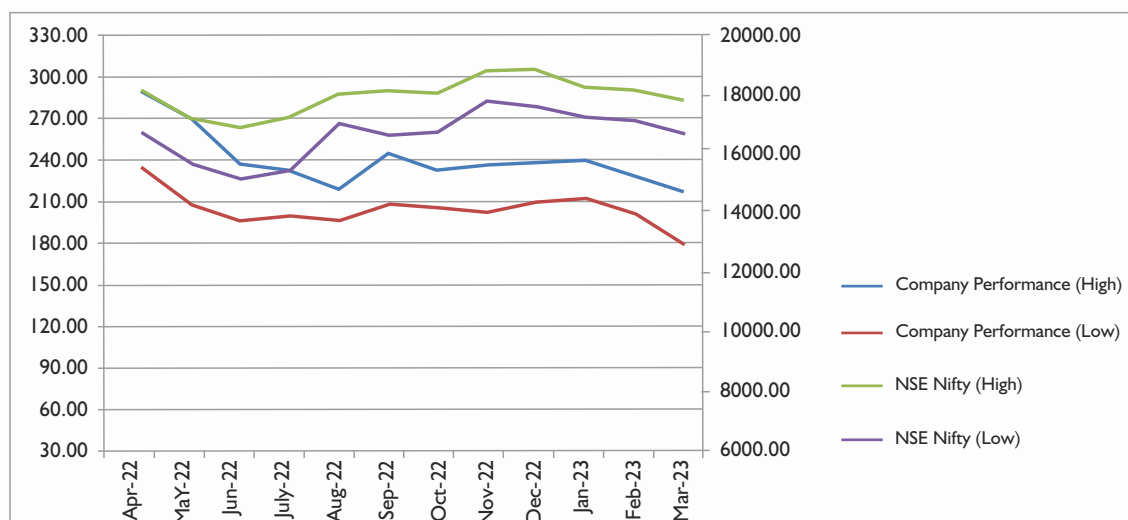
On March 31, 2023, the closing price of the shares of the Company on BSE was ₹ 186.65/- and NSE was ₹ 186.40/-

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 relative to the BSE Sensitive Index (BSE Sensex) is given in the chart below:



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



F. SHARE TRANSFER SYSTEM

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 <https://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 Registrars & Share Transfer Agent 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 obtains a half-yearly certificate from Practicing Company Secretary as required under Regulation 40 of the SEBI Listing Regulations and the same is filed with the Stock Exchanges.

G. CATEGORIES OF EQUITY SHAREHOLDING AS ON 31st MARCH, 2023

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	43.32
	Bodies Corporate	307,14,853	31.68
	Total (Promoter & Promoter Group) (A)	727,08,151	75.00
B. PUBLIC SHAREHOLDING			
Institutions	Mutual Funds	10,00,231	1.03
	Alternate Investment Funds	122,155	0.13
	NBFCs registered with RBI	1,500	0.00
	Foreign Portfolio Investors	698,224	0.72
	Total (Institutions)	18,22,110	1.88
Non-Institutions	Directors and their relatives (excluding Independent Directors & Nominee Directors)	641,045	0.66
	Individuals	172,82,770	17.83
	IEPF	245,066	0.25
	Clearing Members	48,583	0.05
	Non-Resident Indian (NRI)	583,394	0.60
	LLP	867,124	0.89
	HUF	16,83,125	1.74
	Bodies Corporate	10,63,138	1.10
	Total (Non-Institutions)	224,14,245	23.12
	Total Public Shareholding (B)	242,36,355	25.00
Total (A + B)	969,44,506	100.00	

H. DISTRIBUTION OF SHAREHOLDING

The shareholding distribution of Equity shares as on March 31, 2023 is given below:

Shares - Range From- To	No. of shareholders	% of total shareholders	Total shares for the range	% of Issued Capital
1 – 500	34933	88.30	3288251	3.39
501 – 1000	2288	5.78	1863149	1.92
1001 – 2000	1152	2.91	1758845	1.82
2001 - 3000	427	1.08	1098299	1.13
3001 – 4000	188	0.48	683215	0.71
4001 - 5000	156	0.39	736816	0.76
5001 - 10000	235	0.59	1670057	1.72
10001 & above	184	0.47	85845874	88.55

I. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's shares are mandatorily traded 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, 2023 are as under:

Category	No. of Shares	% of Total Issued Capital
CDSL	87,14,246	8.99
NSDL	881,62,760	90.94
Total in Dematerialised form	968,77,006	99.93
Physical	67,500	0.07
Total	9,69,44,506	100.00

J. RECONCILIATION OF SHARE CAPITAL AUDIT

After the end of each quarter during the financial year 2022-23, a Practicing Company Secretary carried out 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.

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, 2023, 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 :

EXISTING PLANT (AS ON DATE)

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

UPCOMING PLANT

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	Upgraded from 'CRISIL BBB+' and outlook revised to 'Stable' from 'Positive'
	Short term Bank facilities	CRISIL A2+	Upgraded from 'CRISIL A2'

The Company neither have any fixed deposit programme nor has any proposal involving mobilisation of funds in India or abroad.

P. OTHER DISCLOSURES

i RELATED PARTY TRANSACTIONS

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 during the financial year under review. Transactions entered into 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. Register of contracts containing transactions, in which directors and other related parties are interested, are placed before the Board, on frequent 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, 2023. In addition, as per the SEBI Listing Regulations, your Company has also submitted disclosures of half yearly related party transactions and also published it on the website of the Company. The policy is made available on the Company's website at the given link: <http://gufic.com/wp-content/uploads/2016/08/Related%20Party%20Transactions%20Policy.pdf>

ii LEGAL COMPLIANCE

There were no instances of material 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 and 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 year, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement. Thus disclosure of utilization of such funds raised pursuant to Regulation 32(7A) of SEBI Listing Regulations is not applicable to the Company.

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 2022-23.

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 2022-23 are given below:

Payment to Auditors (excluding GST)

(₹ in lakhs)

Particulars	Amount
As Auditors	
a) For Audit	27.00
In other Capacity	
a) Certification Work & Other Capacity	9.93
Total	36.93

x DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AS ON MARCH 31, 2023 :

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 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, CEO and Whole Time Director and Mr. Devkinandan Roonghta, CFO 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 2022-23 forms part of Annual Report. The aforementioned officials also give 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 COMPLIANCE BY THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF 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 Executives regarding compliance of the Code of Conduct during the year under review. A declaration by Mr. Pranav J. Choksi, Chief Executive Officer 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 the Corporate Governance Report for the Financial Year 2022-23 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 by the Company.

xvi DISCLOSURES OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY

The Company did not receive any communication/ information from shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or its subsidiary about existence of agreements specified in Clause 5A of Para A of Part A of Schedule III of SEBI Listing Regulations.

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 (“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.

In the interest of shareholders, the Company sends periodical reminders to the shareholders to claim their dividend in order to avoid transfer of dividends/ shares to IEPF Authority. Notice 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 IEPF, are uploaded on the website of the Company.

During the year under review, the unclaimed dividend of ₹ 47,707/- pertaining to the dividend for the financial year ending March 31, 2015 and 30,173 unclaimed shares were transferred to IEPF.

As on March 31, 2023, 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.

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 11, 2023**

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 2022-23.

**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: August 11, 2023**

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 www.mca.gov.in) 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 31st March, 2023 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. Shirirang 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 11, 2023
UDIN: F006252E000783886

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FOR THE FINANCIAL YEAR 2022-23

DIRECTORS MESSAGE:

In our commitment to responsible business practices, we are pleased to present our first Business Responsibility and Sustainability Report for the Financial year 2022-23, which outlines our efforts and progress in the areas of Environmental, Social and Governance (ESG) responsibilities. We recognize the challenges posed by ESG-related issues and have taken significant steps to address them.

We acknowledge the pressing environmental challenges that our planet faces today. Climate change, resource depletion and pollution are among the critical issues affecting our ecosystem. As a responsible business, we have set targets to reduce our carbon footprint, minimize waste generation and promote sustainable resource management. Through our innovative initiatives and collaborations, we are adopting eco-friendly practices across our operations. A comprehensive Standard Operating Procedure (SOP) has been formulated to delineate the protocols for recovering and securely disposing of products that have expired or are defective. In compliance with government protocols, these products are disposed of or incinerated at waste management facilities that hold official government approval.

We understand that social issues are intertwined with our business ecosystem. We strive to create a positive impact on society by focusing on employee welfare, community engagement and inclusive practices. Our goals include promoting diversity and equality within our workforce, ensuring fair labour practices, protection of human rights, prevention of sexual harassment and supporting local communities through various social welfare programs. During the financial year 2022-23, our Corporate Social Responsibility (CSR) endeavours encompassed a diverse range of initiatives, spanning healthcare, education, rural development, animal welfare, amongst others.

We recognize the significance of strong corporate governance in sustaining long-term business success. Transparent and ethical practices are fundamental to our operations. Our governance framework ensures compliance with legal and regulatory requirements, promotes accountability and maintains a robust system of checks and balances. We also have a secure grievance redressal and whistle blower mechanism within the organisation ensuring that our stakeholders can rely on us to uphold our core values and maintain the utmost levels of corporate governance. We continuously assess and enhance our governance practices to uphold the highest standards of integrity and instill trust among our stakeholders.

We take pride in the achievements we have made in our ESG journey. Our efforts have led to significant reduction in greenhouse gas emissions, increased representation of women in leadership positions and strengthened partnerships with local communities. We have implemented robust monitoring systems to track our progress and continuously improve our performance. Looking ahead, we have set ambitious targets to further reduce our environmental impact, enhance social well-being, and strengthen our governance practices. We are committed to actively engaging with stakeholders and collaborating with industry peers to address emerging challenges and drive positive change.

In conclusion, we remain steadfast in our commitment to responsible business practices and the principles of ESG. By embracing these challenges head-on, we aim to create sustainable value for our stakeholders and contribute to a better future for generations to come.

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, Kamla 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, 2022 - March 31, 2023
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	₹ 96944506 /-
12.	Name & 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, Contact Details: Email: mgr_legal@guficbio.com ; Tel. No.: (+91 22) 67261000
13.	Reporting boundary	Standalone basis

II. Products/services

14. 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

15. 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

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

Location	Number of plants	Number of offices	Total
National	3	25*	28
International	0	1	1

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

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	20+ Countries

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

Currently, the Company is exporting its products in 20+ countries. As on March 31, 2023, the exports of the Company contributes to 15.5% of total turnover.

c. A brief on types of customers

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

IV. Employees

18. 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)	1617	1408	87.07	209	12.93
2	Other than Permanent (E)	0	0	0	0	0
	Total Employee (D+E)	1617	1408	87.07	209	12.93
WORKER						
1	Permanent (F)	11	7	63.64	4	36.36
2	Other than Permanent (G)	538	266	49.44	272	50.56
	Total Employee (F+G)	549	273	49.73	276	50.27

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)	-	-	-	-	-

19. 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

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

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	41.08	28.19	39.46	40.84	28.92	39.33	38.38	27.24	37.01
Permanent Workers	-	-	-	66.67	-	40.00	40.00	66.67	50.00

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

21. (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)
Not Applicable#				

#The Company have two foreign wholly owned subsidiaries viz., Gufic UK Limited ("GUL") in the United Kingdom and Gufic Ireland Limited ("GIL") in Ireland. However, the Company have not made any investment in GUL and GIL towards its share subscription as on March 31, 2023. Further, GUL and GIL have not yet commenced its business operation as on March 31, 2023.

VI. CSR Details

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

(ii) Turnover (in Rs.) (2022-23) : ₹ 69,062.08 Lakhs

(iii) Net worth (in Rs.) (2022-23): ₹ 34,780.82 Lakhs

VII. Transparency and Disclosures Compliances

23. 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 2022-2023 Current Financial Year			FY 2021-2022 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)		Not Applicable					
Shareholders	Yes, the Company has appointed M/s. Link Intime India Private Limited as the Registrar and Share Transfer Agent (RTA) who takes care of shareholders enquiries/ queries, requests and complaints. Further, the Company also has designated email-ids: corporaterelations@guficbio.com & mgr_legal@guficbio.com , to address the grievances of the Shareholders. The said details are also available on the website of the Company at the link: http://gufic.com/investors-redressal/	1	-	-	-	-	-
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 http://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	-	38	Nil	-
Value Chain Partners	Yes, the Value Chain Partners can raise their grievances by writing to the respective functional head or location head & 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 http://gufic.com/wp-content/uploads/2021/06/Supplier%20Code%20of%20Conduct.pdf	-	-	-	-	-	-
Other (please specify)		Not Applicable					

24. 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 & Opportunity	<p>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.</p> <p>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.</p>	<p>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 & 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.</p>	<p>Positive: Good governance and ethical practices can lead to enhanced investor confidence, customer loyalty, access to sustainable investments and improved financial performance.</p> <p>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.</p>
2	Occupational Health and Safety	Risk and Opportunity	<p>Risk: Exposure to unhealthy, unsafe & hazardous work conditions can have detrimental effects on the physical & mental well-being of workers, resulting in decreased productivity. Additionally employee health and safety incidents pose regulatory, reputational and business continuity risks.</p> <p>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.</p>	<p>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.</p> <p>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.</p>	<p>Positive: The Company's robust approach to Occupational Health and Safety Management enables to prevent occurrence of incidents & thereby boost employee morale. This will results in higher efficiency and productivity.</p> <p>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.</p>

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	Regulatory Compliances	Risk and Opportunity	<p>Risk: The Company being in pharmaceutical industry is required to comply with stringent regulatory requirements which includes Current Good 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 & business loss.</p> <p>Opportunity: Strict adherence to regulatory compliances helps build a positive reputation for the Company, instilling trust among stakeholders, including customers, healthcare professionals & regulatory bodies. Regulatory compliance demonstrates credibility and facilitates market access in different jurisdictions and also provides a competitive edge over non-compliant counterparts.</p>	<p>The Company has a strong quality assurance mechanism and compliance monitoring checklist that ensures strict compliance at every level. Also regular training for its employees to update them on new developments is an integral part of this process. Proper Standard Operating Procedures (SOPs) and protocols 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.</p>	<p>Positive : Regulatory compliance enhances a company's reputation and builds trust among customers, stakeholders and regulatory authorities. It enables the Company to explore new markets and geographies.</p> <p>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</p>
4	Responsible Supply Chain Management	Risk and Opportunity	<p>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.</p> <p>Opportunity: Responsible supply chain management practices can enhance a company's reputation as a socially and environmentally responsible organization. This can attract customers,</p>	<p>The Company have 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.</p>	<p>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.</p> <p>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</p>

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)
5	Product Quality, Safety and Recall management	Risk and Opportunity	<p>Risk: As Pharma Company is highly regulated, non-compliance with strict pharmaceutical regulations and quality standards may lead to legal penalties, product recalls and damage to the company's reputation. Product quality/safety is very critical for success of the Company.</p> <p>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.</p>	<p>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 & assess adverse events & 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 & 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.</p>	<p>their supply chains more comprehensively & collaborate with multiple suppliers which can lead to increased administrative burden, higher coordination costs and potential challenges in finding and maintaining responsible suppliers.</p> <p>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.</p> <p>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.</p>
6	Product development, innovation & pricing	Opportunity	<p>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.</p>	<p>-</p>	<p>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.</p>

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)
7	Cyber Security & Data Privacy	Risk and Opportunity	<p>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.</p> <p>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.</p>	<p>The Company ensures robust IT management and monitoring systems, along with installation of anti-virus & 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.</p>	<p>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.</p> <p>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.</p>
8	Human Capital Development	Risk and Opportunity	<p>Risk: Human Capital Development encompasses talent management initiatives such as talent acquisition, retention, employee development and ensuring employee well-being & 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.</p> <p>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</p>	<p>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.</p>	<p>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.</p> <p>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.</p>

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)
9	Social Impact through Community Development	Opportunity	<p>benefits all stakeholders by creating sustainable value and mutual prosperity.</p> <p>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.</p>	-	<p>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.</p>

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 & 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 BFAD, 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 etc.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>P6:</p> <ol style="list-style-type: none"> To reduce water consumption by 10% by end of year 2024. To enhance water conservation by minimizing fresh water consumption and upgrading the system to recycle treated water. To reduce effluent load on the Effluent Treatment Plant (ETP). Intending to uphold an oxygen-rich environment, a tree plantation is scheduled for 2023-2024. To dispose 10% of waste through co-processing by the year 2025. 								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>P6:</p> <ol style="list-style-type: none"> The Company has initiated tree plantation program in nearby places i.e. Kabilpore, Munsad during the year 2022-2023. This aimed to increase greenery, enhance air quality and prevent soil erosion, benefiting the local environment and communities. A sewage treatment plant project is underway, set to finish by 2024. This project not only addresses wastewater challenges but also emphasizes water reuse, showing a 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 Business Responsibility and Sustainability initiatives of the Company and reports to the Board of Directors. The Board of Directors reviews and oversees 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)	4	The Company provides familiarization/ awareness programme to the BOD & KMP periodically which covers topics such as Industry Updates & developments, R & D Activities, CSR Activities undertaken, Capex, Corporate Governance, code of business conduct & ethics, ESG parameters, overall performance of the Company etc. Further regular updates are shared with the BOD & KMP to apprise them of developments in the Company, key regulatory changes, risks & compliances.	100%
Key Managerial Personnel (KMP)			
Employees other than BOD & KMPs	23	Product training, Selling skills, Personality development, team building, leadership skills, skill upgradation, Prohibition of Insider Trading, Code of Conduct and Prevention of Sexual Harassment at workplace	100%
Workers	70	Health and Safety related training and awareness sessions, Prevention of Sexual Harassment at workplace, Fire Fighting training, Personal hygiene, technical and compliance 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 enforcement agencies/ judicial institutions, in the financial year 2022-23:

Monetary					
	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					
	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 anti-corruption and anti-bribery policy which emphasizes Company's zero tolerance towards bribery and corruption practices. This policy applies to all Stakeholders or any other person associated with the Company or acting on behalf of the Company. It would also apply to persons appointed on adhoc/temporary/contract basis, trainees, apprentices as well as representatives of business associates, vendors, customers and others doing business or having interaction with the Company.

This policy is an integral part of governance of the Company which shall be read with Code of Conduct for Board Members and Senior Management Personnel and Whistle Blower Policy. The 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:

	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2022-2023 (Current Financial Year)		FY 2021-2022 (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

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's Code of Conduct for Directors and Senior Management ("Code of Conduct") set forth ethical standards to be complied by the Directors and Senior Management and avoid any actions or professional involvements that create a conflict of interest. Additionally, the Code explicitly states that Directors and Senior Management are prohibited from using information obtained through their position in the Company for personal gain. The Directors and Senior Management are required to provide yearly declaration to the Company that they have abided the Code of Conduct and there is no conflict of interest in any of their dealings. The Code of Conduct can be accessed 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 2022-23	Previous Financial Year 2021-22	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	0.7%	4.7%	<ol style="list-style-type: none"> 1. Installed high-capacity Lyophilizers to increase batch sizes, complemented by investments in advanced techniques for optimizing lyophilization cycles. 2. Implemented recharge wells to facilitate the replenishment of rainwater reserves. 3. Introduced additional dust extraction systems to mitigate the risk of safety hazards like explosions, concurrently enhancing industrial hygiene conditions of shop floor employees. 4. 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. 5. Set up a new occupational health center equipped with an ambulance and essential medical equipment. 6. Focused on improvements in environmental performance by implementing initiatives aimed at waste water treatment and conserving water and energy resources.

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?

>95%

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.

We have waste management systems in place at our facilities. The recycling and disposal of the reclaimed plastics (including packaging) is carried out as per the Central Government rules and in accordance with the provisions of the Plastic Waste Management Rules. We have complied with the Extended Producers Responsibility (EPR) obligation under the Plastic Waste Management (PWM) Rules, 2016. The Company has established a comprehensive Standard Operating Procedure (SOP) that outlines the proper handling and safe disposal of both saleable and non-saleable stock returned by the stockiest.

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 a registered brand owner 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).

Since, the Company is engaged in the pharmaceutical sector, we do not recycle or reuse input material.

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

The Company reclaims expired medicine stocks from the stockist 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	1408	1408	100.00	1408	100.00	0	0	0	0	0	0
Female	209	206	98.56	209	100.00	209	100.00	0	0	0	0
Total	1617	1614	99.81	1617	100.00	209	100.00	0	0	0	0
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	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 employees											
Male	7	4	57.14	7	100.00	0	0.00	0	0	0	0
Female	4	4	100.00	4	100.00	4	100.00	0	0	0	0
Total	11	8	72.73	11	100.00	4	100.00	0	0	0	0
Other than Permanent employees											
Male	266	266	100.00	266	100.00	0	0.00	0	0	0	0
Female	272	272	100.00	272	100.00	272	100.00	0	0	0	0
Total	538	538	100.00	538	100.00	272	50.56	0	0	0	0

2. Details of retirement benefits:

Benefits	FY 2022-2023 Current Financial Year			FY 2021-2022 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	31.85	45.45	Y	37.23	75.00	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. The policy is available at the Company's website at <http://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.

Gender	Permanent Employees		Permanent Workers	
	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 have an established grievances redressal mechanism for employees and workers.
Other than Permanent Workers	Yes	We have also established Internal Complaints Committee ("ICC") to address sexual harassment grievances of the employees/workers. Further we also have Whistle Blower Mechanism which encourages the employees and workers to bring to attention any instances of unethical behaviour, frauds or violation to the Audit Committee.
Permanent Employees	Yes	Non-permanent employees/ workers have the option to raise their concerns either to their manager/ supervisor.
Other than Permanent Employees	Yes	Our organization has kept suggestion box in the offices wherein the employees are encouraged to provide suggestion, raise their concerns. We also have Town Hall Meetings wherein the grievances of the employees 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 2022-2023 (Current Financial Year)			FY 2021-2022 (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						
- Male	-	-	-	-	-	-
-Female	-	-	-	-	-	-
Total Permanent Workers						
- Male	-	-	-	-	-	-
-Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2022-2023 Current Financial Year					FY 2021-2022 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	1408	1408	100.00	1408	100.00	1211	1211	100.00	1211	100.00
Female	209	209	100.00	209	100.00	167	167	100.00	167	100.00
Total	1617	1617	100.00	1617	100.00	1378	1378	100.00	1378	100.00
Workers										
Male	7	7	100.00	7	100.00	2	2	100.00	2	100.00
Female	4	4	100.00	4	100.00	2	2	100.00	2	100.00
Total	11	11	100.00	11	100.00	4	4	100.00	4	100.00

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

Category	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1408	1408	100.00	1211	1211	100.00
Female	209	209	100.00	167	167	100.00
Total	1617	1617	100.00	1378	1378	100.00
Workers						
Male	7	7	100.00	2	2	100.00
Female	4	4	100.00	2	2	100.00
Total	11	11	100.00	4	4	100.00

10. Health and safety management system:

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

Yes, the Company has in place Occupational Health and Safety Management System. Health and Safety of our employees and workers has always been in priority. 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. The Company has complied with all the applicable legal requirements such as Factories Act, Environment Protection Act and various other guidelines and standards prescribed by Pollution Control Board. Employees and workers are provided with personal protective equipment and awareness training and are required to comply SOP's in this regard. The Occupational Health and Safety management system covers all the units and employees within the manufacturing operation. 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. Corrective and preventive actions are undertaken based on the incident and cause by strengthening existing controls and/ or incorporating additional controls for all the activities within the premises of the organisation. Periodic EHS trainings and inspections are carried out in order to identify work-related hazards and take appropriate steps to mitigate the same.

- 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 well-established Standard Operating Procedures (SOP) for employees and workers to identify and report on work-related hazards and the subsequent steps to mitigate them. 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. 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, the Company provides Medclaim policy to all the eligible employees and workers.

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

Safety Incident/Number	Category	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	1.43	1.29
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

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. Safety and environment audits of plants are done by competent authorities under the Factories Act to ensure compliance.

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

	FY 2022-2023 (Current Financial Year)			FY 2021-2022 (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 Q I I of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment: Nil

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)

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 recognizes any individual, group or institution that contributes to the Company's value chain as a core stakeholder. Key stakeholders include employees, workers, shareholders/investors, distributors, customers, channel partners, vendors/ suppliers/ third party manufacturers, healthcare professionals, local communities, regulators and government agencies. We place a strong emphasis on understanding the expectations and concerns of our stakeholders. By actively engaging with them through various channels, we have not only strengthened our relationships but also improved 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 /Half Yearly/ Annually/ Event based	Regulatory Compliances, Corporate Governance, to update them about significant developments in the Company & resolve their concerns.
Employees & workers	No	E-mails, Notices, Employee web-portals, Training and development workshops, Town halls and other communication mechanisms	Ongoing	Health and safety, training and development, follow ups for SOP's & compliances with policies of the Company.
Customers (Healthcare professionals, Dealers & Distributors)	No	Email, In- Person Meetings, Conferences and Seminars, Advisory Meetings, engagement through website & social media	Ongoing	Timely deliveries, product quality at competitive price, to stay updated on new developments in pharmaceutical sector, resolving grievances.
Suppliers, Vendors & Third Party manufacturer	No	E-mails and Meetings	Frequent & need based	To identify the key material issues impacting the supply chain, fair & ethical procurement & engagement practices. The key areas of interest of suppliers include volume and growth potential, collaboration, pricing & favourable payment terms, etc.
Government & Regulator	No	Mandatory regulatory filings, E-mails, written communication & meetings.	Need based	Timely filings, compliance with rules and regulations, approvals, permissions, etc.
Communities	Yes	Directly or through CSR implementation agency	Ongoing	Community development programmes through CSR initiatives

Leadership Indicators

I. 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 mechanism of stakeholder engagement plays a crucial role in driving the strengthening and diversification of stakeholder relationships. It serves as a catalyst for identifying key material issues that have a significant impact on the Company's growth. Stakeholders have the opportunity to address concerns regarding economic, environmental and social matters through our dedicated grievance redressal email. Upon receipt of an email, we promptly acknowledge its receipt. We strive to respond to these emails promptly, providing initial generic responses to address immediate concerns. In cases where specific queries require the attention of the Board or Management, the Company Secretary escalates the matter for necessary action. The Board or Management thoroughly deliberates on these matters and makes informed decisions. The concerned individual is then notified of the outcome via a return email.

Furthermore, as part of our commitment to stakeholder satisfaction, the Board or Management reviews all complaints raised and oversees the closure of such queries or complaints. This ensures that appropriate actions are taken to address stakeholders' concerns and resolve any outstanding issues. Our grievance redressal process aims to foster transparency, accountability, and effective stakeholder engagement. We strive to ensure that all concerns are given due attention and resolved in a timely manner, maintaining a positive and mutually beneficial relationship with our stakeholders.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

Category	FY 2022-2023 (Current Financial Year)			FY 2021-2022 (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	1617	1617	100.00	1378	1378	100.00
Other than permanent	0	0	100.00	0	0	100.00
Total Employees	1617	1617	100.00	1378	1378	100.00
Workers						
Permanent	11	11	100.00	4	4	100.00
Other than permanent	538	538	100.00	506	506	100.00
Total Workers	549	549	100.00	510	510	100.00

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

Category	FY 2022-2023 (Current Financial Year)					FY 2021-2022 (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	1617	0	0.00	1617	100.00	1378	0	0.00	1378	100.00
Male	1408	0	0.00	1408	100.00	1211	0	0.00	1211	100.00
Female	209	0	0.00	209	100.00	167	0	0.00	167	100.00
Other than Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers										
Permanent	11	0	0	11	100.00	4	0	0	4	100.00
Male	7	0	0	7	100.00	2	0	0	2	100.00
Female	4	0	0	4	100.00	2	0	0	2	100.00
Other than Permanent	538	468	86.99	70	13.01	506	387	76.48	119	23.52
Male	266	196	73.68	70	26.32	253	134	52.96	119	47.04
Female	272	272	100.00	0	0.00	253	253	100.00	0	0.00

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

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Amt in Rs.)	Number	Median remuneration/ salary/wages of respective category (Amt in Rs.)
Board of Directors (BOD)*	4	20,88,558	0	-
Key Managerial Personnel	1	55,00,004	1	15,10,486
Employees other than BOD & KMPs	1408	3,29,988	209	2,81,722
Workers	7	3,38,160	4	3,44,211

*BOD represents data for Executive Directors only

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 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 :

	FY2022-2023 (Current Financial Year)			FY 2021-2022 (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. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The whistle blower policy of the Company ensures to protect the complainant from any unfair practices like retaliation, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal of promotion or use of direct or indirect authority to obstruct complainant ability to perform his duties. Complainants have the right to remain anonymous, unless requested by law enforcement. The investigation is done strictly in a confidential manner ensuring the protection of the complainant against any retaliation. All care is taken to withhold the identity of the complainant / whistleblower. Further, the Company has in place Internal Complaints Committee ("ICC") at head office and Plant to address complaints regarding sexual harassment.

8. 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.

9. Assessment for the year :

	% 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	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

During the period under review, the Company did not received 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 2022-2023, the Company has not received any human rights grievances/complaints. Thus, no business processes have been modified/ 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 2022-2023, the Company has not undertaken any Human Rights 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 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total electricity consumption (A)	19,37,06,82,000 Kilo Joules	17,12,92,68,000 Kilo Joules
Total fuel consumption (B)	17,89,03,65,600 Kilo Joules	14,64,81,84,000 Kilo Joules
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	37,26,10,47,600 Kilo Joules	31,77,74,52,000 Kilo Joules
Energy intensity per rupee of turnover (Total energy consumption in KJ/turnover in rupees)	5.40	4.08
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

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.

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 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
(i) Surface water	-	-
(ii) Groundwater	46966	30211
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	46966	30211
Total volume of water consumption (in kilolitres)	46966	30211
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000068	0.0000039
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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.

4. 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 plant. The Company have Effluent Treatment Plant (ETP) and three stage Multi Effect Evaporator (MEE) installed to treat the effluent water as per norms. The condensate produced by this system is effectively utilized in boilers and other utilities. The Company implements water conservation through reduce, reuse and recycle approach within its manufacturing locations.

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

Parameter	Please Specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Nox	Ppm	16.9	17.41
Sox	Ppm	14.1	15.52
Particulate matter (PM)	mg/m3	30.54	31.95
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 evaluation has been carried out by Aqua-Air Environmental Engineers Private Limited.

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

Parameter	Unit	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2152.589	1762.486
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2330.703	2061.013
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.00000065	0.00000049
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity		-	-

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.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, 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.

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

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	22.2411	12.32
E-waste (B)	-	-
Bio-medical waste (C)	9.016	5.353
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	4.35	7.283
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)	35.6071	24.956
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	0.011	-
(ii) Re-used	2.194	1.256
(iii) Other recovery operations	-	-
Total	2.205	1.256
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(I) Incineration	-	7.355
(ii) Landfilling	-	-
(iii) Other disposal operations	12.98	-
Total	12.98	7.355

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.

9. 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 optimize resources and minimize waste, the company has implemented several initiatives aimed at reducing manufacturing rejections. 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.

10. 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:

The Company does not have any office or plant facilities situated in/around ecologically sensitive areas.

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

No environmental impact assessment was undertaken during the financial year 2022-2023.

12. 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.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (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)	19,37,06,82,000 Kilo Joules	17,12,92,68,000 Kilo Joules
Total fuel consumption(E)	17,89,03,65,600 Kilo Joules	14,64,81,84,000 Kilo Joules
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources(D+E+F)	37,26,10,47,600 Kilo Joules	31,77,74,52,000 Kilo Joules

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. Provide the following details related to water discharged:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (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.

3. 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 2022-2023 (Current Financial Year)	FY 2021-2022 (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.

5. With respect to the ecologically sensitive areas reported at Question 10 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

6. 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 & Secondary Condenser	The Company has implemented primary and secondary condensers to optimize solvent recovery and reduce the release of ambient air emissions.	1. Decrease in fuel consumption 2. Minimization of environmental impacts in the surrounding area
2	Use of cooling tower	We utilize a cooling tower to reduce the amount of fresh water used.	To decrease the consumption of fresh water
3	Use best Air Pollution Control System (APCS)	We utilize a Bag Filter and Multi Cyclone Separator to reduce the release of particulate matter into the surrounding air. Additionally, we employ a scrubber system to address gas emissions.	To minimize the presence of gases and particulate matter in the surrounding air.
4	Fuel Substitution	We use briquette-based boilers instead of fuel oil-based boilers at Navsari plant	Reduces greenhouse emission & accelerate green transition.

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

Yes, the Company has a comprehensive plan in place for business continuity and on-site emergencies. This comprehensive business continuity plan equips the Company to effectively respond to challenges posed by natural calamities or unforeseen events that could potentially disrupt regular business operations. To ensure preparedness, the workforce undergoes regular training and disaster management exercises to handle potential emergency situations effectively. Further, the Company has well-defined risk management plan and policy which aims to minimize losses associated with disasters by evaluating potential disruptions and implementing mitigation strategies thereby ensuring a secure and resilient business environment.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

During the reporting period, the Company did not assess any of its value chain partners on the basis of their environmental impacts.

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	IMC Chamber of Commerce and Industry	National
3	Indian Drug Manufacturers Association (IDMA)	National
4	The Council of EU Chambers of Commerce in 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.

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.**

During the year under review, 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:**

The Company has not undertaken any project which require Rehabilitation and Resettlement (R&R).

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

The Company actively engages in community welfare initiatives by collaborating with various NGO partners. These partnerships serve as effective channels for the community to voice their concerns and seek redressal. Our NGO partners, who implement our Corporate Social Responsibility initiatives, directly deal with grievances from the community. Further, all agreements entered by the Company with the stakeholders contain clauses on handling of disputes wherever required.

- 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	4.62	7.57
Sourced directly from within the district and neighbouring districts	20.72	39.37

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 has adequate Standard Operating Procedures to address the Customer Complaints and resolve the concerns and issues at the highest priority, without escalating the matter. The Company has standard procedures for handling and investigating product quality complaints originating from diverse sources, including customers, regulatory agencies, doctors, hospitals, distributors, and suppliers. If any consumer complaint is received w.r.t. quality of product, preliminary assessment of the same is done by the Quality Assurance ('QA') team and a Corrective and Preventive Action is initiated. All the complaints are investigated within 30 working days and relevant actions are taken to prevent future occurrences. Upon investigation of the complaint, the QA team sends a 'Complaint Reply Form' to the complainant and allows a reasonable period of 15 working days to receive any additional comments or feedback. After considering any additional input, the complaint is then officially closed, ensuring that the matter is fully addressed to the satisfaction of all parties involved.

- 2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As a percentage of total turnover
Environmental and Social parameters relevant to the product	-
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of complaints in respect of the following :

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-2022 (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	38	Nil	Resolved

4. Details of instances of product recalls on account of safety issues:

	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.

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. 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 / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) - No

5. Provide the following information relating to data breaches:

- a. **Number of instances of data breaches along-with impact -Nil**
- b. **Percentage of data breaches involving personally identifiable information of customers- Nil**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The pharmaceutical industry engages in researching, developing, producing and marketing licensed drugs for medicinal use. Through its offerings, it provides relief and cures for a wide range of medical conditions to people worldwide while also contributing significantly to the economic performance of many nations. These distinctive attributes have made the industry a subject of intense debate, criticism and admiration.

As a global industry, its marketing and distribution approaches vary in different countries. Although, a pharmaceutical product might be available in multiple markets, its registration in each country is a nation-specific process. Regulatory systems in individual nations generally share the same core principles of evaluating quality, safety and efficacy. However, over time, the specific technical requirements have diverged, leading the industry to duplicate numerous time-consuming and costly testing procedures to gain international market access for new products.

GLOBAL PHARMACEUTICAL INDUSTRY

In the year 2022, the global economy encountered challenges as inflation surged due to increased energy costs and supply chain disruptions arising from the Russia-Ukraine conflict and COVID-19 lockdowns in China. Major developed economies experienced a slowdown, and central banks faced difficulties in managing inflation even after raising interest rates. However, despite facing inflation, energy uncertainties and unforeseen natural calamities, the world economy demonstrated remarkable resilience and likely exceeded earlier, more pessimistic expectations in terms of its performance.

The biopharmaceutical industry has displayed indications of transitioning into a phase of operational stability in the post-pandemic era, following disruptions over the past three years. The outlook for global spending on medicines has become clearer as the uncertainties during the COVID-19 pandemic have given way to more predictable challenges. The life sciences sector, encompassing pharmaceutical, biotech and med-tech industries, is currently witnessing strong growth. To sustain this growth trajectory, companies are realigning their portfolio strategies through acquisitions, divesting non-core assets, increasing investments in Research & Development (R&D), and adopting digital and data technologies.

According to the United Nations' World Population Prospects, the global population is projected to surpass 9.3 billion by 2050, with approximately 21% of that population expected to be aged 60 and above. Alongside aging and population growth, the expansion of purchasing power and access to quality healthcare and pharmaceuticals for low and middle-class families worldwide is also contributing to the growth of the global pharmaceutical industry. Additionally, the pharmaceutical companies' increasing focus on tapping into the market for rare and specialty diseases is a significant driving factor for this growth.

The industry's growth is further fuelled by advancements in areas like advanced biologics, nucleic acid therapeutics, cell therapies, and bio-electronics & implantable technologies. These innovations have attracted investments from non-pharmaceutical companies, such as Facebook, Qualcomm and others, leading to further expansion of the global pharmaceutical industry.

The growth outlook for the worldwide pharmaceutical sector is anticipated to be influenced by the adoption of cost control measures and stricter regulations imposed by governments in crucial markets. As a consequence of the recent growth deceleration, pharmaceutical companies are compelled to curtail their expenditures on research and development (R&D), a trend that is projected to impede the expansion of the global pharmaceutical market. This is particularly impactful as revenues from new drug sales constitute a substantial portion of pharmaceutical firms' income due to the exclusivity period for these drugs. Furthermore, the generic pharmaceutical market is confronting diminishing returns on investment due to price deterioration in key markets. Consequently, numerous enterprises are actively exploring alternate avenues and markets to sustain their growth.

It is anticipated that the total spending and global demand for medicines will increase over the next five years to approximately US \$1.9 trillion by 2027. The underlying growth rate of 3-6% in spending will be propelled by the introduction of novel drugs and the broader adoption of recently launched brands. Despite efforts by payers to limit their budgets and the influence of more economical alternatives, this growth is anticipated. The ongoing influence of COVID-19 on pharmaceutical markets worldwide is expected to persist, contributing to the expansion of the pharmaceutical market until 2027, primarily attributed to the proliferation of vaccines. Nevertheless, the years ahead are fraught with significant uncertainties as the global COVID-19 pandemic transitions into a new phase where vaccines and treatments are accessible but inconsistently utilized.

The impact on global pharmaceutical industries in the recent years can be summarised as under :

Rising Medication Utilization: As per IQVIA – Global Use of Medicine 2023, the consumption of medications, as quantified through defined daily doses, experienced a 36% upswing in the past ten years. This surge can be attributed to improved availability of medicines. Nonetheless, this growth is predicted to decelerate until 2027, resulting in a cumulative intake of over 3.4 trillion doses, marking an approximately 8% rise from the 2022 figures. The regions anticipated to witness the most substantial growth in medication consumption are Latin America, Asia and Africa. This expansion will stem from a combination of population increase and enhanced medicinal access. Conversely, North America and Europe are expected to undergo

minimal growth. Disparities in per capita medication consumption are evident across different regions, with Japan and Western Europe surpassing most other areas by more than twofold.

Expenditure and Expansion Across Regions: As per IQVIA – Global Use of Medicine 2023, the global pharmaceutical market is anticipated to exhibit a Compound Annual Growth Rate (CAGR) ranging from 3% to 6% until 2027, resulting in a valuation of approximately \$1.9 trillion. Distinctive trends are projected to emerge in different regions. Developed economies are predicted to sustain relatively consistent growth rates, as the introduction of new products counterbalances patent expirations. On the other hand, Latin America, Eastern Europe and certain parts of Asia are poised for robust growth, driven by increased volume and the wider adoption of innovative medications.

Impact of COVID-19 on the use of medicines: The influence of the COVID-19 pandemic on pharmaceutical sectors remains ongoing and is anticipated to result in a net expansion of approximately \$500 billion in the cumulative pharmaceutical market from 2020 to 2027, primarily attributed to the impact of vaccines. Disruptions in the demand for numerous other medications due to delayed diagnoses continue to unfold, yet there's a prediction of the global market's growth returning to the levels projected prior to the pandemic by 2024.

Across all regions worldwide, initial vaccination rates have exceeded previously anticipated figures for the first wave of vaccinations. However, the adoption of booster doses has been slower. This situation introduces significant uncertainty regarding the pandemic's trajectory and the potential risks associated with the resurgence of infections, particularly in areas with lower rates of immunization and booster utilisation.

Growth in spending on specialty medicines: As per studies, specialty medicines will represent about 43% of global spending in 2027 and 56% of total spending in developed markets. Global spending on cancer drugs is expected to reach \$370 billion by 2027, with growth accelerating from the launch and use of novel drugs and limited new biosimilar impact. The growth in Immunology spending will slow to 3-6% through 2027 due to price reductions associated with biosimilar competition as volume growth continues at 12% annually. New therapies for rare neurological disorders, Alzheimer's and migraines are expected to drive spending growth in neurology.

Biotech spending: Biotech will represent 35% of spending globally and will include both breakthrough cell and gene therapies, as well as a maturing biosimilar segment. Major advances are expected to continue, especially in oncology and immunology. The outlook for next-generation bio therapeutics includes a definitively uncertain range of clinical and commercial successes¹.

An early transition from prescription-only (Rx) to over-the-counter (OTC) availability is a prominent development within the dermatology drugs market. In the past, the conversion from Rx to OTC status typically occurred close to or after the patent expiration of a drug. However, forward-looking companies are now exploring the possibility of making this switch well in advance of the drug's patent expiry. This strategic approach enables manufacturers to effectively tap into market opportunities for their product. Moreover, early Rx-to-OTC switching offers an additional advantage by facilitating the recovery of all expenses incurred during the product's development by the company.

INDIAN PHARMA INDUSTRY – AN OVERVIEW

The Indian pharmaceutical industry ranks third globally in pharmaceutical production by volume and is known for its generic medicines and low-cost vaccines. Major segments of Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilar and biologics. India is one of the biggest suppliers of low-cost vaccines in the world. India accounts for 60 percent of global vaccine production, contributing 40 to 70 percent of the WHO demand for Diphtheria, Tetanus and Pertussis (DPT) and Bacillus Calmette–Guérin (BCG) vaccines and 90 percent of the WHO demand for the measles vaccine. There are 500 API manufacturers contributing about 8% in the global API Industry. India is the largest supplier of generic medicines. It manufactures about 60,000 different generic brands across 60 therapeutic categories and accounts for 20% of the global supply of generics. Indian pharmaceutical industry plays significant role globally, by supplying affordable and low-cost generic drugs to millions of people across the globe. The sector offers lower cost without compromising on quality, as reflected by the fact that India has the highest number of United States Food and Drug Administration (USFDA) approved pharmaceutical plants outside the US and also a significant number of World Health Organization (WHO) Good Manufacturing Practices(GMP)-compliant plants as well as plants approved by regulatory authority of other countries².

As per IQVIA – Indian Pharmaceutical Market Annual Report 2022, the Indian Pharma Industry (IPM) has reflected a growth of 7% in the year 2022 with overall IPM market size at Rs. 1.94 Crs and the growth in sales value was recorded at 7%, the Chronic therapies grew by 9% whereas Acute therapies grew by 5%. Further, the relative performance of Indian Pharma companies grew faster than the MNCs in 2022. The number of new launches have increased by 2% as compared to last year. According to a recent EY FICCI report, as there has been a growing consensus over providing new innovative therapies to patients, IPM is estimated to touch \$130 billion in value by the end of 2030.

India being the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, supplying 62% of Global Vaccine demand is a prominent and rapidly growing presence in the global pharmaceuticals industry. India ranks 3rd

¹IQVIA Newsroom - Global Market 2023 ² Pharmaceuticals.gov.in - Annual Report 2022-23

worldwide for production by volume and 14th by value. India is home to more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities offering over 60,000 generic brands across 60 therapeutic categories. India has the highest number of US-FDA compliant Pharma plants outside of USA and its API industry is third largest in the world, with 57% of APIs on the WHO³.

As per recent study by E&Y, the IPM has grown at a compounded growth rate of (CAGR) of ~11% in the domestic market and ~16% in exports over the last two decades. While the domestic market has grown at a similar pace to the gross domestic product (GDP), the overall growth has been driven by the industry's leadership in supplying generic formulations to markets across the globe.

OPPORTUNITIES AND THREATS:

Growth Drivers for Indian Pharma Industry

Cost Efficiency in Production

The Indian pharmaceutical sector occupies a robust position in global production volumes, contributing approximately 10% of the world's output, while its global value share stands at around 2.4%. This dominant position is attributed to the combination of economical production costs and the proficient scientific and technical expertise of its workforce. India's drug manufacturing expenses are among the most competitive on a global scale.

Patent cliff

Patent expiry allows the generic drugs to penetrate in the market and diversify product offerings. As per recent studies, it is estimated that over the next 3-4 years till 2026, the patented products worth of about USD 240 billion are expected to go off patent. This provides a large opportunity to Indian generic formulation companies. Many of the Indian pharma companies are already working to develop the generic version of patented products to exploit the upcoming opportunity. It is expected that Indian pharma companies might get an opportunity worth around USD 5-6 billion due to patent expiry in next 4-5 years.

Shifting Disease Profile Presents Opportunities

The disease profile in India has undergone a significant transformation over the years. The share of communicable, maternal, neonatal and nutritional diseases decreased from 53.6% in 1990 to 27.5% in 2016, while non-communicable diseases increased from 37.9% to 61.8% during the same period. This shift highlights a change in disease patterns, providing ample scope for healthcare services and the pharmaceutical industry. Non-communicable diseases typically demand extended healthcare services, fostering increased demand for treatments and medicines.

Foreign Investment

As per India's Consolidated FDI Policy, foreign direct investment in the pharmaceutical sector in greenfield (new) projects is permitted up to 100% without the approval of the Department of Pharmaceuticals (the "DoP"). Separately, FDI up to 100% is permitted for the manufacturing of medical devices for both greenfield and brownfield projects without the approval of the DoP.

Increase in Per Capita Income

The per capita income of India is on an increase which paves the way for more demand of healthcare services as a rise in per capita income increases the ability of population to afford various expenses. This in turn, supports the need of quality medical care that comes at a relatively higher price. India's per capita GDP increased in each of the years during FY-19 to FY-23 on y-o-y basis and grew at a CAGR of 2.3% during this period.

Surge in Healthcare Insurance Market

The prevalence of health insurance spurs demand for healthcare services, as policyholders pay premiums that are later reimbursed by insurers for necessary medical treatments. This coverage alleviates the financial burden of healthcare expenses, fostering demand for medical services. The rise in the health insurance sector is driven by factors like the Covid-19 pandemic, evolving lifestyles, and the evolving disease landscape. The health insurance market observed robust growth, with premiums increasing at a healthy CAGR of 19.2% from FY-19 to FY-23.

Challenges faced by Indian Pharma Industry

Price Regulation

The Indian pharmaceutical sector contends with price control challenges, particularly concerning drugs listed on the national essential medicines roster. The government establishes and regulates the prices and inclusion criteria for these drugs. This regulatory environment limits the industry's capacity to allocate resources towards Research and Development (R&D) initiatives. Recently, India's drug pricing authority sanctioned a 12.1% price increase for scheduled drugs, representing the most significant price hike allowed in several years. This adjustment is anticipated to offer a degree of profitability support to the pharmaceutical sector.

³<https://www.indiapharmaexpo.in/>

Relatively Modest Research & Development (R&D) Investments

The leading Indian pharmaceutical companies' collective R&D investments, as a percentage of sales, consistently hovered between 7.1% and 7.9% from fiscal year FY-19 to FY-23. This comparatively lower allocation towards R&D activities stands in contrast to the investment practices of their international counterparts.

High Reliance on China with respect to Pharma Inputs

India's reliance on imported Active Pharmaceutical Ingredients (APIs) or bulk drugs is significant. Over 60% of APIs are procured from foreign sources, with certain specific APIs exhibiting import dependency rates of 80% to 90%. API and bulk drugs serve as foundational components used in formulating pharmaceutical products that generate the desired therapeutic effects within the human body.

GOVERNMENT INITIATIVES

The Government of India has introduced various measures to foster growth within the pharmaceutical and healthcare sector in the country. Some of these initiatives include :

- In May 2022, the Union Government sanctioned grants for five new medical colleges in Gujarat, allocating ₹ 190 crore (US\$ 23.78 million) for each college. These institutions are slated to be established in Navsari, Porbandar, Rajipla, Godhra and Morbi.
- In July 2022, the World Bank granted approval for a substantial US\$ 1 billion loan dedicated to India's Pradhan Mantri Ayushman Bharat Health Infrastructure Mission.
- To promote medical tourism within the nation, the Indian government is extending the e-medical visa facility to citizens hailing from 156 countries.
- Furthermore, within the framework of the Union Budget for 2023-2024, the Government unveiled fresh programs and objectives to continue spearheading advancements in the pharmaceutical sector:
- Launching a new initiative to foster research and innovation within the pharmaceutical field, with a particular focus on priority areas of health.
- Initiating the establishment of 157 new nursing colleges and dedicated multi-disciplinary courses tailored for medical devices. This proactive measure seeks to address the prevailing scarcity of qualified medical personnel, catering to the escalating demands of the sector.
- Demonstrating its commitment to healthcare, the Government has increased the allocation to the Ministry of Health and Family Welfare by 12.8%, amounting to ₹ 86,175 crores. Additionally, an extra allotment of ₹3,160 crores has been directed towards the Department of Pharmaceuticals.

COMPANY OVERVIEW

Gufic Biosciences Limited ("Gufic") operates as a pharmaceutical enterprise on a global scale, delivering comprehensive pharmaceutical services to its clientele. The Company boasts a diverse collection of pharmaceutical offerings and serves as a one-stop solution provider across both domestic and international markets through an extensive distribution network. It is amongst the top 100 Pharmaceutical companies in India.

Gufic is one of the largest manufacturers of Lyophilized injections in India, boasting a fully automated lyophilisation plant at Navsari, Gujarat. These lyophilized products span various therapeutic areas, including Antibiotics, Antifungals, Cardiac medications, Infertility treatments, Antiviral solutions and proton-pump inhibitors (PPIs).

The Company's strategic focus extends globally, concentrating on key markets such as India, Germany, Switzerland, South Africa, Russia, Canada, Brazil, Europe and other emerging market regions. This expansion aims to enhance Gufic's presence and impact in the pharmaceutical landscape while maintaining its commitment to providing cost-effective, high-quality life-saving medications to the public.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Gufic is consistently enhancing its range of products by introducing novel offerings, often pioneering products in the market that bring substantial advantages to patients. Alongside these new introductions, many of Gufic's established products are also experiencing an expansion in their market presence. During the year under review, twenty new products have been successfully launched by the Company, contributing to increased sales. These launches, combined with improvements to existing products and the commitment to providing affordable medications without compromising quality, have collectively fuelled Gufic's progress.

OPERATIONAL PERFORMANCE

Gufic remains resolute in maintaining its leadership position in lyophilized injectable products within the domains of Anti-fungal and Anti-bacterial segments. This stands as a testament to the Company's unwavering dedication to providing impactful healthcare solutions.

Throughout the financial year 2022-23, Gufic achieved successful market launches for 20 generic products, with an additional 10 products poised for commercialization. Furthermore, the Company has around 22 new products in the pipeline, with several already in the developmental phase.

The Company received DCGI (Drug Controller General of India) approval for the manufacturing and marketing of Biapenem Dual Chamber IV Bag during the reviewed fiscal year. The successful launch of Ceftazidime + Avibactam in FY 2022-23 gave a good initial response.

The Company's strategic focus extends globally, concentrating on key markets such as India, Germany, Switzerland, South Africa, Russia, Canada, Brazil, Europe and other emerging market regions. This expansion aims to enhance Gufic's presence and impact in the pharmaceutical landscape while maintaining its commitment to providing cost-effective, high-quality life-saving medications to the public.

Gufic's business operations are categorized under four distinct verticals:

- 1) Domestic Business
- 2) Contract Manufacturing Business
- 3) International Business
- 4) Bulk-Drug Business

Domestic Business

Gufic maintains a comprehensive presence across India, encompassing various therapeutic domains, including Critical Care, Infertility, Ortho-Gynaec, Dermo-Cosmetic, Natural & Herbal, and General specialty sectors. The Company's influence extends across a wide array of major therapy areas such as Anti-Infective, Anti-Fungal, Gastrointestinal, Infertility, Women's Health, Hormones, Bone and Joint Care, Wound management and Immunity enhancement.

Gufic's product range enjoys wide distribution, reaching over 1,500 hospital chains and prominent medical institutions. This extensive reach is facilitated by a dedicated network of over 1,000 Field Force professionals deployed throughout India.

The domestic business of Gufic is strategically divided into 3 categories based on presence in various segments: Gufic Super Specialty Business, Gufic Specialty Business and Gufic Mass Specialty Business.

a) Gufic Super Specialty Business: This is the major part of Gufic's Domestic Business which include the Critical Care and Infertility portfolio

Critical Care: The focus of Critical Care Division is to consolidate its business with following strategy:

1. Retain the leadership position in Anti-Fungal and Anti-bacterial products.
2. Consolidate the acute therapy business in the Anti-Infective category and also introduce newer molecules in the segment through its major SBU in Secondary and Tertiary care hospitals and institutions.
3. Fulfill the requirements in the Carbapenem market through our own manufacturing at Navsari.
4. Launch the novel Oral form of Isavuconazole approved for the treatment of invasive aspergillosis which is a serious fungal infection caused by Aspergillus species.

Within the Critical Care segment, Gufic also completed a detailed door-to-door mapping for molecules offered by the Sparsh Division across India. More than 8000 hospitals were surveyed and supplies in few of these hospitals were initiated in FY 2022-23. The division will focus to increase the penetration and coverage in next financial year.

Infertility: With its continuous efforts, Gufic ensured to regain the business loss in infertility segment during COVID-19 Pandemic, as Infertility business had seen a major decline in the pandemic due to dramatic decrease in the number of IVF / IUI cycles in the country. The business is now completely opened up and the division will focus on building brands within the Hormonal category and offer newer drugs and newer drug delivery systems with PFS (Pre-filled Syringes) and DCS (Dual Chamber Syringes). The launch of Dydrogesterone was successful in FY 2022-23. To increase the presence of this molecule, Gufic is working on the Sustained Release Tablet form of Dydrogesterone in the coming financial year. The leadership position of Gufic Infertility in the hormonal product range like HMG and HCG is maintained, and to further strengthen its presence Gufic has planned to launch the most potent form of HMG which reduces the chances of failures in IVF cycles. Innovations like these will help Gufic solidify the position in the Infertility segment.

b) Gufic Specialty Business : The two new divisions which were introduced during the financial year 2021-22 continues to focus on selected specialties in the Ortho-Gynae space and Aesthetics.

Gufic Stellar: The division focusses on products in segments like Pain, Pregnancy & Lactation, Bone and Muscle care etc. A novel analgesic-Polmacoxib is planned to be launched in the division which will definitely help to improve the treatment modality of patients with osteoarthritic pain. The combinations of Polmacoxib with a muscle relaxant is also planned to be launched later this year. The operations of this division was earlier restricted to selected cities only, which has been expanded to few other metros and tier-2 cities. There are further plans to expand the division and have a PAN-India coverage.

Gufic Aesthaderm: The sub-chronic therapy of Aesthetic Dermatology continues to show its growth for Gufic after its launch last year. Gufic was the 1st Indian company to manufacture and launch a brand of Botulinum Toxin Type-A Injection in India through its international tie-up with Prime-Bio Inc., a US based company. The division had also launched a range of high class Aesthetic products in segments like Moisturizing agents, Anti-aging, Hyperpigmentation, Sunscreen agents during its launch phase. The products continue to show a steady growth in the target market with more and more practitioners now confidently using the same. Within a short span of time, Stunnox - Gufic's brand of Botulinum toxin gained momentum to reach amongst the top 2 brands in the space. Gufic also initiated the process of registration for a range of Hyaluronic Acid based Dermal fillers to complement and augment the basket of products in the category. Gufic has successfully completed a split face clinical trial between Stunnox (Gufic's brand of Botulinum Toxin Injection) and Botox (the innovator brand of Botulinum Toxin Injection)

c) Gufic Mass Specialty Business: Gufic has 2 divisions to focus on mass specialty segment like General Practitioners, Paediatricians, Gynaecologists and Physicians. The market of interest of these SBUs are Nutraceuticals, Pain, Arthritis, Immunity, Respiratory, Anti-Infective and Herbal. Gufic initiated a trial of a new product made from an Indian gum resin by a standardized extraction process for the use in management of asthma. The product is planned to be launched post completion of its clinical trial later in the year 2023-24. Gufic's brand of Boswellia Serrata continues to retain its leadership position through the brand Sallaki. A new Zinc based multivitamin & multimineral formulation launched in 2022-23 has helped to improve the portfolio in the mass market division.

Gufic forayed into the science of advanced aesthetics by launching “**Arisia - the centre of excellence**” in Mumbai. Arisia is one of the most advanced aesthetic clinic and training centre designed to raise the standards of aesthetic clinics with excellence in services. Through Arisia, Gufic aims to offer a comprehensive quality aesthetic services under one roof through client centric care ensuring client safety, privacy and dignity. The multiple spacious rooms at Arisia are equipped with cutting edge US FDA approved technologies to provide the best non-surgical cosmetic care. The knowledge repository of the centre is made open to the healthcare practitioners across all fields to leverage our findings, thus making available the magnificent and marvellous capabilities of botulinum toxin to the society. The wide range of treatment options offers skin and body transformation through the FDA approved technologies. Arisia completed a training of more than 50 Gynaecologists in the field of cosmetic gynaecology using the toxin, fillers and FDA approved energy based devices. Arisia also trained more than 20 Dermatologists and more than 10 Neurologists in advanced techniques of using the botulinum toxin injections in various aesthetic and neurological indications.

Contract Manufacturing Business and International Business

Gufic believes in scientific innovation which meets consumer needs with rigorous standards for product safety and quality. Gufic offers unit-lyophilized products which offers better product stability, quality and safety. The state-of-the-art manufacturing facility of Gufic is based at Navsari, Gujarat, with auto-loading and unloading technology for lyophilized products, thus no human intervention during the manufacturing process. Gufic's manufacturing facility is accredited by various national and international governing bodies like WHO-GMP, EU-GMP, ANVISA-Brazil, HEALTH-Canada, GMP-Russia, Ukraine-PICS GMP, TGA-Australia, MCC-South Africa, INVIMA-Colombia, NDA-Uganda, BFAD-Philippines, FMHACA-Ethiopia, MOH-Thailand, NMRA-Sri Lanka, NAFDAC-Nigeria, MOH-Cambodia and PPB-Kenya.

The new manufacturing facility for Lyophilized injections, Pre-filled syringes and Liquid injections located at Indore, Madhya Pradesh is gearing up to go live. With continued investment in the development of newer molecules to be commercialized from Indore facility will help us reduce the time to market. We anticipate that the validation of the facility will be completed by the second half of FY 2023-24 post which the commencement of commercial production will take place. This facility will focus on developing newer innovative high quality products and cater to the domestic needs in India along with regulated markets like US and Europe.

Gufic has seen a good growth of ~25% through international business. More than 190 products are now registered across regulated and semi-regulated markets. Another 150+ products are in pipeline for registration in over 40 countries. Gufic received 4 new international approvals from Columbia, Uganda and Ecuador. For Europe and LATAM, strategies are in place to register existing developed formulations in countries which has Gufic's presence and also plan to enter new countries based on market gaps and opportunities.

Bulk-Drug Business

Gufic manufactures a varied therapeutic basket in its API facility, which is mostly utilized for Gufic's captive consumption. The categories of API manufactured includes – Anti-Fungal along with their Intermediates, Antibacterial and Anaesthetic agents. Gufic recently received an approval for Anaesthetic product Prilocaine for supply to China. With the Government promoting Atmanirbhar Bharat (A government initiative to manufacture API in India) to reduce the dependency on import of material from various countries, Gufic has plans to develop potential API as per the market needs.

RESEARCH & DEVELOPMENT (R&D)

Gufic has continued to invest in the Research and development initiatives on the newer innovative molecules, advanced NDDS and drug delivery systems, biologicals / peptides and some select API's.

The API research development at Navsari has made noteworthy progress in development of molecules in therapeutic categories like Anti-fungal, Anticoagulant, Tetracycline antibiotic, Progestin, Beta 3 adrenergic agonist, Antidiabetic, and Cyclopeptide hormones. These projects are developing in line with the plans. Gufic is on the verge of a break-through in development of an innovative topical formulation of Botulinum Toxin which will be launched in the market very soon. A wide range of products are under development in the novel drug delivery system of Dual Chamber Bags and Syringes which will ease the reconstitution, ensure accurate dosing and maintain the sterility from plant to patient

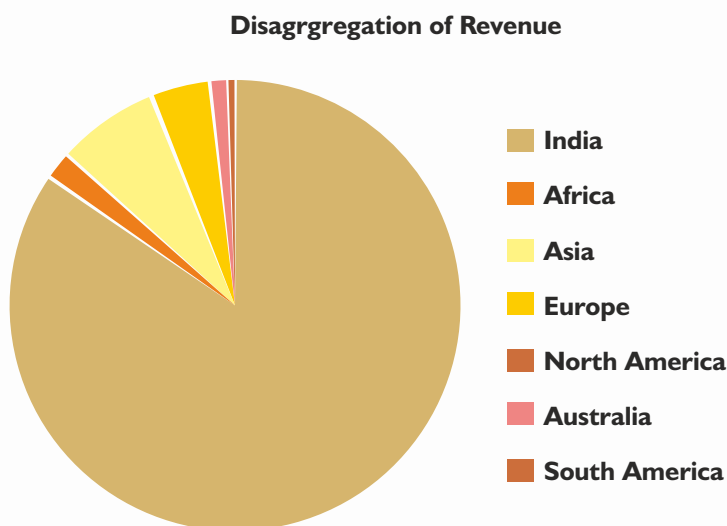
The R&D team is backed-up by a strong Clinical team which includes, Medical and Regulatory teams, with an expertise to take Synthetic and Biological products across Phase-II and Phase III clinical trials

FINANCIAL PERFORMANCE

The Company's total operational revenue for the financial year 2022-23 amounted to ₹ 69,062.08 lakhs, indicating a decline compared to the previous financial year 2021-22, during which it was ₹ 77,915.56 lakhs. The Profit before Interest, Tax, Depreciation & Amortization (EBITDA) for the period under review reached ₹ 13,722.52 lakhs, showing a decrease from ₹ 15,113.30 lakhs in the financial year 2021-22. Nonetheless, the EBITDA margin for the financial year 2022-23 exhibited an enhancement, reaching 19.9% in contrast to the 19.4% recorded in the preceding financial year.

During the year under review, the Company made significant progress in diversifying its revenue sources, with the domestic market contributing around 84.50% to the turnover, and exports accounting for around 15.50%, marking a substantial increase in the export market share, as compared to the financial year 2021-22 when exports contribution to turnover was accounted at 9.26%.

The Net Profit of the Company during the year under review was ₹ 7970.48 lakhs as compared to ₹ 9,584.01 lakhs in the previous financial year 2021-22. It is important to note that the financials of 2021-22 and 2022-23 are not directly comparable due to the significant impact of the COVID-19 portfolio in the financial year 2021-22.



KEY FINANCIAL INDICATORS

PARTICULARS	Unit	2022-23	2021-22	Variance (%)	Reasons if variance is more than 25%
Operating profit margin	%	16.64	16.97	-1.91	-
Net profit margin	%	11.54	12.30	-6.17	-
Debtors turnover ratio	Times	3.87	5.64	-31.46	Due to increase in Debtors and decrease in sales
Current ratio	Times	1.61	1.72	-6.42	-
Return on Net Worth	%	22.92	35.61	-35.65	Due to decrease in Net Profit after Tax
Inventory turnover ratio	Times	4.55	6.79	-33.06	Due to decrease in Sales and increase in Inventory
Interest coverage ratio	Times	16.69	28.17	-40.75	Due to increase in finance cost and increase in borrowings
Debt Equity Ratio	Times	0.90	0.23	293.44	Due to increase in Current & Non-Current Borrowings

Artist impression of Indore Factory



Belgaum Factory

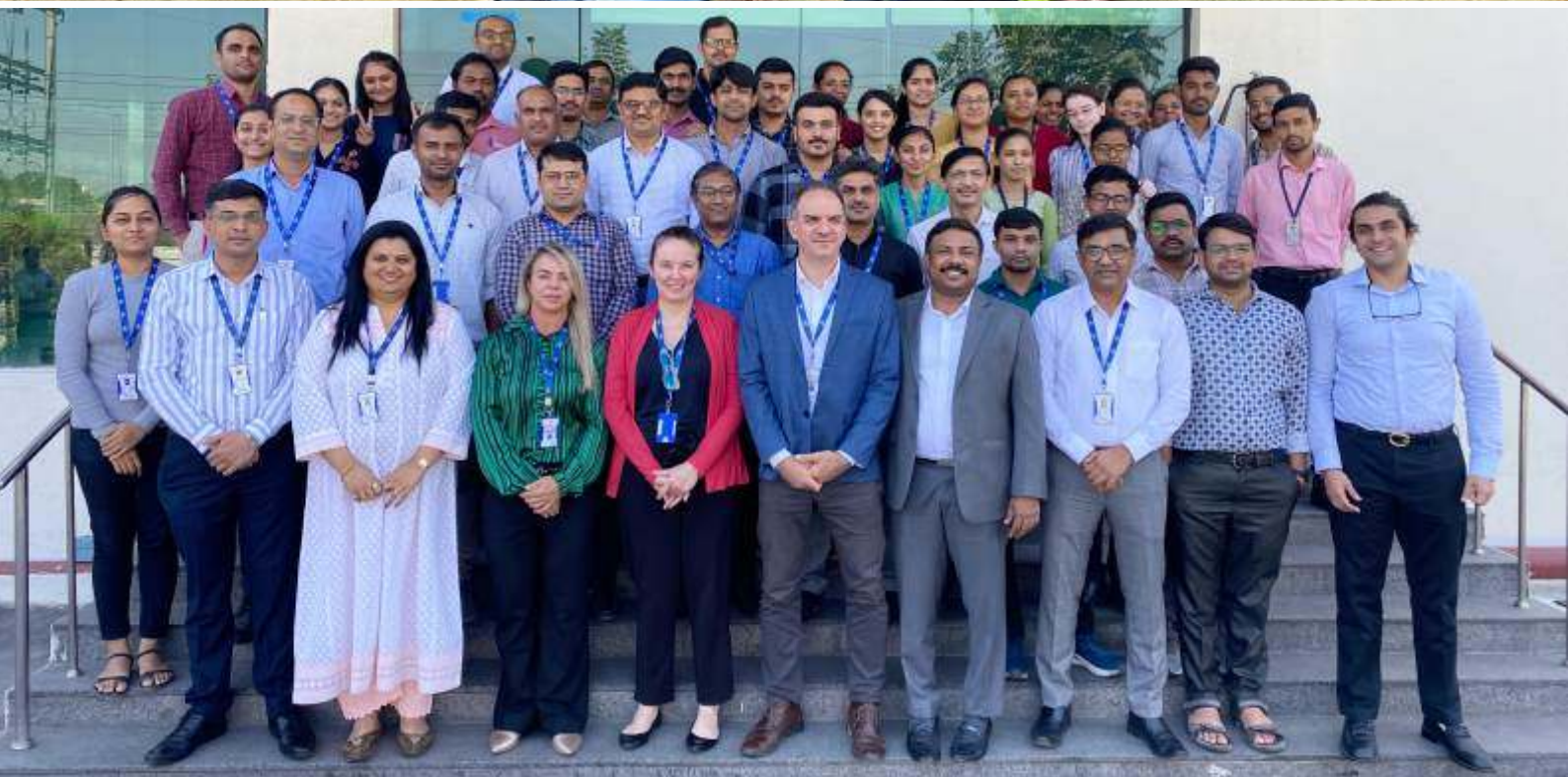


Navsari Factory

● **INTERNAL CONTROL FRAMEWORK**

Your Company has a robust Internal Financial Control system in place, commensurate with size, scale and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls, statutory compliances and other regulatory compliances. The internal control is designed to provide reasonable assurance with regard to maintaining proper accounting controls, protecting assets from unauthorized losses and ensuring reliability of financial and operational information and proper compliance with regulations.

The Audit Committee of the Company reviews the reports of the internal auditors quarterly and based on the report, corrective actions in the respective areas are undertaken and controls are strengthened. During the year under review, no material or serious observation has been received from the internal auditors of the Company for inefficiency or inadequacy of such controls. The Company follows all the applicable Indian Accounting Standards for properly maintaining the books of account and reporting financial statements.



"Investing in people brings the highest returns."
Hamdi Ulukaya

HUMAN RESOURCES

Gufic recognizes the integral role that individuals play in driving business growth. As of March 31, 2023, the Company boasts a robust team of 1628 employees hailing from diverse backgrounds.

In order to cultivate a secure and supportive work environment, Gufic ensures the implementation of environmentally-friendly

work practices. Additionally, the Company follows stringent industrial hygiene practices to safeguard the well-being of its employees.

The Human Resource Development division is dedicated to establishing Gufic as a preferred workplace. The Company upholds strict adherence to internal codes and maintains a zero-tolerance policy against any form of discrimination.

Gufic is committed to creating an improved workplace for its employees and motivates them through a variety of initiatives, outlined as follows:

a. Employee engagement

Gufic fosters a "Together Team," comprising members from various departments, which rotates every six months to organize diverse events for employees. These events are curated with innovative and unique ideas. Annually, the HR department arranges a week of enjoyable activities followed by the Annual Day celebration.

b. Awards & Recognitions

Acknowledging the valuable contributions of employees to the organization's success and growth, Gufic confers rewards in various categories and parameters. This includes accolades such as Employee of the Month and Long Years of Service Awards for those who have completed 5, 10, 15, 20 and 25 years of service.

c. Other key HR initiatives

- Provision of Medical Insurance
- Introduction of Suggestion or Grievances box
- Implementation of Training Programs to tackle the new opportunities and challenges
- Hosting Seminar programs to enhance knowledge in respective field
- Providing sponsorship to the deserving employees who wants to pursue further education
- Establishment of Internal Complaints Committee constituted under The Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 to address issues related to sexual harassment at the work place.

Moreover, the Company has established a whistle blower policy that encourages both directors and employees to report any occurrences of unethical conduct, instances of actual or suspected fraud, or violations of conduct within the Company. This policy structure guarantees that individuals who bring such matters to the Company's attention will not experience any form of retaliation or mistreatment. Oversight of the implementation of the Whistle blower Policy falls under the responsibility of the Board of Directors and can be accessed on the Company's official website www.gufic.com.

Gufic fosters a work culture that encourages employees to strive for excellence, contributing to the Company's growth while also enhancing their skill sets. The Company places great emphasis on team spirit and continually seeks to elevate it. The collective efforts of employees have propelled Gufic to achieve remarkable success over the years. Notably, there have been no significant developments in the realm of Human Resources or Industrial Relations during the past year.

OUTLOOK

Gufic's commitment to progress remains steadfast as it continues to channel investments into research and development, with a focus on molecules slated for commercialization at its upcoming manufacturing facility located in Indore, Madhya Pradesh. The operational launch of this manufacturing facility is scheduled to commence in October 2023. It is anticipated that the impact of the new plant's revenue contribution may become evident in the third quarter of the financial year 2023-24.

Gufic firmly believes in the power of a diversified product portfolio to ensure consistent and sustained business growth. The Company has strategically identified intricate and distinct products across multiple therapeutic areas, marking the threshold for the next phase of growth.

Throughout the financial year 2022-23, Gufic achieved successful market launches for 20 generic products, with an additional 10 products poised for commercialization. Furthermore, the Company has around 22 new products in the pipeline, with several already in the developmental phase.

During the financial year 2023-24, Gufic has outlined the following initiatives:

1. Commercialisation of manufacturing facility situated at Indore, Madhya Pradesh
2. Launching an Oral form of Isavuconazole
3. Focusing efforts on expanding market penetration for Enoxaparin within the infertility segment
4. Introducing a novel analgesic, Polmacoxib, which represents a first-in-class NSAID designed to alleviate signs and symptoms associated with osteoarthritis
5. Launching of a novel once-a-week anti-infective – Dalbavancin for the 1st time in India. The phase-III clinical studies have been completed and the Market authorisation has been received from the DCGI of India.
6. Developing many new products, etc.

In the face of the future, we remain resolute in our dedication to quality and in constructing a portfolio that is poised to meet forthcoming health needs

THREATS, RISKS & CONCERNS

Risk management is an inherent part of the Company's business and management is proactive in terms of managing risks in an organised manner.

Gufic has its comprehensive risk management policy, which is periodically reviewed and amended by the Board of Directors of the Company. However, the risks associated with the business cannot be wholly eliminated, it can be mitigated with the precautionary measures. By virtue of the nature of its business, the Company is susceptible to various risks and the Management had identified such risks and measures to mitigate or minimize them as mentioned hereunder:

Sr. No.	Risks	Measures to mitigate/minimize risks
1	Competitive Risk	Gufic strives to meet the challenges by delighting our customers with product quality, timely supplies, best industrial practices in providing better services.
2	Legal/Regulatory Risk	Gufic has a strong quality assurance mechanism and compliance monitoring checklist that ensures strict compliance at every level. Also, regular training for its employees to update them on new developments is an integral part of this process.
3	Foreign Exchange Risk	Gufic keeps a close watch on forex market, its trend and reviews the movements regularly to mitigate the risk
4	Economical and Political Risk	Gufic focuses on due diligence, ongoing research and political risk analysis to predict such events and plans accordingly.
5	Market Risk	Demand and Supply are external factors on which Company has no control, however the Company plans its production and sales from the experience gained in the past and on going study and appraisal of the market dynamics, movement by competition, economic policies & growth patterns of different segments of users of Company's products.
6	Concentration Risk	Gufic derives revenues from multiple products, multiple customers across geographic regions. Thus, the Company will endeavour to remain diversified & mitigate concentration risk.
7	Price Risk	Gufic produces and sales some products competing with numbers of players in India and abroad. Increasing competition puts pressure on our realizations. Gufic regularly works on cost control, improved yields etc., to maintain our margins.

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.

**CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
ON FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2023**

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, 2023 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, 2023, 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, 2023;
 - ii. Significant changes (if any) in accounting policies during the year ended March 31, 2023 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, 2023**

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 31st March 2023 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)

Place: Mumbai
Date: August 11, 2023
UDIN: F00625E000783831

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

INDEPENDENT AUDITORS' REPORT

To

The Members of Gufic Biosciences Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Gufic Biosciences Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2023, 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 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 31st March 2023, 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 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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	<p>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.</p> <p>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.</p> <p>Refer note 2.11 and 27 to the financial statements.</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> • 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 financial statements in respect of revenue, as specified in Ind AS 115.

Inventory, its valuation and provisions		
2	<p>The Company holds inventory at various locations including factory, various depots and third-party locations. Hence existence of inventory is of significant importance.</p> <p>Inventory valuation involves significant assumptions and estimations made by the Management.</p> <p>Management also makes an estimate for near expiry and slow-moving inventory based on the age of the inventory.</p> <p>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.</p> <p>Refer note 2.7 and 12 to the financial statements.</p>	<p>Our audit of existence of inventory included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> ● 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, 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 account. ● 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 financial statements and our auditors’ report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of 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 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 31st March 2023 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 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 31st March 2023 on its financial position in its financial statements - Refer note 44 to the 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.
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
UDIN: 23135505BGXCUD1690

Place: Mumbai
Dated: May 29th, 2023

ANNEXURE A TO THE AUDITOR'S REPORT

Annexure A to the Independent Auditors' Report on the financial statements of Gufic Biosciences Limited for the year ended 31 March 2023

(Referred to in paragraph I 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 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 made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable to 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 made any investments or provided any guarantee or security as specified under Sections 185 and 186 of the Act. In respect of 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 2023 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	222.58	Assessment Year - 2012-13 & 2014-15	Appellate Authority upto Commissioner's level
		33.15	Assessment Year - 2018-19	Assessing Officer / National eAssessment Centre
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 upto Commissioner's level

- 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 financial statements of the Company, the Company does not have any subsidiaries, associates or joint ventures 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 does not have any subsidiaries, associates or joint ventures 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 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- 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 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 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
UDIN: 23135505BGXCUD1690

Place: Mumbai
Dated: May 29th, 2023

**Annexure B to the Independent Auditors' Report on the financial statements of
Gufic Biosciences Limited for the year ended 31st March 2023**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 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 financial statements of Gufic Biosciences Limited ('the Company') as of 31 March 2023 in conjunction with our audit of the 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 financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to the 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 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the 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 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 financial statements.

Meaning of Internal Financial Controls with Reference to the Financial Statements

A company's internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to the 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)

Place: Mumbai
Dated: May 29th, 2023

Sd/-
Piyush Agarwal
Partner
Membership No. 135505
UDIN: 23135505BGXCUD1690

BALANCE SHEET AS AT MARCH 31st, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31st, 2023	As at March 31st, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	12,684.07	10,545.15
Intangible Assets	4	67.88	61.02
Capital Work-in-Progress	5	16,958.86	4,087.42
Right-of-Use Assets	6	3,204.95	910.53
Financial Assets			
Investments	7	78.43	0.75
Loans	8	34.08	24.07
Others Financial Assets	9	809.07	908.49
Deferred Tax Asset (Net)	10	96.64	-
Other Non-Current Assets	11	5,771.11	3,527.35
Total Non-Current Assets		39,705.09	20,064.78
Current Assets			
Inventories	12	18,345.75	11,556.69
Financial Assets			
Trade Receivables	13	20,546.57	15,155.29
Cash and Cash Equivalents	14	2,860.19	1,160.80
Other Bank Balances	15	1,808.48	1,496.31
Loans	8	20.44	38.26
Other Current Assets	16	2,829.43	2,668.05
Total Current Assets		46,410.86	32,075.40
Total Assets		86,115.95	52,140.18
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	969.45	969.45
Other Equity	18	33,811.37	25,942.35
Total Equity		34,780.82	26,911.80
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	19,067.93	4,797.79
Lease Liabilities	20	1,620.99	32.88
Other Financial Liabilities	21	496.01	499.75
Provisions	22	1,329.45	1,238.86
Deferred Tax Liabilities (Net)	10	-	18.95
Total Non-Current Liabilities		22,514.38	6,588.23
Current Liabilities			
Financial Liabilities			
Current Borrowings	23	12,072.78	1,326.42
Lease Liabilities	20	657.58	281.65
Trade and Other Payables Due to :			
Micro and Small Enterprises	24	981.03	698.98
Other than Micro and Small Enterprises	24	12,045.43	13,396.14
Other Financial Liabilities	21	1,076.92	1,143.68
Other Current Liabilities	25	1,250.48	1,238.66
Provisions	22	424.12	487.15
Current Tax Liabilities (Net)	26	312.41	67.48
Total Current Liabilities		28,820.75	18,640.16
Total Liabilities		51,335.13	25,228.38
Total Equity and Liabilities		86,115.95	52,140.18

See accompanying Notes to the Financial Statements

1 to 57

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, 2023

CIN: L24100MH1984PLC033519

For and on behalf of the Board

Sd/-

Jayesh P. Choksi (DIN 00001729)

Chairman & Managing Director

Sd/-

D. B. Roonghta
Chief Financial Officer

Sd/-

Pranav J. Choksi (DIN 00001731)

Chief Executive Officer & Whole Time Director

Sd/-

Ami Shah
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31st, 2023

(₹ in Lakhs)

Particulars	Notes	For the Year Ended March 31st, 2023	For the Year Ended March 31st, 2022
INCOME			
Revenue From Operations	27	69,062.08	77,915.56
Other Income	28	257.39	310.42
Total Income		69,319.47	78,225.98
EXPENSES			
Cost of Material Consumed	29	33,936.27	35,393.40
Purchase of Stock-in-Trade	30	2,584.38	7,741.84
Change in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	31	(3,338.61)	(1,938.86)
Employee Benefits Expense	32	8,673.18	8,561.18
Finance Costs	33	822.33	536.58
Depreciation and Amortisation Expense	34	2,228.10	1,892.89
Other Expenses	35	13,741.73	13,355.12
Total Expenses		58,647.38	65,542.15
Profit Before Exceptional Items and Tax		10,672.09	12,683.83
Exceptional Items		-	-
Profit Before Tax		10,672.09	12,683.83
Tax Expense	36		
Current Tax		2,821.00	3,215.00
Deferred Tax		(119.39)	(115.18)
Total Tax Expenses		2,701.61	3,099.82
Profit for the Year		7,970.48	9,584.01
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss	40		
i. Remeasurements of the Defined Benefit Plans		(0.71)	(58.88)
ii. Tax Expenses on the above		0.18	14.82
Other Comprehensive Loss for the Year (Net of Tax)		(0.53)	(44.06)
Total Comprehensive Income for the Year		7,969.95	9,539.95
Earnings Per Equity Share of Face Value of ₹ 1 each			
Basic (in ₹)	41	8.22	9.89
Diluted (in ₹)		8.22	9.89

See accompanying Notes to the Financial Statements

I to 57

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

Sd/-

D. B. Roonghta

Chief Financial Officer

Sd/-

Ami Shah

Company Secretary

Place: Mumbai

Date - 29th May, 2023

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31st, 2023

(₹ in Lakhs)

Particulars	For Year Ended March 31st, 2023	For Year Ended March 31st, 2022
A. Cash Flow from Operating Activities		
Profit for the Year After Tax	7,970.48	9,584.01
Adjust for:		
Income Tax Expense Recognised in Profit or Loss	2,701.61	3,099.82
Depreciation and Amortisation Expense	2,228.10	1,892.89
Dividend Income	(0.05)	(0.05)
Interest Income on Fixed Deposits with Banks	(74.05)	(78.17)
Interest Income on Financial Assets Carried at Amortised Cost	(54.38)	(109.74)
Interest Costs on Financial Liabilities Measured at Amortised Cost	822.33	536.58
Non Current Security Deposits at Amortised Cost	48.20	88.00
Profit on Sale of Fixed Asset	(3.03)	(6.84)
Sundry Credit Balances Written back	(3.01)	(4.79)
	13,636.20	15,001.70
Movements in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(5,531.60)	(2,319.31)
(Increase)/Decrease in Inventories	(6,789.07)	(2,116.23)
Increase/(Decrease) in Trade and Other Payables	(1,204.63)	3,363.51
Cash Generated from Operations	110.90	13,929.67
Direct Taxes paid (Net)	(2,769.62)	(3,305.72)
Net Cash Flow (used in) / from Operating Activities	(2,658.72)	10,623.95
B. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipments including Capital Advances and		
Purchase of Intangibles	(18,760.07)	(8,745.31)
Purchase of Investment	(77.68)	-
Sale of Property, Plant and Equipments	3.16	6.84
Dividends Income	0.05	0.05
Balance in Earmarked Accounts	(336.72)	(777.40)
Interest Income on Fixed Deposits with Banks	98.61	56.90
Net Cash Flow used in Investing Activities	(19,072.65)	(9,458.91)
C. Cash Flows from Financing Activities		
Proceeds from Current Borrowings (Net)	14,262.88	(607.75)
Proceeds of Non-Current Borrowings (Net)	10,746.36	1,197.09
Processing Fees Paid	(21.60)	(22.00)
Repayment of Lease Liabilities	(661.93)	(618.70)
Payment for Interest Lease Liability	(131.07)	(62.65)
Dividends paid on Equity Shares	(104.37)	(92.11)
Interest Paid	(659.51)	(418.25)
Net Cash from / (used in) Financing Activities	23,430.76	(624.37)
Net Increase in Cash and Cash Equivalents	1,699.39	540.68
Cash and Cash Equivalents at the Beginning of the Year	1,160.80	620.13
Cash and Cash Equivalents at the End of the Year	2,860.19	1,160.80

Note:

- a) The above cash flow statement of has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Cash Flows Statement".

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31st, 2023

b) Cash and Cash Equivalents comprises of

(₹ in Lakhs)

Components of Cash and Cash Equivalents	For the Year Ended March 31st, 2023	For the Year Ended March 31st, 2022
Cash and Bank Balance includes :		
Balances with Banks - In current accounts	2,547.79	914.43
Cheques on hand	308.43	245.66
Cash on hand	3.97	0.72
Total Cash and Cash Equivalents (Refer Note 14)	2,860.19	1,160.80

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, 2023

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31st, 2023

A. Equity Share Capital (Refer Note 17)

(₹ in Lakhs)

Particulars	Balance at the Beginning of the Current Reporting Period	Changes in Equity Share Capital due to Prior Period Errors	Restated Balance at the Beginning of the Current Reporting Period	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Reporting Period
Balance at March 31st, 2022	969.45	-	969.45	-	969.45
Balance at March 31st, 2023	969.45	-	969.45	-	969.45

B. Other Equity (Refer Note 18)

(₹ in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total Equity attributable to Equity Holders
	Capital reserve	General reserve	Retained earnings	Remeasurements of the Defined Benefit Plans	
As at March 31st, 2021	7,088.24	134.71	9,368.42	(217.17)	16,374.20
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-
Restated Balance at the Beginning of the Current Reporting Period	7,088.24	134.71	9,368.42	(217.17)	16,374.20
Total Comprehensive Income for the Current Year					
Profit for the Year	-	-	9,584.01	-	9,584.01
Transaction during the Year	125.15	-	-	-	125.15
Other Comprehensive Income for the Year, Net of Income tax	-	-	-	(44.07)	(44.07)
Dividend on Equity shares	-	-	(96.94)	-	(96.94)
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 Reporting Period	7,213.39	134.71	18,855.49	(261.24)	25,942.35
Total Comprehensive Income for the Current 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

See accompanying Notes to the Financial Statements

1 to 57

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, 2023

Sd/-
D. B. Roonghta
Chief Financial Officer

Sd/-
Ami Shah
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

I Corporate Information

The financial statements comprise financial statements of Gufic Biosciences Limited ("the company") for the year ended March 31st, 2023. 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, 2023 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 amended.

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, 2023.

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 I 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.

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 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.

3 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, 2023.

4 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.

4.1 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 assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by the management 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(*)	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, 2021	2,354.94	-	7,699.25	782.62	185.21	412.76	1,391.52	447.02	274.24	13,547.56
Additions	218.69	984.43	590.39	264.49	84.25	47.47	380.49	26.91	50.44	2,647.56
Disposals/reclassifications	-	-	(292.19)	-	-	(48.70)	-	-	(1.78)	(342.67)
As at March 31st, 2022	2,573.63	984.43	7,997.45	1,047.11	269.46	411.53	1,772.01	473.93	322.90	15,852.45
Additions	617.83	-	2,272.91	214.17	87.31	7.41	325.73	72.13	68.67	3,666.16
Disposals/reclassifications	-	-	-	-	-	-	-	-	(2.71)	(2.71)
As at March 31st, 2023	3,191.46	984.43	10,270.36	1,261.28	356.77	418.94	2,097.74	546.06	388.86	19,515.90
Accumulated Depreciation										
As at March 31st, 2021	391.72	-	2,451.07	154.62	57.79	206.25	508.62	198.95	202.12	4,171.14
Depreciation expense for the year	111.47	15.54	750.21	61.67	23.91	44.68	273.66	57.03	47.14	1,385.31
Disposals/reclassifications	-	-	(206.80)	-	-	(40.66)	-	-	(1.69)	(249.15)
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	15.59	825.96	80.12	30.65	40.73	311.38	59.16	41.49	1,527.11
Disposals/reclassifications	-	-	-	-	-	-	-	-	(2.58)	(2.58)
As at March 31st, 2023	625.22	31.13	3,820.44	296.41	112.35	251.00	1,093.66	315.14	286.48	6,831.83
As at March 31st, 2023	2,566.24	953.30	6,449.92	964.87	244.42	167.94	1,004.08	230.92	102.38	12,684.07
As at March 31st, 2022	2,070.44	968.89	5,002.97	830.82	187.76	201.26	989.73	217.95	75.33	10,545.15

(*) - Represent Building constructed on leasehold land which will revert to the lessor on completion of lease period.

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 & Equipments, Plant and Equipments (R & D), Furniture and Fixture, Office Equipments, Electrical Installations and Computers having carrying value of ₹ 11,562.83 lakhs (as at March 31st, 2022: ₹ 9,375.00 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 ₹ 95.95 lakhs (as at March 31st, 2022: ₹ 111.99 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 ₹ 953.30 lakhs (as at March 31st, 2022: ₹ 968.89) 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, 2023

Note 4. Intangible Assets

(₹ in Lakhs)

Description of assets	Computer Software	Technical Know How	Brand	Goodwill	Total
Gross Block (Cost or Deemed Cost)					
As at March 31st, 2021	13.68	32.11	42.62	2.80	91.21
Additions	28.25	-	-	-	28.25
Disposals/ Reclassifications	-	-	-	-	-
As at March 31st, 2022	41.93	32.11	42.62	2.80	119.46
Additions	31.84	-	-	-	31.84
Disposals/ Reclassifications	-	-	-	-	-
As at March 31st, 2023	73.77	32.11	42.62	2.80	151.30
Accumulated Amortisation					
As at March 31st, 2021	13.00	6.84	24.06	2.80	46.70
Amortisation Expense for the Year	4.08	3.00	4.66	-	11.74
Disposal of Assets/ Reclassifications	-	-	-	-	-
As at March 31st, 2022	17.08	9.84	28.72	2.80	58.44
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	2.80	83.42
As at March 31st, 2023	38.93	19.27	9.68	-	67.88
As at March 31st, 2022	24.85	22.27	13.90	-	61.02

4.1 The Company has not revalued its Intangible Assets during the year ended March 31st, 2023.

Note 5. Capital Work In Progress

(₹ in Lakhs)

Description of assets	As at March 31st, 2023	As at March 31st, 2022
Deemed Cost		
Opening	4,087.42	1,340.04
Additions	14,736.11	3,820.49
Reclassifications	1,864.67	1,073.11
	16,958.86	4,087.42

5.1 Capital Work in Progress includes Factory Building and Plant & Equipment having carrying value of ₹ 11,775.71 lakhs (as at March 31st, 2022: ₹ 2,026.30 Lakhs) which has been pledged to secure borrowings of the Company.

5.2 Capital Work in Progress Ageing Schedule

(₹ 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

(₹ in Lakhs)

Particulars	As at March 31st, 2022				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	3,820.48	158.94	108.00	-	4,087.42

5.3 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 31st March, 2023 and 31st March, 2022.

Note 6. Right-of-use Assets

(₹ in Lakhs)

Particulars	Leasehold Properties	Total
I. Carrying Amount		
Balance as at March 31st, 2021	1,225.53	1,225.53
Additions	842.86	842.86
Deletion	75.41	75.41
Balance as at March 31st, 2022	1,992.98	1,992.98
Additions	2,970.44	2,970.44
Deletion	-	-
Balance as on March 31st, 2023	4,963.42	4,963.42
II. Accumulated Depreciation / Amortization Loss		
Balance as at March 31st, 2021	649.46	649.46
Additions	495.83	495.83
Deletion	62.84	62.84
Balance as at March 31st, 2022	1,082.45	1,082.45
Additions	676.02	676.02
Deletion	-	-
Balance as on March 31st, 2023	1,758.47	1,758.47
Net Block as on March 31st, 2023	3,204.95	3,204.95
Net Block as on March 31st, 2022	910.53	910.53

6.1 The aggregate depreciation expense amounting to ₹ 676.02 Lakhs (for the Year Ended March 31st, 2022 : ₹ 495.85 Lakhs) on ROU assets is included under depreciation & amortisation expenses (Refer Note 34) in the Statement of Profit & Loss

6.2 Lease Hold Land having carrying value of ₹ 997.22 lakhs (as at March 31st, 2022: ₹ 630.50 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 7. Investments

(₹ in Lakhs)

Particular	As at March 31st, 2023	As at March 31st, 2022
Non-Current Unquoted (at FVTOCI)		
Equity Instruments		
- Saraswat Co-Operative Bank Limited 7500 (P.Y.: 7500) Equity Shares)	0.75	0.75
- Selvax PTY LTD (1,30,700 (P.Y.: NIL) Equity Shares)	77.68	-
Total	78.43	0.75
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	78.43	0.75
Aggregate amount of impairment in value of investments	-	-

Note 8. Loans
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particular	As at March 31st, 2023	As at March 31st, 2022
Non Current		
Loans to Staff	34.08	24.07
Total	34.08	24.07
Current		
Loans to Staff	20.44	38.26
Total	20.44	38.26

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, 2023	As at March 31st, 2022
Security Deposits with		
With Related Party (Refer Note 39)	402.32	384.63
With Others (Amortised Cost)	406.75	523.86
Total	809.07	908.49

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 10. Deferred Tax Assets/(Liabilities) (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Deferred Tax Liabilities		
Property, Plant and Equipment	(275.41)	(374.39)
Borrowing Cost	(19.30)	(2.45)
Deferred Tax Assets		
Trade Receivables	110.22	106.63
Employee Benefits (Net of OCI)	198.13	164.46
Other Comprehensive Income	83.00	86.81
Total	96.64	(18.95)

Note 11. Other Non - Current Assets
(Unsecured, Considered Good unless Stated Otherwise)

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Capital Advances		
Considered Good	5,587.16	3,432.17
Considered Credit Impaired	-	-
	5,587.16	3,432.17
Less : Provision for Credit Impaired	-	-
	5,587.16	3,432.17
Others		
Balances with Statutory Authorities like Value Added Tax etc.	4.25	0.29
Prepaid Expenses		
- For Leave and Licence Agreement (Factory Building and office premises)	179.70	92.00
- Finance Charges	-	2.88
Total	5,771.11	3,527.35

Note.12 Inventories

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Inventories (Lower of Cost and Net Realisable Value)		
Raw Materials	5,208.00	2,338.09
Stock-in-Process	5,738.56	2,045.16
Finished Goods	3,678.05	3,943.76
Packing Materials	2,584.61	2,083.39
Stock-in-Trade	1,006.31	1,102.51
Consumables	130.22	43.77
Total	18,345.75	11,556.69

The cost of inventories recognised as an expense during the year was ₹33,182.04 lakhs (for the year ended March 31st, 2022: ₹ 41,196.38 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.

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Stock-in-Transit, (Included above)		
Raw Materials	488.47	52.59
Finished Goods	21.02	75.85
	509.49	128.44

Note 13. Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
(Unsecured, considered good unless stated otherwise)		
Current		
Considered Good (Refer Note 39)	14,066.32	11,664.42
Credit Impaired (Refer Note 42.3.1)	6,918.19	3,934.82
	20,984.51	15,599.24
Allowance for Doubtful Debts (expected credit loss allowances)	(437.94)	(443.95)
Total	20,546.57	15,155.29

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 30-90 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, 2023	As at March 31st, 2022
Expected credit loss (%)		
Not Due	0.79%	1.19%
Less than 6 Months	0.85%	1.63%
6 Months - 1 Year	3.27%	7.43%
1 Year - 2 Years	14.77%	14.83%
2 Years - 3 Years	32.02%	35.01%
More than 3 Years	96.00%	100.00%
Undisputed Trade receivables - Considered Good		
Not Due	14,066.32	11,664.42
Less than 6 Months	5,023.03	2,671.35
6 Months - 1 Year	888.63	713.81
1 Year - 2 Years	835.88	303.51
2 Years - 3 Years	62.30	127.06
More than 3 Years	108.35	119.09
	20,984.51	15,599.24
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	443.95	303.71
Actual Bad Debts During the Year	-	-
Provision for Expected Credit Loss Allowance on Trade Receivables Calculated at Lifetime Expected Credit Losses	(6.01)	140.24
Balance at the Year End	437.94	443.95

Note 14. Cash And Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Balances with Banks		
- In current accounts	2,547.79	914.43
Cheques on Hand	308.43	245.66
Cash on Hand	3.97	0.72
Total	2,860.19	1,160.80

Note 15. Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Earmarked Balances with Banks		
Unpaid Dividend Accounts	2.24	9.67
Deposits against Guarantees and Other Commitments	1,806.24	1,486.64
Total	1,808.48	1,496.31

Other Bank Balances - Earmarked Balances with Banks includes deposit ₹539.59 lakhs (as at March 31st, 2022 : ₹ 6.51 Lakhs) with maturity of more than 12 months.

Note 16. Other Current Assets

Particulars	As at March 31st, 2023	As at March 31st, 2022
Advances other than Capital Advances		
Employees Imprest Advance	133.77	103.09
	133.77	103.09
Others		
Advance to Vendors		
Considered Good	683.21	769.95
Credit Impaired	-	-
	683.21	769.95
Less : Provision for Credit Impaired	-	-
	683.21	769.95
Balances with Statutory Authorities like Goods and Service Tax, Value Added Tax etc.	1,833.84	1,709.51
Prepaid Expenses	95.02	85.09
Others	83.59	0.41
Total	2,829.43	2,668.05

Note 17. Equity Share Capital

Particulars	As at March 31st, 2023		As at March 31st, 2022	
	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	75,22,66,610	7,522.67	75,22,66,610	7,522.67
Shares of ₹ 1 Each				
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	9,69,44,506	969.45	9,69,44,506	969.45
	9,69,44,506	969.45	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, 2023		As at March 31st, 2022	
	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	-	-	-	-
Equity Shares at the end of the year	9,69,44,506	969.45	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 shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31st, 2023		As at March 31st, 2022	
	No of shares held	% of holding	No of shares held	% of holding
Fully Paid Equity Shares				
a) Jayesh Pannalal Choksi	2,46,90,829	25.47%	2,51,58,829	25.95%
b) Zircon Teconica Private Limited	2,05,23,330	21.17%	2,05,23,330	21.17%
c) Gufic Private Limited	1,01,91,523	10.51%	1,01,91,523	10.51%
d) Vipula Jayesh Choksi	1,00,33,843	10.35%	1,00,33,843	10.35%
e) Pranav Jayesh Choksi	72,68,626	7.50%	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 2023 .

17.5 Details of Equity shares held by promoters at the end of the year

Name of Shareholder	As at March 31st, 2023			As at March 31st, 2022		
	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	25.47%	-1.86%	2,51,58,829	25.95%	0.00%
b) Zircon Teconica Private Limited	2,05,23,330	21.17%	0.00%	2,05,23,330	21.17%	0.00%
c) Gufic Private Limited	1,01,91,523	10.51%	0.00%	1,01,91,523	10.51%	0.00%
d) Vipula Jayesh Choksi	1,00,33,843	10.35%	0.00%	1,00,33,843	10.35%	0.00%
e) Pranav Jayesh Choksi	72,68,626	7.50%	0.00%	72,68,626	7.50%	0.00%

Note 18. Other Equity

(₹ in Lakhs)

Particular	As at March 31st, 2023		As at March 31st, 2022	
	Non current	Current	Non current	Current
Capital Reserve				
Balance at Beginning of the Year		7,213.39		7,088.24
Movements		-		125.15
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
Retained Earnings				
Balance at Beginning of the Year		18,855.49		9,368.42
Add : Profit for the Year		7,970.48		9,584.01
Less : Final Dividend on Equity Shares (Refer Note 18.3)		(96.94)		(96.94)
Balance at End of the Year		26,729.03		18,855.49
Other Items of Other Comprehensive Income (Re - Measurement Gains (Losses) on Defined Benefit Plans)				
Balance at Beginning of the Year		(261.24)		(217.17)
Less : Amount Transferred		(0.53)		(44.07)
Less: Others (Refer Note 18.4)		(3.99)		-
Balance at End of the Year		(265.76)		(261.24)
TOTAL		33,811.37		25,942.35

- 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: The company has paid dividend of ₹ 0.10 per share on September 23rd, 2022 totalling to ₹ 96.94 lakhs for the year ended March 31st, 2022 (Previous year : ₹ 0.10 per share totalling to ₹ 96.94 lakhs) was paid to the holders of fully paid equity shares.
- 18.4: 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, 2023		As at March 31, 2022	
	Non current	Current	Non current	Current
Secured - at Amortised Cost From Banks				
Term Loans (Refer Note 19.1 (a) and 19.2 (b))	18,641.01	861.32	4,336.77	632.96
Vehicle Loans (Refer Note 19.1 (c))	27.71	30.42	57.84	28.10
From Others				
Property Loans (Refer Note 19.1 (d))	399.21	4.96	403.18	5.44
	19,067.93	896.70	4,797.79	666.50

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, I I , 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 ₹ 3,49,000/- to ₹ 33,30,000/- (March 31st, 2022 : ₹ 6,05,000/- to ₹ 33,00,000/-)(excluding interest), over a period of 1 to 108 months.

Rate of Interest

The Rate of Interest is PLR- 7.50% p.a. i.e subject to minimum 7.25% p.a. and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2023 was 8.00%)

(b) Terms 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 ₹ 6,40,960/- to ₹ 21,16,092/- (excluding interest), over a period of 1 to 84 months starting from October 2024 i.e. after moratorium 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, 2023 was 7.64%)

(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 ₹ 95.95 lakhs. (March 31st, 2022 : ₹ 111.99 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, 2022 ₹ 34,701/- to ₹ 1,57,505/-) (including Interest), over a period of 1 to 60 months.

Rate of Interest

The Rate of Interest is between 6.75 % to 8.65 % p.a. (March 31st, 2022 : 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 of ₹ 953.30 Lakhs (March 31st, 2022 : ₹ 968.89 Lakhs) acquired under the specific facility granted.

Terms of Repayment

Amount disbursed under the term loan shall be repaid in monthly installments of ₹ 4,17,428/- (March 31st, 2022 : ₹ 8,01,415/-) (including Interest), within a period 180 months.

Rate of Interest

The Rate of Interest is 11.40 % p.a. (March 31st, 2022 : 9.00% p.a.) and shall be payable on monthly basis.

There are no breach of contractual terms of the borrowing during the year ended March 31st, 2023 and March 31st, 2022.

Note 20. Lease Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Non-Current		
Lease Liabilities	1,620.99	32.88
Total	1,620.99	32.88
Current		
Lease Liabilities	657.58	281.65
Total	657.58	281.65

Note 21. Other Financial Liabilities (at Amortised Cost)

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Non-Current		
Security & Trade Deposits From		
Agents and Stockists	496.01	499.75
Total	496.01	499.75
Current		
Interest Accrued and not Due on Borrowings	30.53	23.35
Unpaid Dividends (Refer Note 21.1)	2.25	9.67
Employee Benefits Payable	1,044.14	1,110.66
Total	1,076.92	1,143.68

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, 2023	As at March 31st, 2022
Non-Current		
Provision for Employee Benefits (Refer Note 40)		
Provision For Compensated Absences	241.66	207.73
Provision For Gratuity	777.45	658.79
Others		
Provision for Sales Returns (Refer Note 53)	310.34	372.34
Total	1,329.45	1,238.86
Current		
Provision for Employee Benefits (Refer Note 40)		
Provision For Compensated Absences	32.67	56.87
Provision For Gratuity	65.21	38.85
Others		
Provision for Sales Returns (Refer Note 53)	326.24	391.43
Total	424.12	487.15

Note 23. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Loans from Bank - Secured		
Working Capital Facility (Refer Note 23.1)	11,176.08	659.92
Current Maturities of Long-Term Debt (Refer Note 19)	896.70	666.50
	12,072.78	1,326.42

23.1 Working Capital facilities 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- 7.50% p.a. i.e subject to minimum 7.25% p.a. for Cash Credit limit and PLR- 7.75% p.a. i.e subject to minimum 7.00% p.a. for Working Capital Demand Loan. (Effective Interest rate as on March 31st, 2023 was 8.00%)

23.2 Working Capital facilities 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.
- (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, 2023 was 7.68%)

23.3 Working Capital facilities 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.
- 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 3M MCLR+0.10 % and shall be payable on monthly basis. (Effective Interest rate as on March 31st, 2023 was 7.60%)

Note 24. Trade and other Payables Due to :

Particulars	As at March 31st, 2023	As at March 31st, 2022
Micro and Small Enterprises	981.03	698.98
Other than Micro and Small Enterprises	12,045.43	13,396.14
	13,026.46	14,095.12

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, 2023	As at March 31st, 2022
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	981.03	666.13
b. Interest due on above		32.85
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	-	21.68
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	32.85
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 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, 2023	As at March 31st, 2022
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	745.50	575.25
Less than 6 months	234.63	101.39
6 Months - 1 Year	0.90	22.34
1 Year - 2 Years	-	-
2 Years - 3 Years	-	-
More than 3 Years	-	-
	981.03	698.98
Undisputed Dues-Other than MSME		
Not Due	10,606.60	10,922.19
Less than 6 months	1,288.68	1,635.61
6 Months - 1 Year	75.60	657.99
1 Year - 2 Years	20.45	125.62
2 Years - 3 Years	12.85	13.11
More than 3 Years	41.25	41.62
	12,045.43	13,396.14
	13,026.46	14,095.12

Note 25. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Advance From Customer	535.92	603.49
Statutory Dues	265.29	494.75
Payable for Capital goods	449.27	140.42
Total	1,250.48	1,238.66

Note 26. Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Provision for Taxation (Net)	312.41	67.48
Total	312.41	67.48

Note 27. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Sale of Products (Net of Returns and GST) (Refer Note 39) (Formulation and Active Pharma Ingredient)	67,975.46	71,302.24
Other Operating Revenue		
Processing Charges	558.43	6,364.49
Other Operating Revenues	528.19	248.82
Total	69,062.08	77,915.56
Disaggregation Of Revenue		
India	58,371.78	70,703.93
Africa	1,341.43	908.93
Asia	5,116.16	2,812.27
Europe	2,942.30	2,552.06
North America	1,161.86	835.33
Australia	53.55	40.61
South America	75.00	62.44
Revenue from Operations	69,062.08	77,915.56

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,2023	For the year ended March 31st,2022
Contract Price	80,082.55	84,810.64
Less:		
Sales Returns/Discounts	11,020.47	6,895.08
Total	69,062.07	77,915.56
Contract Balances		
Trade Receivables	20,546.57	15,155.29
Contract Assets	-	-
Contract Liabilities	535.92	603.49

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

Balances at the Beginning of the Year	603.49	282.71
Additional During the Year	535.92	603.49
Reduction During the Year	603.49	282.71
Balances at the Close of the Year	535.92	603.49

Note 28. Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Interest Income (at Amortised Cost)	141.20	187.92
Dividend Income	0.05	0.05
Other Non Operating Income	113.12	46.27
Profit on Sale of Fixed Assets	3.02	6.84
Foreign Exchange Gains	-	69.34
Total	257.39	310.42

Note 29. Cost of Material Consumed

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Consumption of Raw Material		
Opening Stock	2,338.09	3,120.52
Add: Purchases	33,170.55	30,263.38
Less: Closing Stock	(5,208.00)	(2,338.09)
	30,300.64	31,045.80
Consumption of Packing Material		
Opening Stock	2,083.39	1,097.54
Add: Purchases	4,136.85	5,333.45
Less : Closing Stock	(2,584.61)	(2,083.39)
	3,635.63	4,347.60
Total	33,936.27	35,393.40

Note 30. Purchases of Stock - In - Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Purchase of Stock - In - Trade (Refer Note 39)	2,584.38	7,741.84
	2,584.38	7,741.84

Note 31. Changes In Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Opening stock of		
Stock-in-Process	2,045.16	2,823.44
Finished Goods	3,943.76	2,063.82
Stock-in-Trade	1,102.51	297.74
Right to Recover Return Goods	364.52	332.08
	7,455.95	5,517.08
Less: Closing 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
Total	(3,338.61)	(1,938.86)

Note 32. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Salary and Wages	7,776.26	7,376.02
Contribution to Provident and Other Funds	390.63	340.87
Gratuity Expenses (Refer Note 40)	186.73	134.89
Staff Welfare Expenses	319.56	709.39
Total	8,673.18	8,561.18

Note. 33 Finance Costs

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Interest		
Interest on Financial Liabilities - Borrowing carried at Amortised Cost	532.50	337.99
Bank & Other Financial Charges	158.76	135.94
Interest on Lease Liabilites (Refer Note 38)	131.07	62.65
Total	822.33	536.58

33.1 Interest amounting to ₹ 551.61 (March 31st, 2022 : ₹ Nil) has been capitalised to Capital Work In Progress.

Note. 34 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Depreciation on Property,Plant and Equipment (Refer Note 3 and 4)	1,552.08	1,397.04
Amortisation of Right to Use asset (Refer Note 6)	676.02	495.85
Total	2,228.10	1,892.89

Note. 35 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
Consumable Stores (Refer Note 39)	897.72	1,078.21
Power and Fuel	1,524.38	1,099.90
Labour Charges	811.91	783.63
Other Manufacturing Expenses	10.63	7.09
Rent Expenses (Refer Note 39)	133.68	239.10
Rates and Taxes (Excluding Taxes on Income)	15.29	28.03
Repairs and Maintenance		
- Building	231.90	208.45
- Machinery	374.91	501.01
- Others	139.71	163.91
Printing and Stationery	245.67	265.24
Communication Expenses	90.08	97.84
Director Sitting Fees	3.30	3.30
Insurance Charges	183.38	175.52
Travelling, Conveyance and Vehicle Expenses	2,581.80	1,618.37
Licences and Legal Fees	212.99	216.42
Legal and Professional Fees (Refer Note 45)	1,003.62	1,152.78
Testing and Laboratory Expenses	603.30	686.83
Transport and Forwarding	1,233.20	1,397.79
Commission and Brokerage	1,345.36	1,106.09
Sales Promotion Expenses	523.62	330.86
Advertisement	72.00	3.55
Donation	0.45	0.76
Research and Development Expenses (Refer Note 46)	515.59	442.86
Corporate Social Responsibility Activity (Refer Note 48)	231.30	84.91
Allowance for Doubtful Receivables (net) and Write off	-	140.24
Miscellaneous Expenses	459.88	1,522.43
Foreign Exchange loss (Net)	296.06	-
Total	13,741.73	13,355.12

Note 36. Tax Expenses

a) The major components of Income Tax for the Year Ended March 31st, 2023 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, 2023	For the year ended March 31st, 2022
Current Tax Expense		
Current year	2,821.00	3,215.00
	2,821.00	3,215.00
Deferred Tax Expense		
Origination and reversal of temporary differences	(119.39)	(115.18)
Tax expense recognised in the Profit and Loss Statement	2,701.61	3,099.82

ii) Deferred tax Related to Items Recognized in Other Comprehensive Income (OCI) during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Remeasurements of the defined benefit plans		
Tax benefit	0.18	14.82
Total	0.18	14.82

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting Profit before tax	10,672.09	12,683.83
Applicable tax rate (Current year 25.17% & Previous Year 25.17%)	2,685.95	3,192.27
Adjustment in respect of Current Income Tax in respect of previous years	-	-
Change in Recognised deductible Temporary Differences	(119.39)	(115.18)
Income not Taxable/Exempt from Tax	135.05	22.73
Income Tax Expenses Charged to the Statement of Profit & Loss	2,701.61	3,099.82
Effective tax rate	25.31%	24.44%

c) Deferred tax relates to the following:

(₹ in Lakhs)

	Balance-Sheet		Recognized in the statement of profit & loss		Other Comprehensive Income	
	March 31st, 2023	March 31st, 2022	March 31st, 2023	March 31st, 2022	March 31st, 2023	March 31st, 2022
Deferred tax Liabilities/(Assets)						
Deductible temporary differences						
Property, Plant and Equipment	275.41	374.39	(98.98)	(40.76)	-	-
Borrowing Cost	19.30	2.45	16.85	(0.47)	-	-
Trade Receivables	(110.22)	(106.63)	(3.59)	(30.01)	-	-
Employee Benefits (net of OCI)	(198.13)	(164.46)	(33.49)	(29.11)	0.18	14.82
Other Comprehensive Income	(83.00)	(86.81)	(0.18)	(14.82)	-	-
Net Deferred Tax Liabilities/(Assets)	(96.64)	18.95	(119.39)	(115.18)	0.18	14.82

There are no unrecognized deferred tax assets and liabilities as at March 31st, 2023 and March 31st, 2022. 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, 2023	For the year ended March 31st, 2022
India	58,371.78	70,703.93
Africa	1,341.43	908.93
Asia	5,116.16	2,812.27
Europe	2,942.30	2,552.06
North America	1,161.86	835.33
Australia	53.55	40.61
South America	75.00	62.44
	69,062.08	77,915.57
Particulars	As at March 31st, 2023	As at March 31st, 2022
Carrying Amount of Non-Current Assets		
- India	39,627.41	20,064.78
- Other Countries	77.68	-
	39,705.09	20,064.78

Information about Major Customers

No Single Customer Account for 10% or More than 10% of Revenue from operation during the year ended March 31st, 2023 and March 31st, 2022.

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 :

(₹ in Lakhs)

As a Lessee :

The following is the break-up of current and non-current lease liabilities as at

Particulars	As at March 31st, 2023	As at March 31st, 2022
Current Lease Liabilities	657.58	281.65
Non-current Lease Liabilities	1,620.99	32.88
	2,278.57	314.53

The following is the movement in Lease Liabilities during the Year Ended:

Particulars	For the Year Ended March 31st, 2023	For the Year Ended March 31st, 2022
Balance as Beginning of the Year	314.52	618.85
Additions	2,494.92	251.72
Finance cost accrued	131.07	62.65
Deletions	-	-
Payment of Lease Liabilities	(661.93)	(618.70)
Balance as Closing of the year	2,278.58	314.52

The aggregate interest expense amounting to ₹ 131.07 Lakhs (for the year ended March 31st, 2022: ₹ 62.65 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, 2023	For the Year Ended March 31st, 2022
Payment of Lease Liabilities	(661.93)	(618.70)
Interest on Lease Liabilities	(131.07)	(62.65)
Total Cash Outflow on Leases	(793.00)	(681.35)

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at March 31st, 2023	As at March 31st, 2022
Less than one year	657.58	281.65
One to five years	1,620.99	32.88
	2,278.57	314.53

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, 2023	For the Year Ended March 31st, 2022
Depreciation charge on right-of-use assets	676.02	495.85
Interest expense on lease liabilities	131.07	62.65
Expense relating to short-term leases	85.48	151.10
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 Activities recognised in the Statement of Cash Flows for the year ended March 31st, 2023 is ₹ 793.00 Lakhs. (for the year ended March 31st, 2022 : 681.35 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

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	
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	Mrs. Rita Ghosh	Relatives of Key Managerial Personnel
12	Mrs. Pooja Pranav Choksi	
13	Gufic Private Limited	Enterprises over which KMP are able to exercise influential control
14	Gufic Chem Private Limited	
15	Jal Private Limited	
16	Zire Rushi Construction	
17	Tricon Enterprises Private Limited	
18	Prime Bio Inc	
19	Vishoushadhi Products and Services Private Limited	
20	Greots Lifesciences Private Limited	

Transactions for the year ended

S. no	Particulars	Year ended March 31st,2023	Year ended March 31st,2022
1	Services Received From Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	-	4.03
	Gufic Chem Private Limited	94.18	94.61
	Zire Rushi Construction	-	4.28
	Prime Bio Inc	615.19	568.66
	Vishoushadhi Products and Services Private Limited	264.96	73.04
2	Purchase of Stock In Trade and Consumable Stores Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	92.94	133.26
	Prime Bio Inc	4.78	-
3	Payment of Rent Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	420.00	387.00
4	Sales of Goods Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	30.66	14.21
	Tricon Enterprises Private Limited	8.49	50.31
	Greots Lifesciences Private Limited	28.44	-
5	Reversal of Interest Receivable Enterprises over which KMP are able to exercise influential control		
	Zire Rushi Construction	-	40.82
6	Purchase of Tangible Asset Enterprises over which KMP are able to exercise influential control		
	Zire Rushi Construction	-	21.22
7	Security Deposit Return (against lease) Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	-	250.00

8	Remuneration KMP		
	Key Managerial Personnel		
	Jayesh P. Choksi	40.41	40.41
	Pranav J. Choksi	20.41	20.41
	Pankaj J. Gandhi	15.86	14.33
	Dilip Ghosh	21.36	20.98
9	Directors Sitting Fees		
	Key Managerial Personnel		
	Gopal M. Daptari	0.70	0.70
	Shrirang V. Vaidya	0.70	0.70
	Shreyas K. Patel	0.70	0.70
	Rabi Narayan Sahoo	0.50	0.50
	Dr. Anu Aurora	0.70	0.70
10	Reimbursement of Expenses Paid		
	Key Managerial Personnel		
	Pankaj J. Gandhi	15.76	42.09
	Dilip Ghosh	7.67	6.44
11	Reimbursement of Expenses Received		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	101.83	-
12	Service Received From		
	Relatives of Key Managerial Personnel		
	Pooja Pranav Choksi	9.50	3.17
	Rita Ghosh	6.00	5.50

Balance as at:

S no	Particulars	As at March 31st, 2023	As at March 31st, 2022
1	Trade Receivables		
	Enterprises over which KMP are able to exercise influential control		
	Tricon Enterprises Private Limited	-	0.24
	Greots Lifesciences Private Limited	31.85	-
2	Trade Payables		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Chem Private Limited	5.26	-
	Vishoushadhi Products and Services Private Limited	-	6.71
	Zire Rushi Construction	4.96	4.96
	Gufic Private Limited	-	25.90
3	Security Deposits		
	Enterprises over which KMP are able to exercise influential control		
	Gufic Private Limited	350.00	350.00
	Gufic Chem Private Limited	120.00	120.00
4	Advance to Suppliers		
	Enterprises over which KMP are able to exercise influential control		
	Prime Bio Inc	3.05	-

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, contributions into the Pension fund 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, 2023	For the year ended March 31st, 2022
Employer's contribution to Provident Fund & ESIC Fund	390.63	340.87

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. Each year, the Company reviews the level of funding in gratuity fund and decides its contribution.

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, 2023. 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, 2023	As at March 31st, 2022
Discount Rate(s)	7.49%	7.29%
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, 2023	For the year ended March 31st, 2022
Expense recognised in the statement of profit & loss (Refer Note 32)		
Current Service Cost	135.87	96.88
Past Service Cost and Gain/(Loss) from Settlements	-	-
Net Interest Expense	50.86	38.01
Expenses Charged to the Statement of Profit and Loss	186.73	134.89
Remeasurement of Defined Benefit Obligation recognised in Other Comprehensive Income		
Actuarial Gain/(Loss) on Defined Benefit Obligation	(0.71)	(58.88)
Actuarial Gain on Plan Assets	-	-
Expense charged to Other Comprehensive Income	(0.71)	(58.88)

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, 2023	As at March 31st, 2022
Present value of Defined Benefit Obligation	842.66	697.64
Current Liability	65.21	38.85
Non-Current Liability	777.45	658.79

40.2.4 Movements in the present value of the defined benefit obligation are as follows.

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Reconciliation of defined benefit obligations		
Obligation as at the Beginning of the Year	697.64	553.25
Interest Cost	50.86	38.01
Current Service Cost	135.87	96.88
Benefits paid Directly by Employer	(42.42)	(49.38)
Actuarial (Gains)/Losses on obligations		
due to changes in demographic assumptions	-	(0.53)
due to changes in financial assumptions	(14.30)	(26.19)
due to experience	15.01	85.60
Obligation as at the Year End	842.66	697.64

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, 2023	As at March 31st, 2022
Impact on Defined Benefit obligation		
Delta Effect of +1% Change in Rate of Discounting	(65.60)	(56.22)
Delta Effect of -1% Change in Rate of Discounting	75.93	65.21
Delta Effect of +1% Change in Rate of Salary Increase	73.27	63.18
Delta Effect of -1% Change in Rate of Salary Increase	(65.03)	(55.81)
Delta Effect of +1% Change in Rate of Employee Turnover	12.15	9.54
Delta Effect of -1% Change in Rate of Employee Turnover	(14.01)	(11.04)
Maturity Analysis of Projected benefit obligation for next		
1st Year	65.21	38.85
2nd Year	65.37	38.98
3rd Year	76.61	72.05
4th Year	60.71	68.82
5th Year	57.44	49.66
Thereafter upto 10 Years	355.49	277.92
11 and above years	1,193.38	1,003.86

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 Liability for compensated absences as at March 31st, 2023 of ₹ 274.33 lakhs (as at March 31st, 2022 ₹ 235.71 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, 2023	For the Year Ended March 31st, 2022
Basic Earnings Per Share	8.22	9.89
Diluted Earnings Per Share	8.22	9.89

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, 2023	For the Year Ended March 31st, 2022
Profit for the year attributable to owners of the Company	7,970.48	9,584.01
Less: Preference dividend and tax thereon	-	-
Earnings used in the calculation of basic earnings per share	7,970.48	9,584.01
Weighted average number of equity shares	9,69,44,506	9,69,44,506

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, 2023	For the Year Ended March 31st, 2022
Profit for the year used in the calculation of basic earnings per share	7,970.48	9,584.01
Add: adjustments on account of dilutive potential equity shares	-	-
Earnings used in the calculation of diluted earnings per share	7,970.48	9,584.01
Weighted average number of equity shares	9,69,44,506	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, 2023	For the Year Ended March 31st, 2022
Weighted Average Number of Equity shares used in the calculation of Basic EPS	9,69,44,506	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	9,69,44,506	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, 2023	As at March 31st, 2022
Debt	31,140.71	6,124.21
Less: Cash and Bank Balances	2,860.19	1,160.80
Net debt	28,280.52	4,963.41
Total Equity	34,780.82	26,911.80
Net debt to Equity Ratio		18.44%

42.2 Categories of Financial Instruments

(₹ in Lakhs)

Financial Instruments by Category	As at March 31st, 2023		As at March 31st, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investment in Unquoted Equity Shares (March 31st, 2023 ₹ 78.43 Lakhs March 31st, 2022 ₹ 0.75 Lakhs)	-	-	-	-
Loans	-	54.52	-	62.33
Other Financial Assets	-	809.07	-	908.49
Trade Receivable	-	20,546.57	-	15,155.29
Cash and bank balances	-	2,860.19	-	1,160.80
Other Bank Balances	-	1,808.48	-	1,496.31
Total Financial Assets	-	26,078.83	-	18,783.22
Financial Liabilities				
Borrowings	-	31,140.71	-	6,124.21
Lease Liabilities	-	2,278.57	-	314.53
Other Financial Liabilities	-	1,572.93	-	1,643.43
Trade Payable	-	13,026.46	-	14,095.12
Total Financial Liabilities	-	48,018.67	-	22,177.29

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, 2023			As at March 31st, 2022		
	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 potential 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 90 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, 2023, Company had 10 customers, (March 31st, 2022: 10 customers) that owed the company more than ₹ 10,007.41 lakhs (March 31st, 2022: ₹ 11,101.86 Lakhs) and accounted for approximately - 48.71 % and 73.25 % respectively of the total outstanding as at March 31st, 2023 and March 31st, 2022.

Exposure to the Credit risks

(₹ in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	20,546.57	15,155.29
Gross Carrying Amount	20,984.51	15,599.24
Average Expected Loss Rate	2.09%	2.85%
Carrying Amount of Trade Receivables (net of impairment)	20,546.57	15,155.29

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	1 to 3 years	3 to 5 years	> 5 years	Total
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
March 31st, 2022					
Non Derivative					
Borrowings	1,326.42	1,490.79	1,710.77	1,596.23	6,124.21
Lease Liabilities	281.65	32.88	-	-	314.53
Other Financial Liabilities	1,143.68	-	-	499.75	1,643.43
Trade payable	14,095.12	-	-	-	14,095.12
	16,846.87	1,523.67	1,710.77	2,095.98	22,177.29

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 company's 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, 2023	As at March 31st, 2022
Borrowings bearing fixed rate of interest	58.13	85.94
Borrowings bearing variable rate of interest	31,082.58	6,038.27
	31,140.71	6,124.21

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, 2023 would decrease/increase by ₹ 159.50 Lakhs (for the year ended March 31st, 2022 decrease/increase by ₹ 39.98 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, 2023				As at 'March 31st, 2022	
	USD	EURO	GBP	AUS \$	USD	EURO
Financial Assets						
Trade Receivable	38.14	8.01	-	-	20.76	-
Other Receivable	29.07	8.95	0.04	0.07	58.74	0.00
	67.21	16.96	0.04	0.07	79.50	0.00
Financial Liabilities						
Trade Payable	50.42	1.09	-	-	32.67	3.07
Other Payable	0.49	-	-	-	2.68	-
	50.91	1.09	-	-	35.35	3.07
Net Assets / (Liabilities)	16.30	15.87	0.04	0.07	44.15	(3.07)

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, 2023 and March 31st, 2022.

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, 2023	As at March 31st, 2022
US Dollar (USD)	5% / (5%)	72.10/(72.10)	163.43/(163.43)
EURO	5% / (5%)	67.55/(67.55)	(12.69)/12.69
GBP	5% / (5%)	(0.20)/0.20	(1.21)/1.21
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 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, 2023, 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, 2023	As at March 31st, 2022
	Fair value	Fair Value
Financial Assets		
Financial Assets at Amortised Cost:	26,078.83	18,783.22
Trade Receivables	20,546.57	15,155.29
Cash and Cash Equivalent	2,860.19	1,160.80
Other Bank Balances	1,808.48	1,496.31
Loans - Non-Current	34.08	24.07
Other Financial Assets	809.07	908.49
Loans - Current	20.44	38.26
Financial Liabilities		
Financial Liabilities held at Amortised Cost:	48,018.67	22,177.29
Long Term Borrowings	19,067.93	4,797.79
Lease Liability	2,278.57	314.53
Short Term Borrowings	12,072.78	1,326.42
Trade Payables	13,026.46	14,095.12
Other Financial Liabilities- Non Current	496.01	499.75
Other Financial Liabilities- Current	1,076.92	1,143.68

Note 43. Commitments For Expenditure

(₹ in Lakhs)

Particular	As at March 31st, 2023	As at March 31st, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,116.62	9,107.88

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, 2023	As at March 31st, 2022
Sales Tax	52.74	-
Excise Duty	158.58	14.04
Income Tax	-	35.86

44.2 Guarantees Executed

(₹ in Lakhs)

Particular	As at March 31st, 2023	As at March 31st, 2022
Bank Gurantee	459.13	339.81

Note 45. Payments to Statutory Auditors (excluding GST)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
As Auditors		
For audit	27.00	25.00
In other Capacity		
Certification Work & Other Capacity	9.33	7.79
	36.33	32.79

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, 2023	For the year ended March 31st, 2022
Amount in respect to Capital Expenditure	214.17	264.49
Revenue Expenditure	515.59	442.86
	729.76	707.35

Note 47 Analytical Ratios

(₹ in Lakhs)

	For the Year Ended March 31st, 2023	For the Year Ended March 31st, 2022	Changes
i. Current Ratio (Total current assets/Total current liabilities)	1.61	1.72	-6%
ii. Debt-Equity Ratio (Note 1) (Total Debt/Total Equity)	0.90	0.23	293%
iii. Debt Service Coverage Ratio (Profit Before Interest & Tax/Debt Service)	13.54	15.44	-12%
iv. Inventory Turnover Ratio (Note 2) (Sale of Products/Average Inventory)	4.55	6.79	-33%
v. Trade Receivables Turnover Ratio (Note 3) (Revenue from Operation/Average Trade Receivable)	3.87	5.64	-31%
vi. Trade Payables Turnover Ratio (Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods)/Average Trade Payable)	2.94	3.44	-14%
vii. Net Capital Turnover Ratio (Note 4) (Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))	3.93	5.80	-32%
viii. Return on Equity (Note 5) (Profit for the Year/Total Equity)	22.92%	35.61%	-36%
ix. Net Profit Ratio (Profit for the Year/Revenue from Operations)	11.54%	12.30%	-6%
x. Return on Capital Employed (Note 6) (Profit before Tax and Finance Costs/Capital Employed (Net worth + Lease liability + Deferred tax Liability))	31.10%	48.52%	-36%
xi. Return on Investment (Note 7) (Income Generated from Invested funds/Average Invested Funds)	0.06%	6.67%	-99%

Note - Reason for Changes

1. Debt Equity ratio increased on account of Increase in Borrowings.
2. Inventory Turnover Ratio decreased on account of Increase in Inventories.
3. Trade Receivable Turnover Ratio decreased on account of Increase in Trade Receivables.
4. Net Capital Turnover Ratio decreased on account of Increase in Net Working Capital.
5. Return on Equity decreased on account of decrease in Net Profit
6. Return on Capital Employed decreased on account of decrease in Profit.
7. Return on Investment decreased on account of increase in Investment.

Note 48 CSR Expenditure

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
i Amount required to be spent by the company during the year	143.03	85.27
ii Amount of expenditure incurred	230.05	82.41
iii Shortfall / (Excess) Amount at the beginning of the year	(0.40)	(3.26)
iv Shortfall / (Excess) Amount at the end of the year	(87.42)	0.40
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.

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

Note 51.

In the opinion of the management inventories of ₹ 18,345.75 Lakhs (as at March 31st, 2022: ₹ 11,556.69 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, 2022: ₹ 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 Long Term Loans to related parties.

Company has also given Security Deposit to Gufic Chem Private Limited of ₹ 120 Lakhs (as at March 31st, 2022: ₹ 120 Lakhs) towards supply of products at concessional rate to the company and the same has been show under the head Long Term Loan 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, 2023	For the year ended March 31st, 2022
Provision for Right of Return		
Balances at the beginning of the year	1,128.29	1,046.29
Additional provision during the year	-	82.00
Reduction during the year	(120.07)	-
Balances at the close of the year	1,008.22	1,128.29
Less: Right to recover return goods	(371.64)	(364.52)
Net balance at closing of the year	636.58	763.77

Note 54

Declaration of Dividend

The Board of Directors at its meeting held on May 29th, 2023 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 2022 - 23, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Note 55

The Company have incorporated Gufic UK Limited ("GUL") in the United Kingdom and Gufic Ireland Limited ("GIL") in Ireland on March 15th, 2022 and March 02nd, 2023, respectively, with the intent of making both the said Companies as its Wholly Owned Subsidiaries. However, the Company have not made any investment in GUL and GIL towards its shares subscription till the financial year ending March 31st, 2023. Further GUL and GIL have not yet commenced its business operations till March 31, 2023. Thus the Company is not required to prepare Consolidated Financial Results for the quarter and year ended March 31st, 2023

Note 56

Authorisation of Financial Statements

The financial statements for the year ended March 31st, 2023 were approved by the Board of Directors on May 29th, 2023 and are subject to approval of the shareholders at the Annual General Meeting.

Note 57

Figures for the previous year have been rearranged/recompared 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

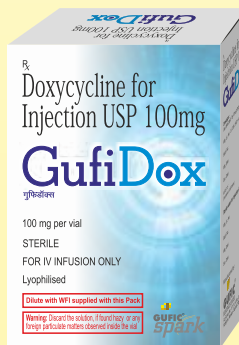
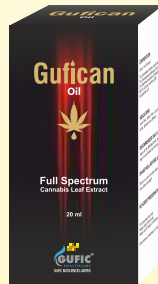
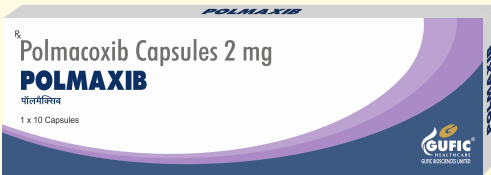
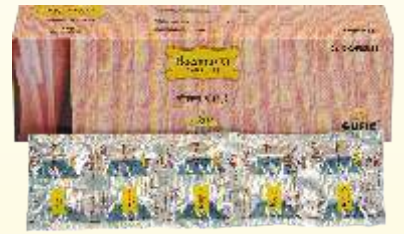
Sd/-
Pranav J. Choksi (DIN 00001731)
Chief Executive Officer &
Whole Time Director

Place: Mumbai
Date: 29th May, 2023

Sd/-
D. B. Roonghta
Chief Financial Officer

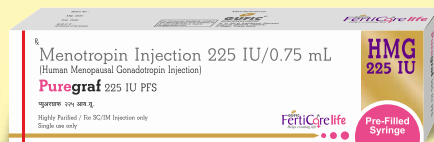
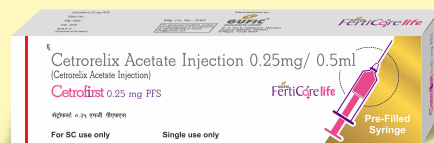
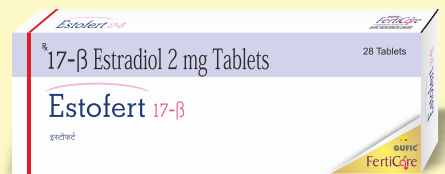
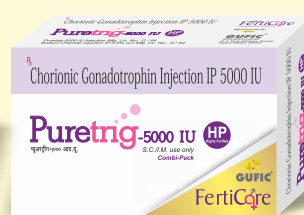
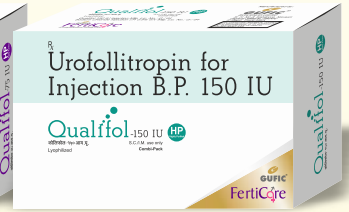
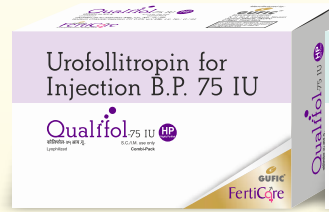
Sd/-
Ami Shah
Company Secretary

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Bring Back The Glow



XtraSun-P
Sunscreen
INVISIBLE (SKIN) DEFENCE SYSTEM



XtraSun-AP
Anti-Pollution Sunscreen
Complete Skin Defence System

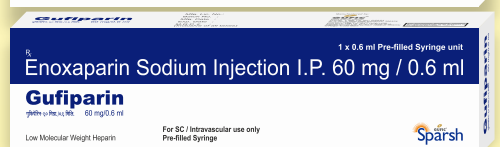
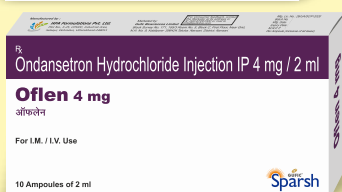
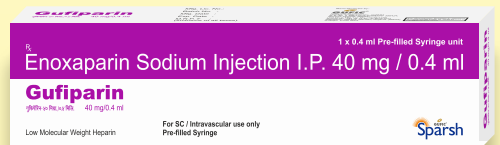
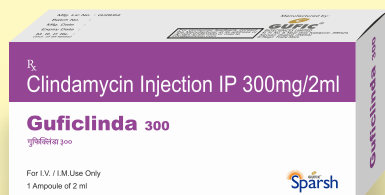
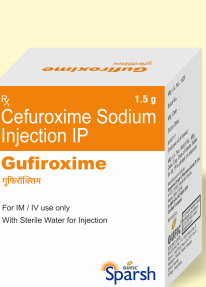
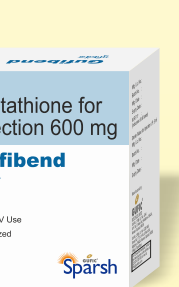
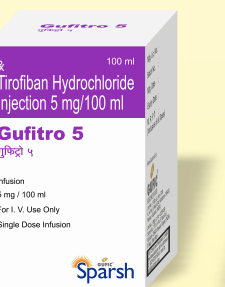
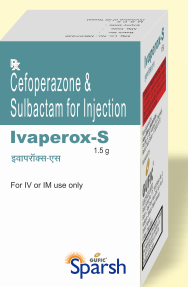
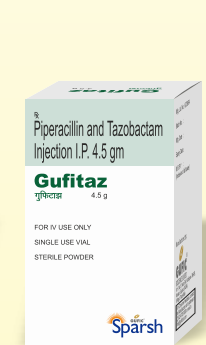
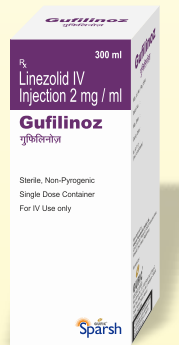
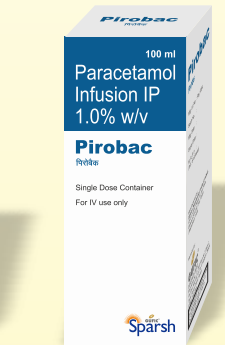
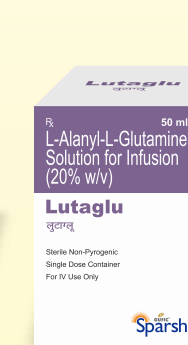
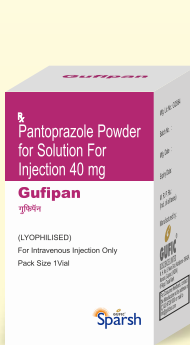
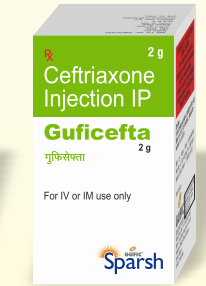
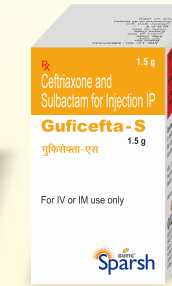
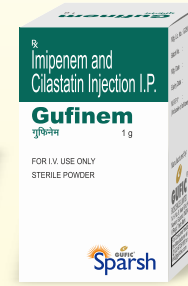
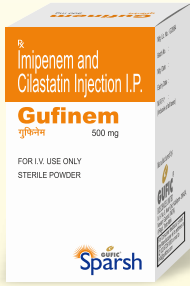
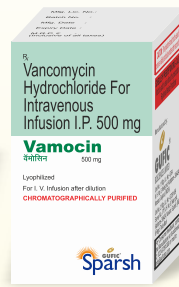
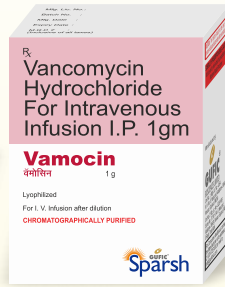
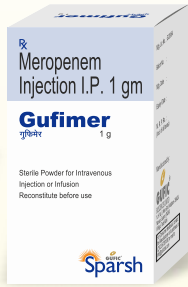


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GUFIC
BIOSCIENCES LIMITED

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 Thirty Ninth Annual General Meeting (AGM) of the Members of Gufic Biosciences Limited will be held on Friday, September 29, 2023 at 3:30 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, including the Audited Balance Sheet as at March 31, 2023, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare a Final Dividend @ 10% i.e., Re. 0.10/- per equity share of the face value of ₹ 1/- each for the Financial Year ended March 31, 2023.
3. To appoint a director in place of Mr. Pranav J. Choksi (DIN: 00001731), who retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Bal Ram H. Singh (DIN: 06918085), who retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. RATIFICATION OF REMUNERATION PAYABLE TO M/S. KALE & ASSOCIATES (FRN: 001819), COST AUDITORS FOR THE FINANCIAL YEAR 2023-24

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 ₹ 100,000 /- 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, 2024, 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.”

6. CONTINUATION OF DIRECTORSHIP OF MR. JAYESH P. CHOKSI (DIN: 00001729) AS CHAIRMAN & MANAGING DIRECTOR

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 Section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), 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) on attaining the age of 70 (Seventy) years on March 29, 2024, on the existing terms and conditions duly approved by the shareholders in the 35th Annual General Meeting held on September 30, 2019 and shall continue to remain in full force and effect.

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. CONTINUATION OF DIRECTORSHIP OF MR. GOPAL M. DAPTARI (DIN: 07660662) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR

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 Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force) and other applicable laws, if any, approval of the members of the Company be and is hereby accorded for continuation of directorship by Mr. Gopal M. Daptari (DIN:07660662) as a Non-Executive Independent Director of the Company who shall attain the age of 75 (seventy-five) years on 29th October, 2024, until the expiry of his current term.

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”.

8. 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

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 Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debenture) Rules, 2014 (the “Act”) read with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the “SEBI SBEB & SE Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), Foreign Exchange Management Act, 1999, (“FEMA”) (including any statutory amendment(s), modification(s) or re-enactment(s) of the Act or the SEBI SBEB & SE Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force), the Memorandum and Articles of Association of the Company, and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India (“GOI”), Reserve Bank of India (“RBI”), the Registrar of Companies (the “ROC”), Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and subject to such approvals, consents, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”), SEBI and/or any other competent authorities (hereinafter referred to as ‘Applicable Regulatory Authorities’) to the extent applicable, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to and accepted by the Company, Consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination & Remuneration Committee (“NRC”), further designated as “Compensation Committee” which the Board of Directors has

constituted to exercise its powers, including the powers, conferred by this resolution) to introduce and implement the “GUFIC BIOSCIENCES LIMITED EMPLOYEE STOCK OPTION PLAN 2023” (“Gufic ESOP 2023 / this ESOP 2023 / the Scheme”), the salient features of which are furnished in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are designated employees of the Company, whether working in India or outside India, and/or to the Director of the Company, whether a Whole-Time Director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director under the “Gufic ESOP 2023” and excluding the employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, such number of Employee Stock Options (“Options or Stock Options”) not exceeding 5,00,000 (Five Lakhs) Stock Options Convertible into the equivalent number of equity shares or such other number adjusted for change in capital structure or corporate actions such as rights issues, bonus issues as may be applicable from time to time, in terms of “Gufic ESOP 2023” as per applicable law, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI (SBEB & SE) Regulations, Listing Regulations, FEMA (including any statutory amendment(s), modification(s) or re-enactment(s) thereon, for the time being in force) and other rules regulations and guidelines, if any, Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to create, offer, issue and allot at any time not exceeding 5,00,000 (Five Lakhs) equity shares having face value of ₹ 1/- (Rupees One Only) each (the “Equity Shares”) or such other number adjusted for change in capital structure or corporate actions such as rights issues, bonus issues in terms of “Gufic ESOP 2023” as per applicable law, upon exercise of Options at such price, in one or more tranches and on such terms and conditions including vesting conditions, as may be fixed or determined by the board in its sole and exclusive discretion.

RESOLVED FURTHER THAT the Scheme shall be administered by the NRC of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations for the

purpose of administration and superintendence of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through a direct route, for extending the benefits to the eligible Employees by way of fresh allotment and will follow a cash mechanism.

RESOLVED FURTHER THAT all actions taken by the Board/ NRC in connection with the above and all incidental and ancillary things done, including the appointment of Merchant Banker, under applicable laws and regulations, be and are hereby approved.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company upon the exercise of Options shall rank pari-passu in all respect, including dividends with then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall confirm the accounting policies, guidelines or Accounting Standards including the disclosure requirements as prescribed from time to time under SEBI (SBEB & SE) Regulations and any other applicable laws and regulations to the extent relevant and applicable to "Gufic ESOP 2023".

RESOLVED FURTHER THAT the Board, subject to compliance with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme as it may deem fit, from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the scheme as the Board may in its absolute discretion think fit without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for In principle Approval, Listing and Trading Approval of the Stock Exchanges, where the Equity Shares of the Company are listed in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations and to do all such acts, deeds, matters and things including the appointment of or authorizing or

directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, valuers, consultants or representatives, being incidental to the effective implementation and administration of the "Gufic ESOP 2023", as it may, in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred herein, to any committee of the Board of Directors or to any Key Managerial Personnel, or any other officers and employees as it may deem fit to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution".

9. 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

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 Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debenture) Rules, 2014 (the "Act") read with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB & SE Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), Foreign Exchange Management Act, 1999, ("FEMA") (including any statutory amendment(s), modification(s) or re-enactment(s) of the Act or the SEBI (SBEB & SE) Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force), the Memorandum and Articles of Association of the Company, and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India ("GOI"), Reserve Bank of India ("RBI"), the Registrar of Companies (the "ROC"), Ministry of Corporate Affairs ("MCA"), Securities and Exchange Board of India ("SEBI") and subject to such approvals, consents, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges"), SEBI and/or any other competent authorities (hereinafter referred to as 'Applicable Regulatory Authorities') to the extent applicable, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or

bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to and accepted by the Company, Consent of the Members of the Company be and is hereby accorded to extend the benefits of “GUFIC BIOSCIENCES LIMITED EMPLOYEE STOCK OPTION PLAN 2023” (“Gufic ESOP 2023 / this ESOP 2023 / the Scheme”) including the grant of Employee Stock Options (“Options or Stock Options”) and issuance of Equity Shares (“Shares”) thereunder for the benefit of such person(s) who are employees of Subsidiary(ies) and/or Associate Company(ies), if any, of the Company, whether working in India or outside India including the future subsidiary and associate companies of the Company, if any, and/or to the Directors of the Subsidiary and Associate Companies whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) but does not include an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company.

RESOLVED FURTHER THAT Consent of the Members of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are employees of Subsidiary and/or Associate Companies, if any, of the Company, whether working in India or outside India, and the future subsidiary and associate companies of the Company, if any, and/or to the Directors of the Subsidiary and Associate Companies whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the “Gufic ESOP 2023” but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, such number of Employee Stock Options (“Options or Stock Options”) not exceeding 5,00,000 (Five Lakhs) Stock Options convertible into equivalent number of equity shares [together with the Stock Options proposed to be created/offered/issued/allotted to or for the benefit of such persons who are in employment of the Company as mention in the Resolution No. 8 in terms of “Gufic ESOP 2023”] or such other number adjusted for change in capital structure or corporate actions such as rights issues, bonus issues in terms of “Gufic ESOP 2023” as per applicable law, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI (SBEB & SE) Regulations, Listing Regulations, FEMA (including any statutory amendment(s), modification(s) or re-enactment(s) thereon, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to create, offer, issue and allot at any time not exceeding 5,00,000 (Five Lakhs) equity shares having face value of ₹1/- (Rupees One Only) (the “Equity Shares”) [together with the equity shares proposed to be created/offered/issued/allotted to or for the benefit of such persons who are in employment of the Company as mention in the Resolution No. 8 in terms of “Gufic ESOP 2023”] or such other number adjusted for change in capital structure or corporate actions such as rights issues, bonus issues in terms of “Gufic ESOP 2023” as per applicable law, to the employees of Subsidiary and Associate Companies upon exercise of Options at such price, in one or more tranches and on such terms and conditions including vesting conditions, as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT all actions taken by the Board/ NRC in connection with the above and all incidental and ancillary things done, including the appointment of Merchant Banker, under applicable laws and regulations, be and are hereby approved .

RESOLVED FURTHER THAT the Shares to be issued and allotted by the Company upon the exercise of Options shall rank pari-passu in all respect including dividends with then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall confirm the accounting policies, guidelines or accounting standards including the disclosure requirements as prescribed from time to time under SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to “Gufic ESOP 2023”.

RESOLVED FURTHER THAT the Board, subject to compliance with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme as it may deem fit, from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the scheme as the Board may in its absolute discretion think fit without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and to do all such acts, deeds, matters and things as it may in

its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for In principle Approval, Listing and Trading Approval of the Stock Exchanges, where the Equity Shares of the Company are listed, in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations and to do all such acts, deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, valuers, consultants or representatives, being incidental to the effective implementation and administration of the “Gufic ESOP 2023”, as it may, in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred herein, to any committee of the Board of Directors or to any Key Managerial Personnel, or any other officers and employees as it may deem fit to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution”

10. TO CONSIDER AND APPROVE THE ISSUE OF 33,33,000 EQUITY SHARES ON A PREFERENTIAL BASIS TO THE NON-PROMOTER 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 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (“the Act”) read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [“SEBI (Takeover) Code”] and the provisions of the Foreign Exchange Management Act, 1999 [including any statutory modification(s) or re-enactment(s) of the Act or the SEBI ICDR Regulations or the Listing Regulations or SEBI (Takeover) Code, as the case may be, for the time being in force], the enabling

provisions of Memorandum and Articles of Association of the Company and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India (“GOI”), the Registrar of Companies (the “ROC”), Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and subject to such approvals, consents, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”), SEBI and/or any other competent authorities (hereinafter referred to as 'Applicable Regulatory Authorities') to the extent applicable, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to and accepted by the Company and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board of Directors in its absolute discretion, Consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted by the Board or hereinafter constitute to exercise one or more of its powers, including the powers conferred by this resolution) to create, offer, issue and allot 33,33,000 (Thirty Three Lakhs and Thirty Three Thousand) fully paid up equity shares of the Company having face value of ₹1/- each, from time to time, in one or more tranches at an issue price of ₹300/- (Rupees Three Hundred Only) per equity share at a premium of ₹ 299/- (Rupees Two Hundred and Ninety-Nine Only) per equity share, which is not less than the issue price determined in accordance with Chapter V of SEBI ICDR Regulations, aggregating to ₹ 99,99,00,000/- (Rupees Ninety-Nine Crores and Ninety Nine Lakhs Only) to the below mentioned proposed allottee for cash consideration by way of preferential and private placement basis (“Preferential Issue”) in such manner and on such terms and conditions as stipulated in the explanatory statement attached hereto and as may be determined by the Board in its absolute discretion in accordance with the Act, SEBI ICDR Regulations and other applicable laws.

Name of the Proposed Allottee	Category	No. of equity shares
Motilal Oswal Financial Services Limited	Non-Promoter	33,33,000

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the 'Relevant Date' for the purpose of determination of the issue price of equity shares to be issued on a Preferential basis to Identified Non-Promoter be and is hereby fixed as Wednesday, August 30, 2023 being the date 30 days prior to the date of 39th Annual General Meeting ('AGM or 39th AGM').

RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Proposed Allottee under the Preferential Issue shall be subject to the following terms and conditions, apart from others, as prescribed under applicable laws:

- a. The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects (including with respect to dividends and voting powers) from the date of allotment thereof and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- b. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges where the existing equity shares of the Company are listed, subject to receipt of necessary regulatory permissions and approvals as the case may be.
- c. The price determined above shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
- d. The pre-preferential shareholding of the Proposed Allottee, if any, and Equity Shares to be allotted shall be locked-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and any other applicable law for the time being in force.
- e. The Equity Shares so allotted to the Proposed Allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- f. The Equity Shares so offered, issued and allotted to the Proposed Allottee are being issued for cash consideration and will constitute full consideration for the Equity Shares to be issued by the Company to the Proposed Allottees pursuant to this resolution.
- g. The Proposed Allottee shall be required to bring in the entire consideration for the Equity Shares to be allotted to such Allottees, on or before the date of allotment thereof from its bank accounts.
- h. Allotment of the Equity Shares shall only be made in dematerialized form. The monies to be received by the Company from the proposed allottee for

application of the Equity Shares pursuant to this preferential issue shall be kept in a separate bank account to be opened by the Company and shall be utilized in accordance with the provisions of the Act.

- i. The equity shares shall be allotted within a period of 15 (Fifteen) days from the date of passing of this shareholders resolution, provided where the allotment of the equity shares is pending on account of the pendency of any approval or permission of such allotment by any applicable regulatory authorities, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval or permission, as the case may be.
- j. The Equity Shares so offered, issued and allotted shall not exceed the number of equity shares as approved here in above.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make an offer to the proposed allottees through letter of offer/ private placement offer cum application letter in Form PAS-4 or such other form as prescribed under the Act and SEBI ICDR Regulations after passing of this resolution with a stipulation that allotment would be made only upon receipt of in principle approval from the Stock Exchanges, where the shares of the Company is listed.

RESOLVED FURTHER THAT subject to the SEBI ICDR Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of above-mentioned equity shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient, without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the aforesaid issue including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents and appointing attorney(ies) or authorized representative(s) under appropriate Letter(s) of Authority(ies), to appear before the office of the MCA/ROC, Stock Exchanges and any other Regulatory or Statutory Authority(ies), as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and application for in-principle approval, listing approval thereof with the Stock Exchanges as appropriate, corporate actions and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the

Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred herein, to any Committee of the Board or to any Key Managerial Personnel, or any other officers and employees as it may deem fit to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution.”

**By order of the Board of Directors
of Gufic Biosciences Limited**

Sd/-

**Ami N. Shah
Company Secretary
Membership No. A39579**

Place: Mumbai

Date: September 01, 2023

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Circulars issued thereunder and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“ICSI”) are also annexed.
2. Pursuant to the General Circulars issued by Ministry of Corporate Affairs (“MCA”) dated December 28, 2022, read together with Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 (collectively referred to as “**MCA Circulars**”) and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (“SEBI”), companies are permitted to send the annual reports to shareholders only on 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 at least 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 2022-23 is being sent only through electronic mode to those members whose email address is registered with the Company /RTA /Depository Participants/ Depositories. Members may note that the Notice and Annual Report for FY 2022-23 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. mg@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 September 22, 2023 to September 29, 2023 (both days inclusive) for the purpose of AGM and payment of final dividend for the year ended March 31, 2023, 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, 2023, 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, 2023 and the same if declared/ approved at the 39th AGM, will be paid subject to deduction of tax at source at prescribed rates on or after October 4, 2023 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 21, 2023.
13. Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, the SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal) has been established for resolving disputes in the Indian Securities Market. This platform is designed to enhance Investor Grievance Redressal by enabling investors to access Online Dispute Resolution Institutions for the resolution of their complaints. Disputes between investors and Companies, Registrars and Share Transfer Agents, or specified intermediaries/regulated entities (excluding Clearing Corporations and its constituents) must first go through the grievance redressal cell. If the grievance is not resolved satisfactorily, it can be escalated through the SCORES Portal. If still not satisfied, the investor can initiate dispute resolution through the ODR Portal.
To gain access to the SMART ODR Portal, you need to register yourself on the platform by providing necessary details at <https://smartodr.in/login>. Registration and resolution of complaints/disputes will begin on September 16, 2023.
14. 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 Circular no. SEBI/HO/MIRSD /MIRSD PoD-1/P/CIR/2023/37 dated March 16, 2023, has mandated all listed companies to ensure that shareholders holding equity shares in physical form shall update their PAN, KYC details, nomination and bank account. Any service request or complaint from member, cannot be processed by Registrar and Share Transfer Agent ("RTA") until their PAN, KYC, nomination and bank account details are recorded/updated in the records of RTA. 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, in absence of the above information on or after October 1, 2023, the f o l i o (s)

shall be frozen by RTA in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

Members holding shares in Dematerialised Form

Relevant documents needs to be submitted to Depository Participants.

- In SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. 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. 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.
15. Members holding shares in physical form, with identical 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.
 16. Pursuant to Notification No. SEBI/LADNRO/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.
 17. Non Resident Indian (NRI) Members are requested to inform the RTA immediately:
 - 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.
 18. In order to prevent fraudulent encashment of dividend warrants, 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 RTA 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. In respect of shares held in physical mode, Members are requested to furnish to the Company or Company's RTA, bank account details which will be printed on the dividend warrants. Shareholders' are also requested to register with the Company for payment of dividend through ECS/NEFT and provide the necessary details to RTA.
 19. Dividend warrant(s) / cheque(s) shall be dispatched to Members whose bank account details have not been updated.
 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 2014-15 have been transferred to IEPF. Further, the unpaid dividend for the year 2015-16 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 2015-16, 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 at 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 Rs. 47,707/- pertaining to the dividend for the financial year ending March 31, 2015 and 30,173 unclaimed shares were transferred to IEPF during the Financial Year 2022-23. 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 2015-16 and the same will be transferred on due date. Members who have not claimed dividend since FY 2015-16 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 29, 2023. 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, 2023 and notice of the 39th 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 39th 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.

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
- 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.
 - The remote e-voting period commences on Tuesday, September 26, 2023 (9:00 a.m.) and ends on Thursday, September 28, 2023 (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. Thursday, September 21, 2023, 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.
 - 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 I: 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 the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e- Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.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.</p>
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p>
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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.</p>
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: right;"> <p>NSDL Mobile App is available on</p>  App Store  Google Play   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>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 my Easi username & password.</p>
	<p>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.</p>
	<p>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.</p>
	<p>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.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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.</p>

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 and 022 - 2499 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 1 800 22 55 33

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 mg@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 and 022 - 2499 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 and Depository Participants. Shareholders 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 link" placed under "Join Meeting" menu against company name. You are requested to click on VC / OAVM link under Join General Meeting menu. The link for 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 39th 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 22, 2023. 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 21, 2023.
- 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 21, 2023 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 and 022-2499 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. 5 to 10 of the accompanying Notice:

ITEM NO. 5

Pursuant to Section 148(3) of the Act read with The Companies (Audit and Auditors) Rules, 2014 and The Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) and based on the recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on May 29, 2023, approved the appointment of M/s. Kale & Associates, Cost Accountants (FRN: 001819), as the Cost Auditors to audit the cost records maintained by the Company for the financial year ending March 31, 2024, at a remuneration of ₹ 100,000 (Rupees One Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit.

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.

The resolution contained in Item No. 5 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2023-24.

The Board recommends resolution no. 5 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. 5 of the Notice.

ITEM NO. 6:

The Shareholders of the Company at the 35th Annual General Meeting ("AGM") held on September 30, 2019 approved re-appointment of Mr. Jayesh Choksi as a Chairman & Managing Director of the Company for a period of five years effective from April 1, 2020 to March 31, 2025. Mr. Jayesh Choksi, Chairman & Managing Director will attain the age of 70 years on March 29, 2024.

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 after attaining the age of 70 years during his term of appointment on the same terms of appointment and remuneration as approved by the Members at its 35th AGM.

Mr. Jayesh Pannalal Choksi, is instrumental in the Group's expansion having more than forty 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 Critical Care, Infertility, API manufacturing, Healthcare and Pharma verticals.

It is considered that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services from Mr. Jayesh Pannalal Choksi due to his extensive experience regardless of his age. The Board has approved the above proposal at its meeting held on August 11, 2023 and recommends the same to the members for their approval by passing Special Resolution.

Relevant details relating to continuation of directorship of Mr. Jayesh Pannalal 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. Mr. Jayesh Pannalal Choksi 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 Board recommends resolution no. 6 for approval of members by way of Special Resolution.

Except, Mr. Jayesh Pannalal Choksi, Mr. Pranav Jayesh Choksi and his relatives, none of the Promoters, Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed Special Resolution as set out at Item No. 6 of the Notice.

ITEM NO. 7:

In accordance with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), consent of the members by way of special resolution is required to appoint/continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy-five) years. The consent of the members by way of Special Resolution is sought for the continuation of directorship of Mr. Gopal Daptari, who will be attaining the age of 75 (seventy-five) years on 29th October, 2024. Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company at their meeting held on August 11, 2023, proposed the continuation of Mr. Gopal Daptari as a Non-Executive – Independent Director of the Company, and recommends the same to the members for their approval by way of Special Resolution. In the opinion of the NRC and Board of Directors of the Company, considering Mr. Gopal Daptari's seniority, role played by him towards the growth of this Company and to reap the benefits of his rich and varied

experience, approval of the members is sought for continuation of Mr. Gopal Daptari as a Non-Executive - Independent Director until expiry of his current term, as set out in Resolution No. 7 of this Notice.

Relevant details relating to continuation of directorship of Mr. Gopal Daptari, including his profile, as required by 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. Mr. Gopal Daptari 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 Board recommends resolution no. 7 for approval of members by way of Special Resolution.

None of the Directors /Key Managerial Personnel/ Promoters/ their relatives/ are, in any way, concerned or interested, financially or otherwise, in the special resolution set out at Item No. 7 of the Notice.

ITEM NO. 8 & 9:

The Board of Directors of your Company understands the need to enhance employee engagement, reward the employees for their association and performance as well as motivate them to contribute to the growth and profitability of the Company. Employee Stock options have been recognized as an equity-based remuneration that rewards the employees for their loyalty, contribution and performance and motivates them to keep contributing to the growth and profitability of the Company including alignment of personal goals of the employee with organizational objectives by participating in the ownership of the Company.

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the Board of Directors at their meeting held on Friday, August 11, 2023 has approved the "Gufic Biosciences Limited Employee Stock Option Plan 2023" ("Gufic ESOP 2023 / this ESOP 2023 / the Scheme") to or for the benefit of such Employee as defined in the Scheme.

In terms of Regulation 6 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") and Section 62 and other applicable provisions of the Companies Act, 2013 ("Act") for the issue of Shares to the Employees of the Company under an Employee Stock Options Scheme requires approval of the members by way of Special Resolution.

Hence, Item No. 8 is for seeking your approval by way of special resolution for the formulation and implementation of the Gufic ESOP 2023 and the issuance of Equity Shares thereunder.

Further, as per Regulation 6 of SEBI (SBEB & SE) Regulations, separate resolution shall be obtained in case the Company wants to grant Options to the Employees of Subsidiary Company.

Hence, Item No.9 is for seeking your approval by way of special resolution for the grant of Options to Employees of the Group Companies including Subsidiary or Associate Companies, in India or outside India, of the Company.

Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Act (including any statutory modification(s) or re-enactment(s) of the Act or the Guidelines, for the time being in force), are as under:

1. Brief Description of the Scheme:

This plan called the "Gufic Biosciences Limited Employee Stock Option Plan 2023" ("Gufic ESOP 2023 / this ESOP 2023 / the Scheme") provides alternatives to the Company to reward its eligible employees (as selected by the Nomination and Remuneration Committee designated as "Compensation Committee") in form of Stock Options. Subject to applicable law and terms and conditions of the "Gufic ESOP 2023", the eligible employees shall be entitled to receive Equity Shares upon fulfillment of those conditions as determined by the Compensation Committee including payment of Exercise Price and satisfaction of tax obligation arising thereon. The objectives of the Company for providing an Employee Incentive Scheme are as under:

- a. To reward the employees for their loyalty and contribution to the Company as well as their performance;
- b. To motivate the employees to contribute to the growth and profitability of the Company;
- c. To attract and retain talent in the Company;
- d. To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come.

2. The total number of options, SARs, shares or benefits, as the case may be, to be offered and granted:

The total number of options that may be granted under Gufic ESOP 2023 shall not exceed 5,00,000 (Five Lakhs) options which are convertible into the equivalent number of equity shares of the Company having face value of ₹ 1/- (One) each at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Compensation Committee in its sole and exclusive discretion.

3. Identification of classes of Employees entitled to participate and be beneficiaries in the Scheme:

The following classes of the employees, shall be eligible

to participate in the “Gufic ESOP 2023”:

- i. an Employee as designated by the Company, who is exclusively working in India or outside India; or
- ii. a Director of the Company, whether a Whole Time Director or not, including a Non-executive Director who is not a promoter or member of the promoter group, but excluding an Independent Director; or
- iii. an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, of the Company, but does not include:
 - a) an employee who is a promoter or a person belonging to the promoter group; or
 - b) a Director who, either himself or through his relative or through any body corporate directly or indirectly, holds more than 10% percent of the outstanding equity shares of the Company.

The eligibility of an employee shall be determined by the Compensation Committee from time to time in its sole and exclusive discretion.

4. Requirement and period of Vesting and Maximum Period within which the options/ SARs/benefits shall be vested:

The options granted to the eligible employees under the Gufic ESOP 2023 shall vest subject to the continuation of his/her employment with the Company and/or its subsidiary and/or its associate Company. The specific performance parameters may be decided by the Compensation Committee from time to time.

Further, Options granted under the Gufic ESOP 2023 would vest not earlier than the minimum vesting period of 1 (One) year and not later than the maximum vesting period of 4 (Four) years from the date of Grant of such Options at the discretion of and in such manner as prescribed by the Compensation Committee from time to time.

5. Exercise Price, SAR Price, Purchase Price or Pricing Formula:

Under the Gufic ESOP 2023, the Exercise Price of options shall be based on the closing market price of the Company's Equity Shares quoted on the stock exchanges immediately prior to the date of the meeting of the Compensation Committee (including circular resolution) on which grant is to be made, as may be discounted at the discretion of the Compensation Committee but it shall not be less than the face value of the shares i.e. ₹ 1/- per share.

As the Equity Shares of the Company are listed on more than one recognized stock exchange, the closing price on the recognized stock exchange having a higher trading volume shall be considered as the market price for determining the exercise price.

6. Exercise period/ offer period and process of exercise/ acceptance of offer:

The exercise period for the Exercise of an Option would be 6 (Six) months from the date of its vesting (“Maximum Exercise Period”) and the Option granted to an Eligible Employee would lapse if it is not exercised by them within the Maximum Exercise Period. The Eligible Employees may, at their discretion, can choose to exercise all or part of the vested options to them in one or more tranches or such other minimum number of vested options that are acceptable by the compensation committee during the exercise period.

The options will be exercisable by the Employees by a written application to the Company to exercise the options and on the execution of such documents, as may be prescribed by the Compensation Committee from time to time along with the payment of exercise price by way of cheque/demand draft/online modes like NEFT/RTGS/ IMPS etc. in the bank account of the Company.

7. Appraisal process for determining the eligibility of the Employees to the scheme:

The appraisal process for determining the eligibility of the employee will be specified by the Compensation Committee based on criteria such as designation, loyalty, role criticality, length of service, performance of the employee, performance of the Company and other appraisal/assessment processes which may be determined by the Compensation Committee from time to time at its discretion.

8. Maximum number of options, SARs, shares, as the case may be, to be offered and issued per Employee and in aggregate, if any:

The maximum number of options that may be granted to all employees pursuant to the Gufic ESOP 2023 shall not exceed 5,00,000 (Five Lakhs) which shall be convertible into the equivalent number of Equity Shares.

Subject to the availability of Options in the pool under the Scheme, the maximum number of options under Gufic ESOP 2023 that may be granted to each employee in any year, shall in aggregate, neither be equal to nor exceed 1% (one percent) of the issued equity share capital, unless the approval of shareholders by way of separate resolution obtained by the Company.

9. Maximum quantum of benefits to be provided per Employee under the scheme:

The Maximum quantum of benefits underlying the Options issued to an eligible employee shall depend upon the market price of the Share as on the date of sale of the Shares arising out of the exercise of options.

10. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme will be implemented through a direct route and administered directly by the Company, through the Compensation Committee, without forming or involving any Trust.

11. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the Trust or both:

The "Gufic ESOP 2023" contemplates only the issue of fresh/primary shares by the Company. There is no involvement of trust and therefore there will be no secondary acquisition.

12. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, since the Scheme is proposed to be implemented by direct route.

13. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Not applicable, since the Scheme is proposed to be implemented by direct route.

14. A statement to the effect that the Company shall confirm to the accounting policies specified in Regulation 15:

The Company shall follow the laws/ regulations applicable to accounting and disclosure related to the Employee Stock Options and Accounting Standards IND AS 102 on Share-based payments and/or any relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time and /or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SEBI (SBEB & SE) Regulations, 2021.

15. Method which the Company shall use to value its Options or SARs:

The Company shall comply with the requirements of IND - AS 102 and shall use Fair value method to value its options and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

16. Declaration/Statement:

In case the Company opts for expensing of share-based

employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Board's report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Board's report'.

17. Period of lock-in:

The Shares allotted to the Grantees pursuant to exercise of Options may be put under lock-in at the discretion of the Compensation Committee/Board of Directors.

18. Terms & conditions for buyback, if any, of specified securities covered under these regulations.

Not Applicable.

19. The conditions under which Options vested in employees may lapse e.g. in case of termination of employment for misconduct and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

If an Option holder's employment is terminated with the Company for Cause (cause includes acts such as misconduct, fraud, suspension etc. as detailed in the "Gufic ESOP 2023"), the Compensation Committee shall have the right to cancel the unvested options and/or vested options and/or vested options but not exercised and/or exercised but not allotted shares to such Eligible Employee.

Further, if an Option holder's employment is terminated from the Company due to resignation, then the Vested Options should be exercised by the eligible employee within 30 (thirty) days from the date of submission of their resignation to the Company in accordance with Gufic ESOP 2023, failing which the unexercised Options shall lapse.

The Board of Directors of the Company recommends the Resolutions to be passed as Special Resolutions as set out at Item No. 8 and 9 for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options which may be granted under the Scheme.

Gufic ESOP 2023 and other documents referred to in the aforesaid resolutions are available for inspection at the Corporate office of the Company between 11.00 a.m. to 01.00 p.m. on all working days between Monday to Friday of every week, upto the date of AGM. Further, draft ESOP Plan 2023 is also available on the Company's website at <http://gufic.com/Notice/Draft%20ESOP%20Scheme.pdf> to facilitate online inspection by the members.

ITEM NO. 10:

The Company is in the business of research and development, manufacturing, marketing, selling, distribution of pharmaceuticals and allied products. The Company is one of the largest manufacturers of lyophilized injections in India with a wide range of products in various therapeutic areas including Antibiotics, Antifungals, Cardiac medications, Infertility treatments, Antiviral solutions, and proton-pump inhibitors ('PPIs'). The Company's strategic focus extends globally which aims to enhance its presence and impact in the pharmaceutical landscape while maintaining its commitment to providing cost-effective, high-quality life-saving medications to the public.

In order to manage its debts, the Company seeks to raise fund through proposed issue of equity shares on preferential basis. In line with the same, the Company has identified proposed allottee M/s. Motilal Oswal Financial Services Limited, which has shown willingness and commitment to invest funds in the Company.

In accordance with the provisions of the Companies Act, 2013 and rules made thereunder ('the Act'), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Preferential Issue requires approval of the members of the Company by way of special resolution.

Hence, the Board recommends the passing of Special Resolution as set out in Item No. 10 of this Notice.

The details of the issue and other particulars as required in terms of Regulation 163 of Chapter V of the SEBI ICDR Regulations, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 in relation to the above said Special Resolution are given as under:

1. The total/maximum number of securities to be issued/particulars of the offer/Kinds of securities offered and the price at which security is being offered/Number of securities to be issued and pricing/Date of passing of Board Resolution:

The Board of Directors ("Board") of the Company at its meeting held on September 1, 2023 have given their consent, subject to approval of Members by way of Special Resolution, to create, offer, issue and allot 33,33,000 (Thirty Three Lakhs and Thirty Three Thousand) fully paid-up equity shares of the Company having face value of ₹ 1/- each, from time to time, in one or more tranches at an issue price of ₹300/- (Rupees Three Hundred Only) per equity share at a premium of ₹ 299/- (Rupees Two Hundred and Ninety-Nine Only) per equity share, which is not less than the issue price determined in accordance with Chapter V of SEBI ICDR

Regulations, aggregating to ₹ 99,99,00,000/- (Rupees Ninety-Nine Crores and Ninety-Nine Lakhs Only) to the below mentioned proposed allottee for cash consideration by way of preferential and private placement basis ("Preferential Issue") in such manner and on such terms and conditions as are stipulated in the explanatory statement attached hereto and as may be determined by the Board in its absolute discretion in accordance with the Act, SEBI ICDR Regulations and other applicable laws.

Name of the Proposed Allottee	Category	No. of equity shares
Motilal Oswal Financial Services Limited	Non-Promoter	33,33,000

2. Objects/ Purpose of the Preferential Issue:

The Company proposes to raise an amount aggregating to ₹ 99,99,00,000/- (Rupees Ninety-Nine Crores and Ninety-Nine Lakhs Only) through the Preferential Issue. The Object of the Issue/ proceeds of the Preferential Issue shall be utilized by the Company for the below purpose:

Purpose	Amount	Tentative timeline for utilization
Repayment of debts of the Company	₹ 99,99,00,000/-	As estimated by management, the entire proceeds received from the issue would be utilized on or before December 31, 2023 or within two months of its receipt whichever is later.

Till the time the proceeds are not utilized by the Company, it will be kept in the Bank Account of the Company.

3. Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made (including premium, if any):

The Equity Shares of the Company are listed on Stock Exchanges viz, BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and NSE, being the Stock Exchange having higher trading volumes has been considered in accordance with the SEBI ICDR Regulations for the determination of issue price.

As per the provisions of the SEBI ICDR Regulations, the Equity Shares will be issued at a price of ₹ 300/- (Rupees Three Hundred Only) per share including premium of ₹299/- per equity share which is not less than the higher

of the following:

- a. ₹ 248.97/- per Share being the 90 Trading days volume weighted average price of the Company's shares quoted on the Stock Exchange (NSE, being the Stock Exchange with higher trading volumes) preceding the Relevant Date; or
- b. ₹287.34/- per Share being the 10 Trading days volume weighted average prices of the Company's shares quoted on the Stock Exchange (NSE, being the Stock Exchange with higher trading volumes) preceding the Relevant Date.

The relevant date in accordance with the provision of Chapter V of SEBI ICDR Regulations for the purpose of determination of the issue price of Equity Shares to be issued on a Preferential basis to Identified Non Promoter be and is hereby fixed as Wednesday, August 30, 2023 being the date 30 days prior to the date of 39th Annual General Meeting i.e. September 29, 2023 ('AGM or 39th AGM').

4. Amount which the Company intends to raise by way of such securities:

The Company intends to raise ₹99,99,00,000/- (Rupees Ninety-Nine Crores Ninety-Nine Lakhs Only) by way of issue of 33,33,000 equity shares having face value of ₹1 per equity share at ₹300/- per equity share (including premium of ₹299/- per equity share).

5. Class or classes of persons to whom the allotment is proposed to be made and current and proposed status of the allottee(s) post the preferential issue namely, promoter or non-promoter:

The Preferential Issue of Equity Shares is proposed to be made to M/s. Motilal Oswal Financial Services Limited. The Current status/class of the Proposed Allottee is Non-Promoter (Body Corporate) as on the date of this notice and there will be no change in the status/class of the Proposed Allottee post preferential allotment.

6. Intention / Contribution of promoters / directors / key managerial personnel / senior management personnel to subscribe to the offer/ Contribution being made by the promoters or directors either as part of the Preferential Issue or separately in furtherance of objects:

None of the Promoters or Directors or Key Managerial Personnel or Senior Management Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

7. Shareholding pattern of the issuer before and after the preferential issue:

Please Refer "Annexure B" to this Notice for details.

8. Proposed time schedule/ time frame within which the allotment/ preferential issue shall be completed:

The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s).

9. Principle terms of assets charged as securities:

Not Applicable.

10. Material terms of issue of Equity Shares:

- a. The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects (including with respect to dividends and voting powers) from the date of allotment thereof and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- b. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges where the existing equity shares of the Company are listed, subject to receipt of necessary regulatory permissions and approvals as the case may be.
- c. The price determined above shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
- d. The pre-preferential shareholding of the Proposed Allottee, if any, and Equity Shares to be allotted shall be locked-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and any other applicable law for the time being in force.
- e. The Equity Shares so allotted to the Proposed Allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- f. The Equity Shares so offered, issued and allotted to the Proposed Allottee are being issued for cash consideration and will constitute full consideration for the Equity Shares to be issued by the Company to the Proposed Allottee pursuant to this resolution.
- g. The Proposed Allottee shall be required to bring in the entire consideration for the Equity Shares to be allotted to such Allottee, on or before the date of

allotment thereof from its bank accounts.

- h. Allotment of the Equity Shares shall only be made in dematerialized form. The monies to be received by the Company from the proposed allottee for application of the Equity Shares pursuant to this preferential issue shall be kept in a separate bank account to be opened by the Company and shall be utilized in accordance with the provisions of the Act.
- i. The equity shares shall be allotted within a period of 15 (Fifteen) days from the date of passing of this shareholders resolution, provided where the allotment of the equity shares is pending on account of the pendency of any approval or permission of such allotment by any applicable regulatory authorities, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval or permission, as the case may be.
- j. The Equity Shares so offered, issued and allotted shall not exceed the number of equity shares as approved hereinabove.

11. Name of the proposed allottee and identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and/or who ultimately control the proposed allottee/ the percentage of post Preferential Issue capital that may be held and change in control, if any, in the Company consequent to the Preferential Issue:

Name of the Proposed Allottee	Category	Present Pre-issue shareholding		Post Issue/ Allotment Shareholding		Identity of the natural persons/ Ultimate beneficial Owner*
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding [#]	
Motilal Oswal Financial Services Limited	Non-Promoter	NIL	NIL	33,33,000	3.32%	The proposed allottee is listed Company whose shares are listed at BSE Limited and National Stock Exchange of India Limited.

*Accordingly, pursuant to Regulation 163(1)(f) of SEBI ICDR Regulations, no further disclosure of ultimate beneficial owners or natural persons is required.

[#]Post Issue % Holding is calculated on post-issued capital of the Company i.e. after allotment of 33,33,000 equity shares.

There shall be no change in management or control of the Company pursuant to the issue of equity shares on preferential basis.

12. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the year i.e. from April 01, 2023, no preferential allotment has been made to any person by the Company.

13. Valuation and Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable.

14. Lock-in period:

The Equity shares allotted pursuant to this resolution shall be subject to a lock-in for such period as specified under applicable provisions of SEBI ICDR Regulations.

15. Undertakings:

The Company hereby undertakes that:

- i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI ICDR Regulations, where it is so required;
- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR regulations the above securities shall be continued to be locked-in till such amount is paid by the allottee;

16. Certificate of Practicing Company Secretary:

As required in Regulation 163(2) of SEBI ICDR Regulations, a Certificate from AVS & Associates, Practicing Company Secretary, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations, will be kept open for inspection at the Corporate Office of the Company between 11:00 AM to 1:00 PM on all working days between Monday to Friday of every week, up to the date of AGM. The certificate can also be accessed on the Company's website at :

<http://gufic.com/Notice/PCS%20Certificate%20%E2%80%93%20Preferential%20Issue.pdf>

17. Disclosures specified in Schedule VI of the SEBI ICDR Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:

It is hereby confirmed that, neither the Company nor its promoters or directors is a wilful defaulter or a fraudulent borrower as per Regulation 163(1)(l) of Chapter V read with schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.

18. Other Disclosures:

- i. The Company is eligible to make the Preferential Issue to its Proposed Allottees under Chapter V of the SEBI ICDR Regulations.
- ii. The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder. The Company does not have any outstanding dues to SEBI, the stock exchanges or depositories.
- iii. Provisions of Regulation 166A of SEBI ICDR Regulations is not applicable to the Company as the proposed preferential issue does not envisage change in control or allotment of more than 5% of the post issue fully diluted share capital of the Company to an allottee or to allottees acting in concert.
- iv. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of Equity Shares under the Preferential Issue is for a cash consideration.
- v. There is no pre-preferential holding of the proposed allottee in the Company therefore the requirement of holding the equity shares in dematerialized form does not arise.
- vi. As there is no pre-preferential holding of the proposed allottee in the Company, hence lock-in of pre-preferential holding is not applicable.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Proposed Allottee is being sought by way of a special

resolution as set out in the said item no. 10 of the Notice. Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorised Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and therefore, recommends the resolution at Item No.10 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No.10 of this notice except and to the extent of their shareholding in the Company.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

**By order of the Board of Directors of
Gufic Biosciences Limited**

Sd/-

**Ami N. Shah
Company Secretary
Membership No. A39579**

**Place: Mumbai
Date: September 01, 2023**

Annexure A

Details of the Directors seeking appointment/re-appointment at 39th 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. Pranav Choksi	Dr. Bal Ram Singh	Mr. Jayesh Choksi	Mr. Gopal Daptari
Relevant item no. of the Notice	Item No. 3	Item No. 4	Item No. 6	Item No. 7
DIN	00001731	06918085	00001729	07660662
Age (in years)	40	65	69	73
Qualification	Bachelors in pharmacy from the Institute of Chemical Technology, University of Mumbai and Masters in Biotechnology from The John Hopkins University, USA.	M.SC (Lifesciences, Major Biochemistry), M.Phil (Lifesciences, Major Biophysical Chemistry), PhD (Chemistry, major Biophysical Chemistry)	Bachelors in Pharmacy	B.A (Hons) LLB
Initial date of Appointment	June 25, 2004	May 29, 2018	August 31, 1999	November 24, 2016
Profile, Experience & Expertise in specific functional areas	He has approximately 18 years of business experience. 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 specialization in Autologous Cancer Vaccines in US. 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.	He is a leading expert on protein structure, protein folding and functions, botulinum toxins and biodefense agents. He has wide ranging experience of 41 years in this field. He is the founder of Prime Bio. Inc., a leading product and service provider, and Institute of Advanced Sciences. He is also a Professor teaching innovative biotechnology, Ayurvedic biotechnology physical biochemistry, biological spectroscopy, fluorescence spectroscopy for biochemists, chemistry of the mind, biochemistry laboratory, and science of yoga. He has also published 16 Books and nearly 350 Articles, latest being Protein Toxins in Modelling Biochemistry (Springer, 2016).	He has a vast experience of 44 years 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 contributor to it. Under his stewardship, the Company has seen great success and the Company expanded its business & entered into various divisions like Critical Care, Infertility, API manufacturing, Healthcare and Pharma verticals. His areas of expertise are in the field of strategy, business development, corporate planning, manufacturing & general management.	He is an Advocate by Profession with a rich experience of 44 years. He is mainly specialized in Labour & Industrial Laws.
Terms & Conditions of Appointment / Re-Appointment	Retire by rotation and being eligible, offers himself, for re-appointment as a Director	Retire by rotation and being eligible, offers himself, for re-appointment as a Director	As per the resolution at Item No. 6 of the Notice read with explanatory statement thereto.	As per the resolution at Item No. 7 of the Notice read with explanatory statement thereto.
Remuneration Sought to be Paid	Not Applicable	Not Applicable	As per the resolution at Item No. 7 of Notice of 35 th AGM read with the explanatory statement thereto.	Not Applicable*
Remuneration last drawn, for the financial year 2022-23	Refer to Corporate Governance Report			
Shareholding in the Company (As on the date of this report)	72,68,626 equity shares	-	2,46,90,829 equity shares	-
No. of Board Meetings	7 of 7 meetings	1 of 7 meetings	7 of 7 meetings	7 of 7 meetings

Name of Director	Mr. Pranav Choksi	Dr. Bal Ram Singh	Mr. Jayesh Choksi	Mr. Gopal Daptari
Relationship with other Directors, Manager & Key Managerial Personnel of the	Mr. Pranav J. Choksi is the son of Mr. Jayesh P. Choksi who is Chairman & Managing Director of the Company.	-	Mr. Jayesh P. Choksi is the father of Mr. Pranav J. Choksi who is Chief Executive Officer and Whole Time Director of the Company.	-
Directorships in other Companies as on March 31, 2023	1. Gufic Chem Private Limited 2. Gufic Private Limited 3. Jal Private Limited 4. Zircon Teconica Private Limited	1. Vishoushadhi Products and Services Private Limited 2. Kuruom School of Advanced Sciences Foundation	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	NIL
Membership / Chairmanship of committees of all public limited companies including Gufic Biosciences Limited as on March 31, 2023	Gufic Biosciences Limited <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholders Relationship Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Member • Executive Committee - Member 	NIL	Gufic Biosciences Limited <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholders Relationship Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Chairman • Executive Committee - Chairman 	Gufic Biosciences Limited <ul style="list-style-type: none"> • Audit Committee - Member • Nomination & Remuneration Committee - Member • Risk Management Committee - Member • Corporate Social Responsibility Committee - Chairman
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL	NIL

*exclusive of sitting and travelling expenses

Annexure B
Pre and Post Preferential Issue Shareholding Pattern of the Company

Category	Category of Shareholder	Pre-Issue (As on June 30, 2023)		Post-Issue	
		Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:					
Indian	Individuals	419,93,298	43.32	419,93,298	41.88
	Bodies Corporate	307,14,853	31.68	307,14,853	30.63
	Sub-Total	727,08,151	75.00	727,08,151	72.51
Foreign	Foreign Promoters	NIL	NIL	NIL	NIL
	Total (Promoter & Promoter Group) (A)	727,08,151	75.00	727,08,151	72.51
B. PUBLIC SHAREHOLDING – NON PROMOTERS:					
Institutions	Mutual Funds	10,00,231	1.03	10,00,231	1.00
	Alternate Investment Funds	123,943	0.13	123,943	0.12
	NBFCs registered with RBI	1500	0.00	1500	0.00
	Foreign Portfolio Investors	682,493	0.70	682,493	0.68
	Sub-Total (Institutions)	18,08,167	1.86	18,08,167	1.80
Non-Institutions	Directors and their relatives (excluding Independent Directors and Nominee Directors)	641,045	0.66	641,045	0.64
	Individuals	172,90,844	17.83	172,90,844	17.24
	IEPF	244,506	0.25	244,506	0.24
	Clearing Members	6,205	0.01	6,205	0.01
	Non-Resident Indian (NRI)	661,690	0.68	661,690	0.66
	LLP	811,985	0.84	811,985	0.81
	HUF	17,14,941	1.77	17,14,941	1.71
	Private Bodies Corporate	10,56,972	1.09	43,89,972	4.38
	Sub-Total (Non-Institutions)	224,28,188	23.14	257,61,188	25.69
	Total Public Shareholding (B)	242,36,355	25.00	275,69,355	27.49
C. Shareholding of Non-Promoter Non-Public					
	Custodian/ DR holder	NIL	NIL	NIL	NIL
	Total Shareholding of Non-Promoter Non-Public	NIL	NIL	NIL	NIL
	Total (A + B+C)	969,44,506	100.00	10,02,77,506	100.00