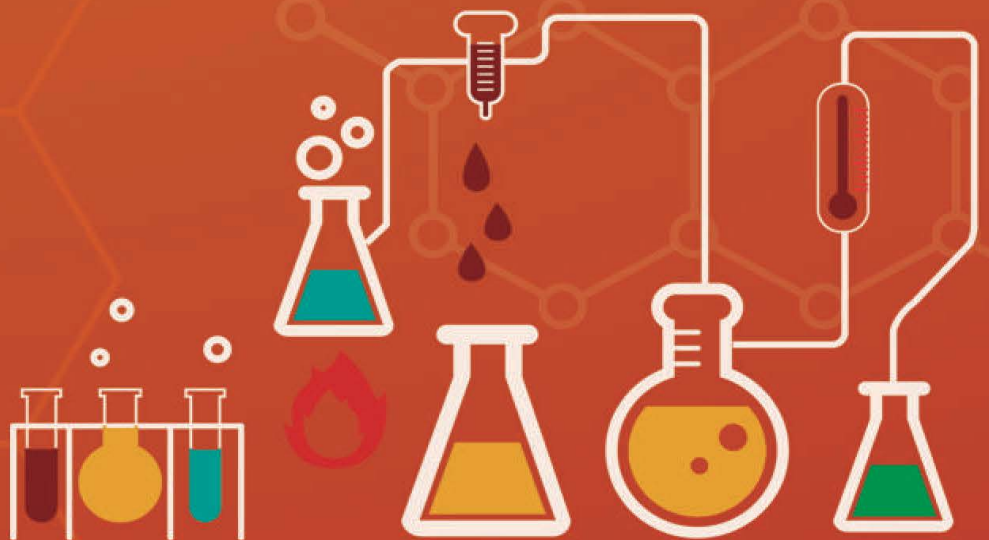
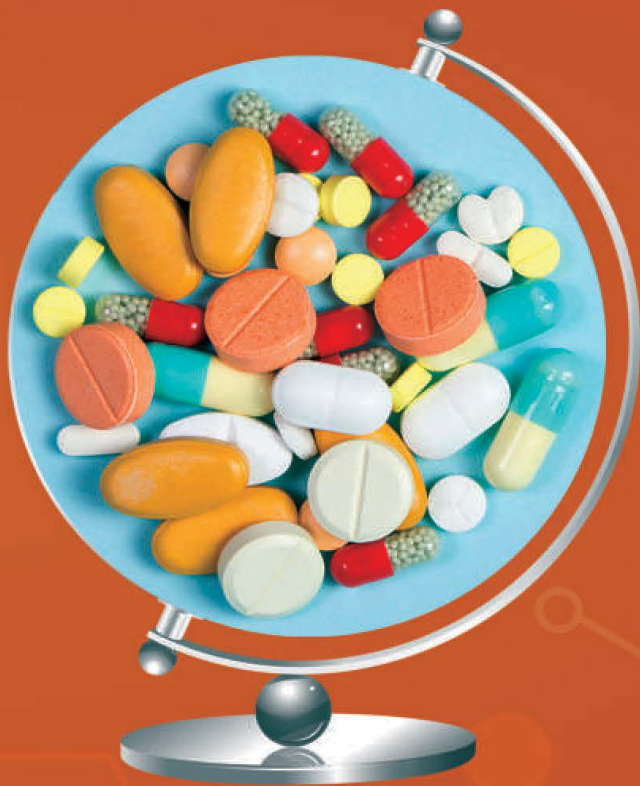


# 40<sup>th</sup> Annual Report 2024-25



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<b>Board of Directors &amp; KMP:</b>	
Mr. Arihant Baid	: Managing Director
Mr. Dilip Raj Singhvi	: Independent Director (appointed w.e.f.01.10.2024)
Ms. Shilpa Bung	: Independent Director & Women Director (appointed w.e.f.01.10.2024)
Mr. Y Ravinder Reddy	: Independent Director (retired w.e.f.30.09.2024)
Ms. Sadhana Bhansali	: Independent Director & Women Director (retired w.e.f.30.09.2024)
Mr. A S Nageswar Rao	: Independent Director
Dr. A R R Pantulu	: Non-Executive Director
Dr. S CH Dharma Rao	: Non-Executive Director (resigned w.e.f.30.05.2025)
Mr. Sandeep Kumar Daga	: Non-Executive Director (appointed w.e.f.30.05.2025)
Mr. Mohammed Khaleequr Rahman	: Non-Executive Director (appointed w.e.f.06.09.2024 and resigned w.e.f.14.02.2025)
Mr. K V L N Bhaswanth	: Chief Operating Officer
Mr. Laxmipat Baid	: Chief Financial Officer (resigned w.e.f.13.08.2024)
Mr. Akkali Santosh Kumar	: Chief Financial Officer (appointed w.e.f.12.11.2024)
Mr. Dinesh Kumar Kejriwal	: Company Secretary & Compliance Officer
<b>Registered Office Address:</b>	Survey No.133, IDA Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana State, India.
<b>Corporate Office :</b>	‘Akash Ganga’, 4th Floor, Plot # 144, Srinagar Colony, Hyderabad – 500 073, Telangana State, India.
<b>Statutory Auditors :</b>	M/s. R Pugalia & Company, Chartered Accountants, 20E, Lake Road, Kolkata – 700 029.
<b>Secretarial Auditor :</b>	CS Rakesh Kumar Gupta, Practising Company Secretary, ‘Shantiniketan’, 8, Camac Street, 14th Floor, Room No. 1401, Kolkata – 700 017. West Bengal State, India
<b>Cost Auditors:</b>	Sai Krishna & Associates Cost Accountants #16-10-270, Flat #108, Apurupa Apartments, Race Course Road, Old Malakpet, Hyderabad – 500 036.
<b>Internal Auditors</b>	M/s. Dipankar Mukherjee & Associates, Chartered Accountants, 324/3, D H Road Kolkata 700034
<b>Registrar &amp; Share Transfer Agents :</b>	R & D Infotech Pvt. Ltd. 15C, Naresh Mitra Sarani, Kolkata – 700 026. West Bengal State, India.
<b>Bankers</b>	ICICI Bank Ltd, 7-102/5 & 12, Ground Floor, Sai Enclave, Ajay Chambers, Uppal Road, Habsiguda, Hyderabad, Telangana State, India.
<b>Website</b>	<a href="http://www.gennexlab.com">www.gennexlab.com</a>
<b>CIN:</b>	L24230TG1990PLC011168
<b>Stock Exchange Security ID &amp; Scrip Code</b>	Bombay Stock Exchange GENNEX & 531739
<b>ISIN</b>	INE509C01026

## Notice of 40<sup>th</sup> Annual General Meeting

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting of the Members of **GENNEX LABORATORIES LIMITED** will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on Tuesday, September 30, 2025 at 12:30 Hrs to transact the following business:

### Ordinary Business:

#### 1. Adoption of financial statements:

- a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon; and
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Report of the Auditors thereon.

#### 2. To appoint a Director in the place of Mr. Arihant Baid (DIN: 01171845) who retires by rotation being eligible offers himself for re-appointment as Director liable to retire by rotation and in this regard pass the following Resolution as Ordinary Resolution.

**"RESOLVED THAT** in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mr. Arihant Baid (DIN: 01171845), Managing Director be and is hereby re-appointed as Director liable to retire by rotation"

### Special Business:

#### 3. Regularization of Additional Director Mr. Sandeep Kumar Daga (DIN: 00860908) as a Director (Non-Executive & Non-Independent) of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed there-under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company be and is hereby accorded to appoint Mr. Sandeep Kumar Daga (DIN: 00860908) as a Director (Non-Executive & Non-Independent) of the Company, who was appointed as an Additional Director of the Company by the Board of Directors on May 30, 2025, in terms of Section 161 of the Companies Act, 2013 and who has not disqualified under the Act and he shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interests of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion."

#### 4. Appointment of Mr. Md. Tausif Shamim, Company Secretaries In Practice, As Secretarial Auditors of the Company:

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

**"RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 ("Act") read with the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and

Regulation 24A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, on the recommendation of Audit Committee and the Board of Directors ("Board"), the consent of the members of the Company be and is hereby accorded for appointment of Mr. Md. Tausif Shamim, a Peer Reviewed Practicing Company Secretaries, Kolkata (ACS No.32291 & CP No.15392 and ICSI Peer Review certificate No. 5625/2024), as the Secretarial Auditors of the Company for a term of five (5) consecutive financial years ("FY") from FY 2025-26 to FY 2029-30, to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.

**RESOLVED FURTHER THAT** approval of the members is hereby accorded to the Board to avail or obtain from the Secretarial Auditors such activities beyond the statutory requirements of secretarial audit including issuance of various certificates, reports, assisting in compliance matters and other non-audit related services which the Secretarial Auditor may be eligible to provide or issue under the applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Secretarial Auditors, during the tenure of their appointment."

#### **5. Ratification of Remuneration of Cost Auditors.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 50,000/- plus applicable taxes and reimbursement of out-of-pocket expenses, charges for Cost Audit Report CRA-4 (XBRL) filing is ₹ 10,000/- plus applicable GST payable to M/s. Sai Krishna & Associates, Cost Accountants (Registration No.001742), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2026."

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

By Order of the Board of Directors  
**for Gennex Laboratories Limited**

Place: Hyderabad  
Date : September 04, 2025

**Arihant Baid**  
Managing Director  
DIN: 01171845

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 3 & 4 is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking re-appointment at the AGM as required under Regulation 36(3) and 36(5) of the SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an Annexure to the Notice.
2. Pursuant to the General Circular no. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs ('MCA') and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by SEBI (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold AGM through Video Conference ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of members at a common venue till September 30, 2025. Therefore the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE CIRCULAR NO. NO. 14/2020 DATED APRIL 08, 2020, ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.gennexlab.com](http://www.gennexlab.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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, September 27, 2025 at 09:00 A.M. and ends on Monday, September 29, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, September 23, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2025.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





#### Step 1: Access to NSDL e-Voting system

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 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 &amp; voting during the meeting.</li> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

	<p>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <b>App Store</b> </div> <div style="text-align: center;">  <b>Google Play</b> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is 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>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</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 &amp; 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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09 911

**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 log-in 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:
a) 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*****.
b) 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*****.
c) 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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) 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 General 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

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 [priyanka@rajoraandco.com](mailto:priyanka@rajoraandco.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). 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.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. September 23, 2025, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) 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](http://www.evoting.nsdl.com) or call on **022 - 4886 7000**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 23, 2025 may follow steps mentioned in the Notice of the EGM/AGM under Step 1: "Access to NSDL e-Voting system" (Above).

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](http://www.evoting.nsdl.com) to reset the password.

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](http://www.evoting.nsdl.com) or call on **022 - 4886 7000** or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: [evoting@nsdl.com](mailto:evoting@nsdl.com).

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail 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), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to [investorrelations@gennexlab.com](mailto:investorrelations@gennexlab.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), AADHAAR (self-attested scanned copy of Aadhaar Card) to [investorrelations@gennexlab.com](mailto:investorrelations@gennexlab.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.com](mailto:evoting@nsdl.com) 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.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.-

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/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 General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of 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 meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@gennexlab.com](mailto:investorrelations@gennexlab.com) latest by 5:00 p.m. (IST) on Saturday, September 27, 2025.
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 [investorrelations@gennexlab.com](mailto:investorrelations@gennexlab.com) latest by 5:00 p.m. (IST) on Saturday, September 27, 2025. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the EGM/AGM.
10. Members who need assistance before or during the EGM/AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com) or call on 022 - 4886 7000.

## **ANNEXURE TO NOTICE OF AGM**

### **Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)**

#### **Item no. 3:**

The Board of Directors of the Company at their Meeting held on May 30, 2025 have appointed Mr. Sandeep Kumar Daga (DIN: 00860908) as an Additional Director (Non-Executive & Non-Independent) of the Company pursuant to the recommendation of the Nomination & Remuneration Committee.

In terms of Section 161(1) of the Companies Act, 2013, he holds office as an Additional Director only up to the date of the ensuing Annual General Meeting. The Company has received a notice from a Member under Section 160 of the Companies Act, 2013 proposing his appointment as a Director, liable to retire by rotation.

Mr. Daga has confirmed that he is not disqualified to be appointed as a Director under Section 164 of the Companies Act, 2013 and has consented to act as a Non-Executive & Non-Independent Director. Based on the recommendation of the Nomination and Remuneration Committee and considering his experience and contributions, the Board recommends his regularization.

The requisite details of Mr. Sandeep Kumar Daga pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 are given in the annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the ordinary resolution at item no. 3 of accompanying notice for approval of members of the company.

#### **Item no. 4:**

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (“the Act”) and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Mr. Rakesh Kumar Gupta, Company Secretary in whole time practice, having Membership No. A/32018, CP No. 15143 has served as Secretarial Auditor of the Company for the financial year 2024-25.

Regulation 24A of the SEBI Listing Regulations, inter-alia, provides that with effect from April 01, 2025, the Company is required to appoint a Practicing Company Secretary for not more than one term of five consecutive years or a firm of Practicing Company Secretaries as Secretarial Auditors for not more than two terms of five consecutive years, with the approval of the members at its Annual General Meeting

(“AGM”) and such Secretarial Auditors(s) must be a peer reviewed company secretary and should not have incurred any of the disqualifications as specified under the SEBI Listing Regulations.

Further, as per the said Regulation, any association of the individual or the firm as the Secretarial Auditor(s) of the Company before March 31, 2025, shall not be considered for the purpose of calculating the tenure of the Secretarial Auditor.

Taking into account the above requirements, the Board of Directors of the Company (“Board”), at its meeting held on September 04, 2025 has, considering the experience and expertise and on the recommendation of the Audit Committee, recommended to the members of the Company, appointment of Mr. Md. Tausif Shamim, Company Secretary in whole time practice having Membership No ACS No.32291 & CP No.15392 and ICSI Peer Review certificate No. 5625/2024, as the Secretarial Auditor for a term of 05 (five) consecutive financial years, commencing from the financial year 2025-26 to the financial year 2029-30 on such remuneration as may be determined by the Board of Directors of the Company from time to time.

The Firm is a peer reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi. While recommending the Firm for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. The Firm was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

Pursuant to Section 204 of the Act and the Rules framed thereunder, read with Regulation 24A of Listing Regulations the Company has received written consent & eligibility letters from Mr. Md. Tausif Shamim.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the ordinary resolution at item no. 4 of accompanying notice for approval of members of the company.

**Item No.5:**

The Board of Directors at its Meeting held on September 04, 2025, upon the recommendation of the Audit Committee, approved the appointment of M/s. Sai Krishna & Associates, Cost Accountants (Registration No.001742), to conduct the audit of the Cost records of the Company on a remuneration of ₹ 50,000/- (Indian Rupees Fifty Thousand Only) (excluding all applicable taxes and reimbursement of out of pocket expenses) for the financial year ending March 31, 2026.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The Board of Directors of the Company recommends the resolution at Item No.5 for approval of the members as Ordinary Resolution.

By Order of the Board of Directors  
**for Gennex Laboratories Limited**

Place: Hyderabad  
Date: September 04, 2025

**Arihant Baid**  
Managing Director  
DIN: 01171845

**Additional information on Directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Secretarial Standard-2**

<b>Name of the Director</b>	<b>Mr. Arihant Baid</b>
DIN	01171845
Nationality	Indian
Date of Birth	25.05.1986
Age	39 years
Date of First Appointment	18.05.2012
Terms & Conditions of Re-appointment along with Remuneration sought to be paid.	Reappointment by virtue of retirement by rotation
Remuneration last drawn	Please refer report on Corporate Governance
Qualification	<ul style="list-style-type: none"> <li>- Masters in Corporate Strategy and Governance - Nottingham University Business School, UK</li> <li>- Certificate in Marketing Communications in French Markets - ESC Bretagne University, France.</li> <li>- Bachelors in Business Administration (Management and International Business)-RMIT, University of Melbourne, Australia.</li> </ul>
Experience	More than 17 Years in Marketing
Relationship with other director/ Manager and other KMP	No relationship
No of Shares held	150
Directorships of other Board	a. Prudential Holdings Private Limited b. VAB Reality Private Limited c. Premier Industrial Commercial & Credit Pvt. Ltd. d. Premier Fiscal Services Private Limited e. Deccan Remedies Limited
No. of Board meetings held and attended by the Director during the year	Attended all five meetings held during the year
Membership/Chairmanship of Committees of other Board	NIL

<b>Name of the Director</b>	<b>Mr. Sandeep Kumar Daga</b>
DIN	00860908
Nationality	Indian
Date of Birth	01.07.1971
Age	54 years
Qualification	ACA; ACS
Experience	Mr. Daga is a member of ICAI and ICSI having over three decades of experience in Business and Corporate Management.
Relationship with other director/ Manager and other KMP	No relationship
No of Shares held	NIL
Directorships of other Board	NIL
Membership/Chairmanship of Committees of other Board	NIL
Remuneration details (Including Sitting Fees & Commission)	Refer Notice

**Note:** Pursuant to Regulation 26 of the SEBI Listing Regulations 2015, for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders Relationship Committee alone has been considered.

None of the other Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the notice.

By Order of the Board of Directors  
**for Gennex Laboratories Limited**

Place: Hyderabad  
 Date: September 04, 2025

**Arihant Baid**  
 Managing Director  
 DIN: 01171845

## DIRECTORS' REPORT

To  
 The Members of  
 Gennex Laboratories Limited.

Your Directors are pleased to present the 40<sup>th</sup> Annual Report and the Standalone and Consolidated Audited Financial Statements for the Financial Year ended March 31, 2025.

### Financial Highlights and Performance:

#### 1. Financial Results

₹ in Lakhs

PARTICULARS	Standalone		Consolidated	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Revenue from Operations	9,457.79	6,679.87	13,790.30	8671.45
Other Income	922.13	430.20	1,043.01	490.59
Total Income	10,379.92	7,110.07	14,833.31	9162.04
Share of Profit/(Loss) of Associates	0	0	0	0
Profit before Finance Cost, Depreciation and Tax Expense	1,941.55	1,672.08	2699.57	2,193.57
Finance Cost	158.45	115.58	360.77	307.60
Depreciation	76.95	81.04	199.08	236.79
Tax Expenses	302.47	295.67	327.47	331.68
Net Profit after Tax for the year	1,403.68	1,179.79	1812.26	1,317.50
Other Comprehensive Income /(Loss) (net of tax)	0	11.06	0	(-) 180.23
Total Comprehensive Income	1,403.68	1,190.85	1812.26	1,137.27
EPS - Basic	0.617	0.698	0.797	0.666
EPS - Diluted	0.607	0.637	0.784	0.608

Note: The above figures are extracted from the audited standalone and consolidated financial statements as per Indian Accounting Standards (Ind AS).

#### Review of operations:

Your Directors wish to present the details of Business operations done during the year under review:

During the year under review your Company has recorded a total Revenue of ₹ 10,379.92 lakhs as against ₹ 7,110.27 lakhs in the previous year, and the company has recorded the Profit before Finance Cost, Depreciation and Tax Expenses of ₹ 1,941.55 lakhs (2024-25) as against ₹ 1,672.08 lakhs (2023-24). In the current year the Net profit is ₹ 1,403.68 lakhs against the previous year ₹ 1,190.85 lakhs. Due to partly paid warrants issued by way of preference issue during previous year, Earnings per shares got diluted in the proportionate manner.

There is a 59% increment in the Consolidated Profit during the year under review and the all efforts are being made to make the Company to be reckoned with in the Pharma Arena and your Directors are hopeful of the our Company would be making better performances with profits in the coming years.

**Future Outlook**

Your Management is making all its efforts for adding additional APIs for manufacturing by enhancing the production capacities and increased R & D efforts for which the Management is also exploring the possibilities of various options to raise the required funds.

**Share Capital:**

Authorized Share Capital - During the year under review, there was no change in authorized share capital of the Company. Authorized share capital of the company as on March 31, 2025 was ₹ 25,00,00,000/-, comprising of 25,00,00,000 equity shares of ₹ 1/- each.

Paid-up Share Capital - During the year under review, there was no change in paid up share capital of the Company. Paid up share capital of the company as on March 31, 2025 was ₹ 22,74,47,674/-, comprising of 22,74,47,674 Equity Shares of ₹ 1/- each.

**Preference Issue** – During the Financial Year 2023-24, your Company has issued 1,55,00,000 share warrants at a price of ₹ 14.75 per warrant, aggregating to ₹ 22,86,25,000/-, to Promoters upon receipt of ₹ 5,71,95,000/- (25% of the warrant issue price) as upfront payment ("Warrant Subscription Price"). These warrants are convertible into one fully paid-up equity share of the Company with a face value of Re. 1/- each upon payment of the balance amount, i.e., the warrant exercise price of ₹ 11.06/- per warrant, within 18 months from the allotment date, in accordance with Chapter V of SEBI ICDR Regulations and other applicable laws.

The Company has converted 1,55,00,000 share warrants into 1,55,00,000 fully paid equity shares after receipt of balance amount of ₹ 17,14,30,000 from the Promoters during the year 2025-26. Listing approval from BSE Limited received and Trading approval is under process.

**Buy Back of Securities:**

The Company has not bought back any of its securities during the year under review.

**Sweat Equity:**

The Company has not issued any Sweat Equity Shares during the year under review.

**Bonus Shares:**

The Company has not issued any bonus shares during the year under review.

**Employees Stock Option:**

The Company has not provided any Stock Option Scheme to the employees.

**Dividend:**

Your Directors have not recommended any dividend on Equity Shares for the year under review.

**Transfers to Reserves:**

Your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

**Deposits:**

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 read with Rules made there under.

**Subsidiaries, Joint Ventures and Associates:**

As on March 31, 2025, we have one Subsidiary Company and in this regard a Statement containing the salient features of the Financial Statement of our Subsidiary in the prescribed format AOC-1 is appended as **Annexure-I** to the Board's report.

**Particulars of Contracts & Arrangements with Related Parties:**

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length pricing basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2024-25 which were in conflict with the interest of the Company. The details of contracts and arrangements with Related Parties as referred to in Section 188(1) of the Companies Act, 2013 were given as **Annexure - II** to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

**Particulars of Loans, Guarantees or Investments:**

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company neither has, directly or indirectly, given any loan to its Directors nor extended any guarantee or provided any security in connection with any loan taken by them. Further, the Company has not made any inter-corporate loan / advance nor made any investments in other companies during the financial year 2024-25, except to its subsidiary Company.

**Number of Board Meetings held:**

During the financial year ended March 31, 2025, Five Board Meetings were held.

The dates on which the Board Meetings were held are 30.05.2024, 14.08.2024, 06.09.2024, 14.11.2024 and 14.02.2025 the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard -1.

**Board evaluation:**

The Board of directors have carried out an evaluation of its own performance and of its Committee as well as its individual Directors on the basis of criteria such as Composition of the Board / Committee Structure, effectiveness, its process, information and functioning etc.

**The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 (Act) read with the Companies (Accounts) Rules, 2014:**

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as **Annexure - III** to this Report.

**Remuneration ratio of the Directors / Key Managerial Personnel (KMP) / Employees:**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as **Annexure – IV**.

### **Extracts of Annual Return:**

As required by Section 92 (3) of the Act Read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return in Form MGT 9 is available on the Company's website at [www.gennexlab.com](http://www.gennexlab.com).

### **Declaration by Independent Directors:**

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

### **Familiarization programmer for Independent Directors:**

The Company proactively keeps its Directors informed of the activities of the Company, it's Management and Operations and provides an overall industry perspective as well as issues being faced by the industry.

### **Independent Directors' Meeting:**

The Independent Directors met on 14.02.2025, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and 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.

### **Directors Responsibility Statement as required under Section 134 of the Companies Act, 2013:**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- i. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025, and of Profit and Loss Account of the Company for that period;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the Annual Accounts for the Financial Year ended March 31, 2025, on a going concern basis;
- v. that the Directors have laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls are adequate and were operating effectively; and
- vi. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Details of Directors or Key Managerial Personnel who were appointed or have resigned during the Year:**

In terms of Section 152 of the Companies Act, 2013, Mr. Arihant Baid, Director would retire by rotation at the forthcoming AGM and is eligible for re-appointment, Mr. Arihant Baid has offered himself for re-appointment.

Mr. Mohammed Khaleequr Rahman, Director was appointed on September 06, 2024 and resigned on February 14, 2025.

Mr. Laxmipat Baid, Chief Financial Officer was resigned with effect from August 13, 2024 and in his place Mr. Akkali Santosh Kumar was appointed as Chief Financial Officer with effect from November 12, 2024.

Further, after closure of the FY 2024-25, Dr. S CH Dharma Rao, Director was resigned on May 30, 2025 and the Board of Directors has appointed Sandeep Kumar Daga (DIN 00860908) as Additional Director (Non- Executive Non-Independent) of the Company subject to approval of shareholders in the ensuing Annual General Meeting with effect from May 30, 2025.

**Key Managerial Personnel (KMP):**

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2025 are: Mr. Arihant Baid, Managing Director, Mr. Akkali Santosh Kumar, CFO and Mr. Dinesh Kumar Kejriwal, Company Secretary of the Company.

**Policy on directors' appointment and remuneration and other details:**

Under Section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board has adopted a policy for nomination, remuneration and other related matters for Directors and senior management personnel. A gist of the policy is available in the Corporate Governance Report.

**Statutory Auditors:**

M/s. **R Pugalia & Company**, Chartered Accountants (Firm Registration No. 318188E) were appointed as Statutory Auditors of your Company to hold office from the conclusion of 38th AGM till the conclusion of the 43rd AGM to be held in the year 2028. Accordingly, R Pugalia & Company, Chartered Accountants (Firm Registration No. 318188E), Statutory Auditors of the Company will continue till the conclusion of Annual General Meeting to be held in 2028. In this regard, the Company has received a Certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**Auditors' Report and Secretarial Auditors' Report:****1. Auditors' Report**

Qualifications, Reservations or Adverse Remarks:

Information & Explanation in respect of Qualification / Reservation or Adverse remarks contained in Independent Auditor's Report under Paras: Basis for Qualified opinion, Emphasis of Matter and Other Matter:

- a. Confirmations / reconciliations of, The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities, The Impact of the same is unascertained;

**Board's Response: -**

- a) As pointed out by the Statutory Auditors, the company has not obtained confirmation of The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities. The Company has made best of its efforts to obtain the same before signing the accounts for current financial year as well as for last financial year. Further, the Management of the Company confirms that balances shown in the Books are true and correct as per their knowledge.

**2. Secretarial Audit Report**

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors has appointed Mr. Rakesh Kumar Gupta, Company Secretaries, as Secretarial Auditors to conduct Secretarial Audit of the company for the Financial Year ended on March 31, 2025.

Secretarial Audit Report issued by Mr. Rakesh Kumar Gupta, Company Secretaries, in Form MR-3 is enclosed as **Annexure - V** to this Annual Report.

**Cost Auditor:**

As per the provisions of Section 148 of the Companies Act, 2013, the Board of Directors has appointed M/s. Sai Krishna & Associates, Cost Accountants (Registration No.001742), as Cost Auditors to conduct Cost Audit of the company for the Financial Year ended on March 31, 2025.

Cost Audit Report for the Financial Year ended on March 31, 2025 issued by M/s. Sai Krishna & Associates, Cost Accountants approved by the Board in its meeting held on September 04, 2025.

**Internal Auditors:**

The Board of Directors of the Company appointed M/s. Dipankar Mukherjee & Associates to conduct Internal Audit of the Company for the Financial Year ended March 31, 2025.

**Audit Committee:**

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

**Sub Committees of the Board:**

The Board has Audit Committee, Nomination and Remuneration Committee. Stakeholders' Relationship Committee and Right Issue Committee. The composition and other details of these Committees, have been given in the Report on the Corporate Governance forming part of the Annual Report

**Corporate Social Responsibility (CSR) Initiatives:**

As per Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, CSR provisions apply to every company, including its holding or subsidiary, and a foreign company having its branch office or project office in India, meeting any of the following criteria during the immediately preceding financial year:

1. Net worth of INR 500 crore or more; or
2. Turnover of INR 1,000 crore or more; or
3. Net profit of INR 5 crore or more.

During the financial year 2023-24, the company met the above criteria and was, therefore, required to comply with the CSR provisions under the Companies Act, 2013.

**Formation of CSR Committee**

The company is in the process of constituting a CSR Committee in accordance with the statutory requirements. The CSR Committee will consist of members as mandated by the Companies Act, 2013, including at least three directors, out of which at least one director shall be an independent director (if applicable). The role of the CSR Committee will include:

- Formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
- Recommending the amount of expenditure to be incurred on the activities.
- Monitoring the CSR Policy of the company from time to time.

**Selection of CSR Projects**

The CSR Committee, along with the management, will evaluate and select suitable Projects that align with the activities recognized under Schedule VII of the Companies Act, 2013, or any other statute. The selected projects will focus on areas such as education, healthcare, environmental sustainability, social welfare, or any other area that contributes to the social and economic development of the community. The company is committed to ensuring that the chosen CSR initiatives create a positive impact and fulfill its obligations towards society.

The CSR initiatives will be implemented directly or through registered trusts, societies, or companies established under Section 8 of the Companies Act, 2013, which have an established track record of at least three years in undertaking similar projects. The company is committed to adhering to the compliance and reporting requirements related to CSR activities as stipulated by the applicable laws and regulations.

**Management Discussion and Analysis:**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis given below discusses the key issues concerning the business and carried on by the Company and the same is enclosed as **Annexure - VI** to this Report.

**Corporate Governance:**

The Company is committed to good corporate governance in line with the Schedule V of SEBI (LODR) Regulations, 2015 and Provisions, Rules and Regulations of the Companies Act, 2013. The Company is in compliance with the provisions on corporate governance specified in the Listing Agreement with BSE. A certificate of compliance from M/s. R Pugalia & Company, Chartered Accountants and the report on Corporate Governance form part of this Directors' Report as **Annexure – VII**.

**Insurance:**

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

**Vigil Mechanism:**

The Board of Directors have adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases.

**Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements:**

1. The Company has set Internal Control Systems to maintain accurate and complete accounting records, to safeguard its assets, to prevent and detect any frauds and errors.
2. The Company has appointed internal employee as the Internal Auditors to observe the Internal Controls, whether the work flows of organization is being done through the approved policies of the Company. In every Quarter during the approval of Financial Statements, Internal Auditors will present the Internal Audit Report and Management Comments on the Internal Audit observations; and
3. The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Fixed Assets Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for 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.

**The names of companies which have become or ceased to be company's subsidiaries, joint ventures or associate companies during the year:**

There is no change in company's subsidiaries, joint ventures or associate companies during the year.

**Change in the nature of business:**

There is no change in the nature of business of the Company.

**The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

No Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

**Industrial Relations:**

Industrial relations continued to be cordial throughout the year under review.

**Material changes and commitments:**

There are no Material changes and commitments in the business operations of the Company from the Financial Year ended March 31, 2025, to the date of signing of the Directors' Report.

**Policy on Sexual Harassment:**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year ended March 31, 2025, the Company has not received any Complaints pertaining to Sexual Harassment.

**Listing of Equity Shares:**

The Company's Equity shares are listed at the following Stock Exchanges:

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001; and The Company has paid the Annual Listing Fee to the said Stock Exchanges for the Financial Year 2025-26.

**Policies:**

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

**i) Whistleblower Policy (Policy on vigil mechanism):**

The Company has adopted the whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company during fiscal 2025.

**ii) Policy for Determining Materiality for Disclosures:**

This policy applies to disclosures of material events affecting. This policy is in addition to the Company's corporate policy statement on investor relations, which deals with the dissemination of unpublished, price-sensitive information.

**iii) Policy on Document Retention:**

The policy deals with the retention and preservation of corporate records of the Company.

**Share transfer agency:**

The Company has appointed M/s. R & D Infotech Pvt. Ltd., 15C, Naresh Mitra Sarani, Kolkata-700 026 as its Share Transfer Agency for handling both Physical and Electronic Transfers.

### Awards and recognition:

The Company has been awarded ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Certification by TUV NORD Cert GmbH for Management System for manufacture and sale of Active Pharmaceutical Ingredients and Intermediates.

The Company has been awarded European Union Written Confirmation (EU-WC) for Guaifenesin, Methocarbamol & Phenazopyridine Hcl by the Central Drugs & Standard Control Organization (CDSCO), New Delhi for Sale, Statutory requirements of the Country.

The Company has been awarded GMP & WHO-GMP certification by the State Drug Licensing authority.

### Human Resources:

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### Details of Significant Changes in the Key Financial Ratios:

The details of significant changes in the key financial ratios during financial year 2024-25 as compared to the immediately previous financial year 2023-24 are given below:

Particulars	2024-25	2023-24	Change in %	Explanation for change of 25% or more
Debtor Turnover	6.644	5.342	24.37	NA
Trade Payables Turnover Ratio	5.333	3.923	35.94	Due to increase in Turnover
Inventory Turnover Ratio	3.270	2.476	32.07	Due to increase in Turnover
Current Ratio	6.424	5.454	17.79	NA
Debt Equity Ratio	0.182	0.203	(10.34)	NA
Net Profit Ratio	0.166	0.208	(20.19)	NA
Net Capital Turnover Ratio	0.512	0.391	30.95	Due to increase in Turnover

### Cautionary Statement:

Statements in these reports describing company's projections statements, expectations and hopes are forward looking. Though, these expectations etc.; are based on reasonable assumption, the actual results might differ.

### Acknowledgement:

The Directors take this opportunity to place on record their sincere thanks to the Employees, Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the Shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

On behalf of the Board of Directors  
for Gennex Laboratories Limited

Place: Hyderabad

Date: 04.09.2025

ARR Pantulu  
Director  
DIN: 09003006

Arihant Baid  
Managing Director  
DIN: 01171845

## Annexure-1

Performance and financial position of each of the subsidiaries, associates and joint venture  
 (Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

### FORM No. AOC - 1

**Part-A: Subsidiaries**

₹ in thousands

S.No.	1
Name of the Subsidiary	Deccan Remedies Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2025
Share Capital	1,24,244.40
Reserves & Surplus	56,207.11
Total Assets	8,05,102.18
Total Liabilities	6,24,650.67
Investments	0
Turnover	4,33,251.34
Profit/ (Loss) before Taxation	43,356.97
Tax Expense/ (Benefit)	2,500.00
Profit/ (Loss) after Taxation	40,856.97
Proposed Dividend	Nil

**Part B- Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in thousands

S.No.		NA
Name of Associates/Joint Ventures		NIL
Latest audited Balance Sheet Date		-
Shares of Associate /Joint Ventures held by the company on the year end	No. of Shares	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-
Description of how there is significant influence		-
Reason why the associate/joint venture is not consolidated		-
Net worth attributable to Shareholding as per latest audited Balance Sheet		-
Profit / Loss for the year	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

- Names of Associates or Joint Ventures which are yet to commence operations: Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable

**On behalf of the Board of Directors  
for Gennex Laboratories Limited**

Place: Hyderabad  
 Date: 04.09.2025

**ARR Pantulu**  
 Director  
 DIN: 09003006

**Arihant Baid**  
 Managing Director  
 DIN: 01171845

**Annexure-II****Disclosure of Particulars of Contracts / Arrangements entered into by the Company****FORM NO. AOC-2**

(Pursuant to section 134(3)(h) of the Companies Act 2013 and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts / Arrangements entered in to by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of Contracts or Arrangements or Transactions not at arm's length basis:**

The Company has not entered into any Contract or Arrangement or Transaction with its Related Parties which is not in its ordinary course of business or at arm's length during financial year 2024-25.

**2. Details of material Contracts or Arrangements or Transactions at arm's length basis:**

There were no material Contracts or Arrangements or Transactions on Related Parties during the financial year 2024-25.

**On behalf of the Board of Directors  
for Gennex Laboratories Limited**

Place: Hyderabad  
Date: 04.09.2025

**ARR Pantulu**  
Director  
DIN: 09003006

**Arihant Baid**  
Managing Director  
DIN: 01171845

### Annexure-III

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

#### A. CONSERVATION OF ENERGY:

1. The steps taken or impact on conservation of energy : - N.A.-
2. The steps taken by the Company for utilizing alternate sources of energy : - N.A.-
3. The Capital investment on energy conservation equipment's : - N.A.-

#### B. TECHNOLOGY ABSORPTION: - Not Applicable

- i. The Efforts made towards technology absorption : NIL
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution : NIL
- iii. Details of technology imported during the past 3 years: : No technology has been imported during the past 3 years.
  - a. The details of technology Import : Not Applicable
  - b. The Year of Import : Not Applicable
  - c. Whether the technology has been fully absorbed : Not Applicable
  - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable
- iv. The expenditure incurred on Research and Development : NIL

#### C. FOREIGN EXCHANGE EARNINGS AND OUT-GO:

1. The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Used	346.33	195.42	346.33	195.42
Earned	3036.94	2111.26	3036.94	2111.26

**On behalf of the Board of Directors  
for Gennex Laboratories Limited**

Place: Hyderabad  
Date: 04.09.2025

**ARR Pantulu**  
Director  
DIN: 09003006

**Arihant Baid**  
Managing Director  
DIN: 01171845

## Annexure-IV

**Statement of particulars as required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014:**

**(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:**

S.No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Arihant Baid, Managing Director	01 : 7.76

\* Mr. Dilip Raj Singhvi, Ms. Shilpa Bung, Dr. S CH Dharma, Dr. Avasarala Ranga Rao Pantulu and Mr. Amudala Sreeramulu Nageswar Rao were paid sitting fees for attending the Meetings.

**(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year**

S.No.	Name of the Director	Percentage increase in remuneration
1	Arihant Baid Managing Director	Nil
2	Akkali Santosh Kumar Chief Financial Officer	NIL
3	Dinesh Kumar Kejriwal Company Secretary	15.50%

\* Mr. Dilip Raj Singhvi, Ms. Shilpa Bung, Dr. S CH Dharma, Dr. Avasarala Ranga Rao Pantulu and Mr. Amudala Sreeramulu Nageswar Rao were paid sitting fees for attending the Meetings.

**(iii) The percentage increase in the median remuneration of employees in the Financial Year.**

7.36%

**(iv) The number of permanent employees on the rolls of company.**

There are 115 permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2025.

**(v) 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. -- NA --**

(vi) The company affirms that remuneration paid to Key Managerial Personnel is as per the Remuneration policy of the Company.

**On behalf of the Board of Directors  
for Gennex Laboratories Limited**

Place: Hyderabad  
Date: 04.09.2025

**ARR Pantulu**  
Director  
DIN: 09003006

**Arihant Baid**  
Managing Director  
DIN: 01171845

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**Declaration by Chairman and Executive Director on Code of Conduct under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.****To****The Members**

I, hereby declare that to the best of my knowledge and information; all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2025.

**On behalf of the Board of Directors  
for Gennex Laboratories Limited**

Place: Hyderabad

Date: 04.09.2025

**ARR Pantulu**

Director

DIN: 09003006

**Arihant Baid**

Managing Director

DIN: 01171845

**Annexure - V****Form No. MR-3****Secretarial Audit Report****For the Financial Year ended on March 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**GENNEX LABORATORIES LIMITED,**  
Sy. No. 133, IDA Bollaram, Jinnaram,  
Sangareddy District - 502 325.  
Telangana.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **GENNEX LABORATORIES LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of **GENNEX LABORATORIES LIMITED** 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, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 (the Act) and the Companies Act, 1956 (to the extent applicable) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- 5) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Financial Year under review)
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued any debt securities)

- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the Financial Year under review)
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the Financial Year under review); and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not bought back / propose to buyback any of its securities during the Financial Year under review).
- 6) The management has identified and confirmed the following laws as being specifically applicable to the Company:
- a) Drugs and Cosmetics Act, 1940 and Rules made there under;
  - b) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
  - c) 3-Drugs Price Control Order, 2013 and Notifications made thereunder.

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

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange.

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

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads / Chief Financial Officer / Whole-time-Director taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws.

We further report that, the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Meetings of the Board and its Committees. Agenda and detailed notes on agenda were sent to all the directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Meetings duly recorded and signed by the Chairman of the Meeting, the decisions of the Board were unanimous and there were no dissenting views.

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

We further report that, during the audit period no event has occurred during the year which has a major bearing of the Company's affairs.

For **Rakesh Kumar Gupta**  
 Company Secretaries

Rakesh Kumar Gupta  
 Proprietor

ACS:32018; CoP:15143

UDIN: A032291G000743364

Place: Kolkata

Date: 09.07.2025

This Report is to be read with our letter of even date which is annexed as Annexure A forming integral part of this report.

## **Annexure A**

To,  
The Members,  
**GENNEX LABORATORIES LIMITED,**  
Sy. No. 133, IDA Bollaram, Jinnaram,  
Sangareddy District - 502 325.  
Telangana.

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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Rakesh Kumar Gupta**  
Company Secretaries

Place: Kolkata  
Date: 09.07.2025

Rakesh Kumar Gupta  
Proprietor  
ACS:32018; CoP:15143  
UDIN: A032291G000743364

## **Annexure – VI**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report on the Business of the Company as applicable and to the extent relevant is given below:

#### **Industry Structure and Development:**

Gennex Laboratories Limited is in the business of Manufacturing of Bulk Drugs, Intermediates and Biotech Products. The Company has over the years added more capacity and infrastructure by way of an additional production block and equipment to the plant to handle more products and also tonnages. The Company is having a professionally managed team at every stage of its operations.

#### **Opportunities:**

Multipurpose and Multi product production facilities having ISO 9001:2008 and TUV Certificate 44 100 124194-E3 further the Company has obtained ISO 14001 and OSHAS 18000.

- The Management depth and ability to manage client relationships.
- Enhanced presence in the international market.

Large number of Pharmaceutical companies losing their drug patents, thereby increasing the scope of outsourcing to countries that offer a low cost manufacturing base.

The Pharma sector is expected to witness further consolidation by way of mergers and acquisitions this augurs for growth of the Industry. This would result in better price realization and growth.

#### **Threats:**

The Indian Pharma Industry will have to meet the following challenges:

- i. Multinational Companies are setting up large plants in India.
- ii. Competition in the global market that offer low manufacturing base.
- iii. Uncertainties on account of global socio economic environment.

#### **Outlook for the Company:**

Your Company is on the verge of completion of the expansion plans undertaken. Your Company has planned its business strategy taking the ground realities into account. The Company has introduced new products which are very competitive and beneficial to the Company.

#### **Segment-wise/Product-wise Performance:**

As the company has only one line of product i.e. Pharmaceutical Products (Bulk Drugs), segment-wise or product-wise performance is not applicable for the year 2024-25.

#### **Risks and concerns:**

Any Government policy intervention or any change in the Pharma sector benefits and unforeseen adverse market conditions are issues of concern and may put pressure on the performance of the Company.

#### **Internal Control System and their adequacy:**

The Company has Internal Control System which is adequate and commensurate with the size of the Company.

**Discussion on financial performance with respect to operational performance****A. Financial Conditions:****1. Capital Structure:**

The Authorized Share Capital of the Company as at March 31, 2025, is ₹ 2,500 Lakhs divided into 2,500 Lakhs Equity Shares of face value of ₹ 1/- each. The Share Capital of the Company consists of only Equity Shares. The Paid-up Capital of the Company as on March 31, 2025 is at ₹ 2,274.47 Lakhs comprising of 22,74,47,674 Equity Shares of ₹ 1/- each fully paid-up.

**2. Reserves and surplus:**

The Reserves and Surplus of the Company as on March 31, 2025, stands at ₹ 15,633.20 Lakhs

**3. Secured Loans:**

The Working Capital Advances as at March 31, 2025, stand at ₹ 124.26 Lakhs

**4. Unsecured Loans:**

The Deferred Sales Tax amount as at March 31, 2025, stand at ₹ 0 Lakhs.

**5. Fixed Assets:**

The Gross Block stood at ₹ 4,121.95 Lakhs and the net block stood at ₹ 2,227.63 Lakhs as at March 31, 2025 compared to ₹ 3,546.07 Lakhs and ₹ 1,720.80 Lakhs as at March 31, 2024, respectively. The increase in the value of the Fixed Assets is on account of procurement of new plant and Machinery.

**6. Revenue (Gross):**

During the year, the Company achieved sales of ₹ 9,457.79 Lakhs compared to ₹ 6,679.87 Lakhs in the previous year ended March 31, 2024.

**Environment and Safety**

The company maintains and effects continual improvement in environmental standards and complies with the safety requirements. The company cares for the safety of its employees and safety training is imparted to the employees in the factory. Personal Protective Equipment is provided to the employees in conformity with statutory requirement.

**Human Resources**

The company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunity to equip them with skills, which would enable them to adapt contemporary technological advances.

**Cautionary Statement**

Statement in this "Management Discussion & Analysis" may be considered to be "Forward Looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, increased installed capacity, finished goods prices, raw materials availability and prices, cyclical demand and pricing in the Company's markets, changes in Government regulations, tax regimes, besides other factors.

## Annexure – VII

### REPORT ON CORPORATE GOVERNANCE

In India, the Securities and Exchange Board of India (SEBI) regulates Corporate Governance for Listed companies through SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Gennex Laboratories Limited's is in full compliance with all the applicable provisions of the SEBI's corporate governance norms are set out below:

#### 1. Company's Philosophy on Code of Governance:

Gennex Laboratories Limited ("GLL"/the "Company") is committed to implement sound Corporate Governance practices with a view to bring about transparency in its operations and maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Ethical business conduct by the Board, management and employees;
- Transparent and timely disclosure of Financial and Management Information;
- Effective Management Control and Monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

#### 2. Board of Directors:

The Board of Directors has an optimum combination of Executive and Non-Executive Directors and its composition is in conformity with Regulation 17 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act 2013 ("Act"). All the Directors have made the requisite disclosures regarding Directorships and Committee positions held by them in other Companies.

- i. As on March 31, 2025, the Board of the Company consists of Six (6) Directors comprising of one (1) Executive Director, and Five (5) Non-Executive & Independent Directors. The Non-Executive Directors comprises of Three (3) Independent & women Directors and Two (2) Non-Independent Directors. The Company has One (1) Executive Director & Chairman and Five (5) Independent & Non-Independent Non-Executive Directors, comprise More than half of the total strength of the Board.

S. No.	Name of the Director	Designation	Category	Other Directorship	Company's committee Membership
1	Mr. Arihant Baid	Chairman & Managing Director	Executive/Promoter Director	1	1
2	Mr. Dilip Raj Singhvi	Director	Independent Director	4	3
3	Ms. Shilpa Bung	Director	Independent & Women Director	5	3
4	Dr. Avasarala Ranga Rao Pantulu	Director	Non-Executive Director	-	3
5	Mr. Amudala Sreeramulu Nageswar Rao	Director	Independent Director	1	4
6	Dr. S.Ch. Dharma Rao	Director	Non-Executive Director	--	--

Notes:

- a. Other directorships exclude Foreign Companies, Private Limited Companies and alternate Directorships.
- b. Only membership in Audit Committee and Stakeholders' Relationship Committee has been reckoned for other committee memberships.
  - ii. None of the Independent Directors on the Board holds directorships in more than Seven Listed Companies. Further, none of the Directors was a member of more than ten Committees or Chairman of more than five Committees across all the Public Companies in which he was a Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2025, have been made by the Directors. All the Directors mentioned as part of the Promoter Group in the above list are related to each other in the following manner:
  - iii. Independent Directors are non-executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet with the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
  - iv. During the financial year ended March 31, 2025, Five Board Meetings were held as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed 120 days.

The dates on which the said meetings were held are: 30.05.2024, 14.08.2024, 06.09.2024, 14.11.2024 and 14.02.2025.

- v. Board Familiarization and Attendance of Directors at the meetings

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of Director	Meetings		Attendance at last AGM held on September 30, 2024
	Held	Attended	
Mr. Arihant Baid	5	5	No
Mr. Dilip Raj Singhvi	2	2	No
Ms. Shilpa Bung	2	2	No
Dr. Avasarala Ranga Rao Pantulu	5	5	Yes
Mr. Amudala Sreeramulu Nageswar Rao	5	5	No
Dr. S.Ch. Dharma Rao	5	4	No
Mr. Y. Ravinder Reddy	3	3	Yes
Ms. Sadhana Bhansali	3	3	No
Mr. Mohammed Khaleequr Rahman	1	1	No

**The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

A chart or matrix setting out the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively are as under: -

1.	Industry	(a) Experience in and knowledge of the industry in which the Company operates (b) Experience and knowledge of broader industry environment and business planning
2.	Professional	Expertise in professional areas such as Technical, Accounting, Finance, Legal, Human Resources, Marketing, etc.
3.	Governance	Experience as director of other companies, Awareness of their legal, ethical, fiduciary and financial responsibilities, Risk Assessment, Corporate Governance.
4.	Behavioural	Knowledge and skills to function well as team members, effective decision-making processes, integrity, effective communication, innovative thinking.

The aforesaid core skills/ expertise / competencies are available with the Board of the Company.

**vi Details of equity shares of the Company held by the Directors as on March 31, 2025 are given below:**

Name of the Director	Category	Number of equity shares
Mr. Arihant Baid - MD	Executive - Promoter Group	150
Mr. Dilip Raj Singhvi	Independent	1,75,000
Ms. Shilpa Bung	Independent/Women Director	NIL
Dr. A R R Pantulu	Non-Executive	NIL
Mr. A S Nageswar Rao	Independent	NIL
Dr. S.Ch.Dharma Rao	Non-Executive	NIL

The Company has not issued any convertible instruments. Except Mr. Dilip Raj Singhvi, none of the Non-Executive Directors are holding any shares in the company as on March 31, 2025.

**vii Board Independence:**

Based on the confirmation/disclosures received from the Directors, all Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees and commission drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Non-Executive Directors hold any shares or convertible instruments in the Company.

**3. Committees of the Board:**

The Company currently has the following Committees of the Board:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee; and
- Rights Issue Committee.

**a. Audit Committee:**

- i The audit committee of the Company has been constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii The terms of reference of the audit committee is as per the Schedule II Part C of the SEBI (LODR) which include:
  - Oversight of the Company's Financial Reporting Process and the disclosure of its Financial Information to ensure that the Financial Statement is correct, sufficient and credible;
  - Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
  - Approval of payment to Cost Auditors & Statutory Auditors for any other services rendered by the Statutory & Cost Auditors;
  - Reviewing, with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Act.
    - Changes, if any, in Accounting Policies and Practices and reasons for the same.
    - Major accounting entries involving estimates based on the exercise of Judgment by Management.
    - Significant adjustments made in the Financial Statements arising out of Audit findings.
    - Compliance with listing and other legal requirements relating to Financial Statements.
    - Disclosure of any Related Party Transactions
    - Qualifications in the draft Audit Report.
  - Reviewing, with the management, the Quarterly Financial Statements before submission to the Board for approval;
  - Reviewing and monitoring the Auditors' independence and performance, and effectiveness of Audit process;
  - Approval or any subsequent modifications of transactions of the Company with Related Parties;
  - Scrutiny of Inter-Corporate Loans and Investments;
  - Examination of the Financial Statement and the Auditors' Report thereon;
  - Evaluation of Internal Financial Controls;
  - Establishment of vigil mechanism for Directors and employees to report genuine concerns.
  - Calling for the comments of the Auditors about Internal Control Systems, the scope of Audit, including the observations of the Auditors and review of Financial Statement before their submission to the Board and discussions on any related issues with the Internal and Statutory Auditors and the Management of the Company;
- iii Review of the information required as per SEBI Listing Regulations.
- iv The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2024 and was attended by Mr. Y. Ravinder Reddy, Chairman of the Audit Committee.

**The composition of the Audit Committee and the details of attendance at its meetings are given below:**

Name of the Director	Designation	Category	Number of meetings during the financial year 2024-25	
			Held/Eligible	Attended
Mr. Y. Ravinder Reddy	Chairperson	Independent Director	2	2
Ms. Sadhana Bhansali	Member	Independent Director	2	2
Mr. A S Nageswar Rao	Member	Independent Director	4	4
Mr. Dilip Raj Singhvi	Chairperson	Independent Director	2	2
Ms. Shilpa Bung	Member	Independent Director	2	2
Dr. A R R Pantulu	Member	Non-Executive Director	2	2

\*\* The Committee is chaired by Mr. Y. Ravinder Reddy, Independent Director and includes Ms. Sadhana Bhansali and Mr. A S Nageswar Rao Directors as other members till date of AGM and chaired by Mr. Dilip Raj Singhvi, Independent Director and includes Ms. Shilpa Bung, Dr. A R R Pantulu and Mr. A S Nageswar Rao Directors as other members after composition of new Committee since October 01, 2024.

- v. Audit Committee met 4 times during the year and the dates of such Meetings are:  
30.05.2024, 14.08.2024, 14.11.2024, and 14.02.2025
- vi. The Auditors of a Company and the Key Managerial Personnel shall have a right to be heard in the Meetings of the Audit Committee when it considers the Auditor's Report but shall not have the right to vote.

**b. Nomination and Remuneration Committee:**

(I) Composition:

Name of the Director	Designation
Mr. Y. Ravinder Reddy (upto 30.09.2024)	Chairperson
Ms. Sadhana Bhansali (upto 30.09.2024)	Member
Dr. A R R Pantulu	Member
Mr. A S Nageswar Rao	Member
Mr. Dilip Raj Singhvi (from 01.10.2024)	Chairperson
Ms. Shilpa Bung (from 01.10.2024)	Member

- The Nomination and Remuneration Committee was constituted by the Board with 4 Non-executive and Independent Directors with Independent Director as its Chairman.
- The Minutes of the Meetings of the Nomination and Remuneration Committee are circulated to all the Members of the Board.

(II) Brief description of terms of reference is for:

- (A) Appointment of the Directors, and Key Managerial Personnel of the Company; and
- (B) Fixation of the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

(III) Composition of Committee:

The Committee is chaired by Mr. Y. Ravinder Reddy, Independent Director and includes Ms. Sadhana Bhansali, Dr. A R R Pantulu and Mr. A S Nageswar Rao Directors as other members till date of AGM and chaired by Mr. Dilip Raj Singhvi, Independent Director and includes Ms. Shilpa Bung, Dr. A R R Pantulu and Mr. A S Nageswar Rao Directors as other members after composition of new Committee since October 01, 2024.

(IV) Nomination & Remuneration Committee met 4 times during the year and the dates of such Meetings are:

30.05.2024, 14.08.2024, 14.11.2024, and 14.02.2025

(V) Attendance of each Director at Nomination & Remuneration Committee Meeting

Name of the Director	Designation	Category	Number of meetings during the financial year 2024-25	
			Held/Eligible	Attended
Mr. Y. Ravinder Reddy	Chairperson	Independent Director	2	4
Ms. Sadhana Bhansali	Member	Independent Director	2	2
Dr. A R R Pantulu	Member	Non-Executive Director	4	4
Mr. A S Nageswar Rao	Member	Independent Director	4	4
Mr. Dilip Raj Singhvi	Chairperson	Independent Director	2	2
Ms. Shilpa Bung	Member	Independent Director	2	2

This Committee recommends the appointment/reappointment of Executive Directors and the appointments of employees from the level of Vice President and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the persons track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry.

**c. Stake Holders Relationship, Grievance and Share Transfer Committee**

**(I) Composition**

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. Y. Ravinder Reddy (upto 30.09.2024)	Chairperson
Ms. Sadhana Bhansali (upto 30.09.2024)	Member
Dr. A R R Pantulu	Member
Mr. A S Nageswar Rao	Member
Mr. Dilip Raj Singhvi (from 01.10.2024)	Chairperson
Ms. Shilpa Bung (from 01.10.2024)	Member

**(II) Brief description of terms of reference is for:**

- (A) The Stake Holders Relationship, Grievance and Share Transfer Committee specifically look into the redressal of grievances of shareholders, debenture holders and other security holders;
- (B) The Stake Holders Relationship, Grievance and Share Transfer Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
- (C) To expedite the process of share transfers, the Board of the company shall delegate the power of share transfer to an officer or a committee or to the registrar and share transfer agents. The delegated authority shall attend to share transfer formalities at least once in a fortnight.
- (D) The Stakeholders Relationship, Grievance Committee oversees and reviews all matters connected with the securities transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual reports/dividends etc.
- (E) The Committee oversees the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services”.

**(III) Name and designation of Compliance Officer:**

Mr. Dinesh Kumar Kejriwal, Company Secretary & Compliance Officer

Email-id for Investor Grievances: [investorrelations@gennexlab.com](mailto:investorrelations@gennexlab.com)

Number of Shareholders complaints received so far:

**(IV) Complaints received and redressed during the year 2024-25**

S. No.	Nature of Complaints	Number of Complaints Received	Number of Complaints Solved	Number of Complaints Pending
1	Regarding annual report	----	----	----
2	Revalidation of dividend warrant	----	----	----
3	Issue of duplicate share certificate	----	----	----
4	Issue of duplicate dividend warrant	----	----	----
5	Procedure for transmission	----	----	----
6	General queries	----	----	----
7	Non-receipt of dividend	----	----	----
8	Correction in share certificate	----	----	----
9	Change of address,	----	----	----
10	Unclaimed dividend,	----	----	----
11	Correction in dividend cheque	----	----	----
	TOTAL	----	----	----

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system “SCORES”. Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. For any clarification / complaint the shareholders may contact Mr. Dinesh Kumar Kejriwal is the Compliance Officer of the Company.

(V) Stake Holders Relationship Committee met 4 times during the year and the dates of such Meetings are:

30.05.2024, 14.08.2024, 14.11.2024, and 14.02.2025

(VI) Attendance of each Director at Stake Holders Relationship Committee Meeting

Name of the Director	Designation	Category	Number of meetings during the financial year 2024-25	
			Held/Eligible	Attended
Mr. Y. Ravinder Reddy	Chairperson	Independent Director	2	4
Ms. Sadhana Bhansali	Member	Independent Director	2	2
Dr. A R R Pantulu	Member	Non-Executive Director	4	4
Mr. A S Nageswar Rao	Member	Independent Director	4	4
Mr. Dilip Raj Singhvi	Chairperson	Independent Director	2	2
Ms. Shilpa Bung	Member	Independent Director	2	2

**d. Rights Issue Committee:**

**(I) Composition**

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. Arihant Baid	Chairperson
Mr. Y. Ravinder Reddy (upto 30.09.2024)	Member
Mr. A S Nageswar Rao	Member

- The Rights Issue Committee was constituted by the Board with 1 Executive Director and 2 Non-executive and Independent Directors with Executive Director as its Chairman.
- The Minutes of the Meetings of the Rights Issue Committee are circulated to all the Members of the Board.

**(II) Brief description of terms of reference is for:**

The Rights Issue Committee specifically look into the matters related to Rights Issue of Equity shares to existing Shareholders taken place during the year.

**(III) Rights Issue Committee met NIL times during the year and the dates of such Meetings are:**

NIL

**3. Criteria for Performance evaluation:**

**(I) Remuneration Policy:**

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes, and independence of the Directors of the Company;
- ensure that the remuneration of the Directors, Key Managerial Personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;

- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) fulfil the Company's objectives and goals, including in relation to Good Corporate Governance, transparency, and sustained long-term value creation for its stakeholders.

## **(II) Criteria for making payments to Non- Executive Directors:**

The Company has not made any payments to the Non-Executive Directors except sitting fees for attending Board of Directors Meetings.

## **(III) Remuneration paid to Directors**

### **Remuneration to Non-Executive Directors**

Presently, the Non-Executive Directors do not receive any remuneration from the company and are paid sitting fees for attending the meetings of the Board and Committees

### **Remuneration to Executive Directors:**

The Remuneration paid to the Managing and Whole-time Directors during the year is as follows:

Name of the Director and Designation	Salary	Benefits & others	Bonus	Pensions	Commission	Service Contracts	Notice Period
Mr. Arihant Baid, Managing Director	3,000,000	28,800	-	--	--	Appointed for a period of 5 years w.e.f. May 18, 2024	As per the Rules of the Company

There were no severance fees, stock option plan or performance linked incentive for the Executive/Non-Executive Directors. The appointment of Managing Director are made for a period of 5 years on the terms and conditions contained in the respective resolutions passed by the Members in the General Meetings.

## **4. Meeting of Independent Directors:**

Schedule IV of the Companies Act, 2013 and the Rules under it mandate that the Independent Directors of the Company hold at-least one meeting in a year, without the attendance of Non-independent Directors and members of the Management. It is recommended that all the Independent Directors of the Company be present at such meetings. These meetings are expected to review the performance of the Non-independent Directors and the Board as a whole, as well as the performance of the Chairman of the Board, taking into account the views of the Executive Directors and Non-Executive Directors; assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for it to effectively and reasonably perform its duties and the Independent Directors of the Company had met during the year on 14.02.2025.

## 5. GENERAL BODY MEETINGS:

The details of date, location and time of the last three Annual General Meetings held as under:

Financial Year ended March 31,	Date	Time	Venue
2024	30.09.2024	12:30 p.m.	Video Conferencing/Other Audio Visual Means
2023	30.09.2023	12:30 p.m.	Video Conferencing/Other Audio Visual Means
2022	30.09.2022	12:30 p.m.	Video Conferencing/Other Audio Visual Means

- Special Resolutions passed during the previous three Annual General Meetings:
  - a. 39th Annual General Meeting – September 30, 2024: Three
  - b. 38th Annual General Meeting – September 30, 2023: NIL
  - c. 37th Annual General Meeting – September 30, 2022: Three
- Re-appointment of Shri Arihant Baid (DIN: 01171845), as Managing Director of the Company.
- Appointment of Shri Dilip Raj Singhvi (DIN: 00898902) as an Independent Director of the Company.
- Appointment of Ms. Shilpa Bung (DIN 08257931) as an Independent Director of the Company.
- To approve transactions under Section 185 of the Companies Act, 2013.
- To make investments, give loans, guarantees, and security in excess of limits specified under Section 186.
- Approval for Related party Transactions.
- iv Whether Special Resolutions were put through Postal Ballot last year, details of voting pattern: No Special Resolutions were passed by the Shareholders of the Company through Postal Ballot during the Year 2024-25.
- v. Whether any Resolutions are proposed to be conducted through Postal Ballot:
 

No Special Resolution is proposed to be conducted through Postal Ballot.

## 6. Whistle Blower Policy:

The company has an established mechanism for Directors / Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee at e-mail id [info@gennexlab.com](mailto:info@gennexlab.com). The key Directions/ actions will be informed to the Executive Director of the Company

## 7. Disclosures:

### (a) Related Party Transaction:

There have been no materially significant related party transactions with the Company's Promoters, Directors, the Management or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions are given in the Notes to Accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

**(b) Accounting Treatment:**

In the preparation of the Financial Statements, the Company has followed the Accounting Policies and practices as prescribed in the Accounting Standards.

**(c) Management Discussion and Analysis:**

Management Discussion and Analysis Report is set out in a separate Section included in this Annual Report and forms part of this Report

**(d) Compliances:**

There were few instances of non-compliance by the company on matters related to the Stock Exchange, MCA and other Statutory Authority.

**(e) CEO/CFO Certification:**

The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2025, in compliance with the Listing Regulation.

**(f) Reconciliation of Share Capital Audit:**

A quarterly audit was conducted by a Practicing Company Secretary, reconciling the issued and listed capital of the company with the aggregate of the number of Shares held by Investors in physical form and in the depositories and the said Certificates were submitted to the Stock Exchanges within the prescribed time limit. As on March 31, 2025, there was no difference between the issued and listed capital and the aggregate of Shares held by Investors in both Physical Form and in Electronic Form with the depositories. 22,54,21,344 Equity Shares representing 99.11% of the Paid up Equity Capital have been dematerialized as on March 31, 2025.

**8. General Shareholders Information:**
**a) Company Registration details**

The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24230TG1990PLC011168

**a) Date, time and venue of AGM**

Annual General Meeting Day	Tuesday, September 30, 2025
Time	12.30 P.M
AGM to be conducted	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
Book Closure Date	23.09.2025 to 30.09.2025 (both days inclusive)
Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March

**b) Registered Office:**

Sy. No. 133, Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana.

**c) Financial Year:**

Financial year is April 01, 2024 to March 31, 2025 and Financial Results will be declared as per the following schedule.

**d) The following is the tentative financial calendar of the Company, which is subject to change:**

Financial Calendar for the year 2025-26 (Tentative)

Financial Year Ending	31.03.2026
Quarter ending on June 30, 2025	On or before 14.08.2025
Quarter ending on September 30, 2025	On or before 14.11.2025
Quarter ending on December 31, 2025	On or before 14.02.2026
Quarter ending on March 31, 2026 & Annual Result of 2025-26	On or before 30.05.2026

**e) Dividend Payment Date:**

Your Board has not recommended any dividend.

**g) Listing on Stock Exchanges**

Bombay Stock Exchange Ltd (BSE Limited), Phiroze Jeejeebhoy Towers, Dalal, Street, Mumbai – 400 001

Listing fee paid for the year 2025-26 to the Bombay Stock Exchange, Mumbai

**h) Stock Code**

Bombay Stock Exchange Ltd, Mumbai- 531739

**i) Stock Price Data**

Monthly high and low price of shares traded on Bombay Stock Exchange during the year from 01.04.2024 to 31.03.2025 is given below:

Month	High Price	Low Price
Apr-24	17.93	15.00
May-24	19.50	13.90
Jun-24	17.75	15.19
Jul-24	15.89	13.25
Aug-24	20.49	13.50
Sep-24	29.00	17.40
Oct-24	24.59	19.13
Nov-24	22.50	17.95
Dec-24	19.45	15.50
Jan-25	19.00	13.13
Feb-25	15.45	11.50
Mar-25	15.75	11.41

**k) Address of Demat Registrars & Share Transfer Agents:**

R & D Infotech Pvt. Ltd.  
 15C, Naresh Mitra Sarani, Kolkata – 700 026  
 E mail id: investors@rdinfotech.in

**l) Share Transfer System:**

Transfer of Securities in Physical Form are registered and duly transferred Share Certificates are dispatched within 30 days of receipt provided transfer documents are in order.

**m) Distribution of Share Holdings as on 31.03.2025**

RANGE IN NO. OF SHARES	No. of Shares	% to Total	No. of Shareholders	% to Total
01 – 500	71,67,377	3.15	69,856	75.66
501 – 1000	87,03,719	3.83	9,836	10.65
1001 – 2000	74,18,076	3.26	4,692	5.08
2001 – 3000	50,27,376	2.21	1,936	2.10
3001 – 4000	33,92,409	1.49	931	1.01
4001 – 5000	60,44,245	2.66	1253	1.36
5001 – 10000	1,38,72,067	6.10	1,764	1.91
10001 – 50000	3,58,28,704	15.75	1,602	1.74
50001 – 100000	1,82,34,344	8.02	244	0.26
100001 and Above	12,17,59,357	53.53	212	0.23
Grand	22,74,47,674	100	92,326	100

n) Outstanding GDRS/ADRS/Warrants or any convertible instruments, conversion date and likely **impact on equity**. – Not Applicable

**o) Dematerialization of Shares:**

99.11% of Shares issued by the company have been dematerialized as on 31.03.2025. Trading in Equity Shares of your Company on any Stock Exchange is permitted only in Dematerialized mode. Demat ISIN Number allotted by NSDL & CDSL: INE509C01026

**p) Plant Location**

Sy. No. 133, Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana

**q) Address for Corporate Office:**

‘Akash Ganga’, 4<sup>th</sup> Floor, Plot # 144, Srinagar Colony, Hyderabad – 500 073, Telangana

**9. DISCLOSURES:**
**a. Disclosure of Materially Significant Related Party Transactions**

All Related Party Transactions that were entered into during the financial year were at an arm’s length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your company has adopted a policy to determine Related Party Transactions. The policy is placed on the website of the company [http: www.gennexlab.com](http://www.gennexlab.com)

**b. Details of non-compliance etc.**

A Statement of Compliance with all Laws and Regulations as certified by the Managing Director and Whole Time Director is placed at periodic intervals for review by the Board.

There were instances of delayed compliance with Listing Agreement, penalty imposed on the Company by Stock Exchange, the same were paid and communicated with Bombay Stock Exchange, during the last three years.

A detailed note on the risks is included in the Management Discussion and Analysis annexed to the Directors’ Report.

- c. A certificate confirming that none of the Directors of the Board of the Company has 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, has been received from Mr. Rakesh Kumar Gupta, Company Secretaries and the same is annexed to this Report.

## OTHER DISCLOSURES:

- details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

### 1. Details of Non-Compliance, Penalties and Strictures

During the year under review, the Company was imposed a fine by **BSE Limited** in terms of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/1053 dated November 11, 2024 (Chapter-VII)(A) – Penal Actions for Non-Compliance.

**Nature of Non-Compliance:** Non-compliance with Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015, which mandates that at least half of the Board of Directors should comprise Independent Directors where the Chairperson of the Board is an Executive Director.

**Order Date:** November 11, 2024 and May 29, 2025

**Penalty Imposed:** ₹5,42,800/- and ₹2,65,500/- (inclusive of GST), levied by BSE Limited, waiver application against which already submitted by the Company. Except as stated above, there were no other instances of non-compliance, penalties, or strictures imposed on the Company by stock exchanges, SEBI, or any statutory authority, on matters related to capital markets during the last three financial years.

### 2. Ongoing Tax Litigations / Disputes

The following litigations/disputes are pending before the respective authorities as on date:

Sr. No.	Name of the Opposing Party	Date of Initiation	Status of Litigation / Dispute (Last Disclosure)	Current Status
1	Commissioner of Income Tax (Appeals), National Faceless Appeal Centre	18-12-2024	NA	The Company has filed an appeal on 17-01-2025 for AY 2022-23 which is under process.
2	ADDL/JCIT (A)-1, Income Tax Department, Nashik	13-02-2025	New Intimation under Section 250 of the Income Tax Act, 1961	Received notice in connection with the ongoing Appeal for AY 2017-18. The Company has submitted reply along with the necessary details on 02-07-2025 which is under process.
3	ADDL/JCIT – Commissioner (Appeals-1), GST, Hyderabad	06-11-2024	NA	The Company has filed an appeal on 17-01-2025 for FY 2020-21 and 2021-22 which is under process.

### Utilization of Funds Raised through Preferential Allotment

During the Financial Year 2023-24, your Company issued **1,55,00,000 share warrants** at a price of ₹14.75 per warrant, aggregating to **₹22,86,25,000/-**, to the Promoters upon receipt of **₹5,71,95,000/- (25% of the warrant issue price)** as upfront payment (“Warrant Subscription Price”). These warrants were convertible into one fully paid-up equity share of the Company with a face value of Re. 1/- each upon payment of the balance amount of **₹11.06/- per warrant**, within 18 months from the date of allotment, in accordance with Chapter V of SEBI ICDR Regulations and other applicable laws.

Subsequently, during the Financial Year 2025-26, the Company converted the entire **1,55,00,000 share warrants into 1,55,00,000 fully paid-up equity shares** after receipt of the balance amount of **₹17,14,30,000/-** from the Promoters. The listing approval from **BSE Limited** has been received and trading approval is under process.

The **utilization of the funds raised has been disclosed to the Stock Exchange** in compliance with the requirements of SEBI (LODR) Regulations, 2015, and there is no deviation or variation in the use of proceeds from the objects stated at the time of issue.

- Commodity price risks or foreign exchange risk and hedging activities:

The commodity price risks are generally covered through price variation clauses and base prices embedded in contracts. The company does not have any exposure hedged through commodity derivatives. The Company has limited Foreign Exchange exposures and the transactions in the foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss.

- The Company does not have any material subsidiaries during the FY 2024-25.
- Policy on Material Subsidiaries of the Company is hosted on its website at [www.gennexlab.com](http://www.gennexlab.com)
- Fees paid to the Statutory Auditor

The payment made to the Statutory Auditors, Rajeev Kumar Pugalia, Proprietor, M.No. 053972 on consolidation basis is INR 3,16,000/-

- disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - number of complaints filed during the financial year: NIL
  - number of complaints disposed of during the financial year: NIL
  - number of complaints pending as on end of the financial year: NIL
- Details of Loans and advances by Company and its subsidiaries in the nature of loans to firms/companies in which directors are interested:

No Loans and advances by Company and its subsidiaries has given to firms/companies in which directors are interested during the year.

## 10. MEANS OF COMMUNICATION

### a. Quarterly Results

The quarterly results of the Company are published in accordance with the requirements of the Listing Agreement, in widely circulated newspapers namely Business Standard (English daily) and Saksham (Telugu daily).

### b. News releases, presentations, etc.

Official news releases along with Quarterly Results are displayed on the Company's website: [www.gennexlab.com](http://www.gennexlab.com)

The Company presentations made to the investors/ analysts are placed on the Company's website: [www.gennexlab.com](http://www.gennexlab.com)

### c. Management Discussion and Analysis (MDA) Report

The report on MDA is annexed to the Directors' Report and forms part of this Annual Report.

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
Gennex Laboratories Limited

We have reviewed the compliance of conditions of Corporate Governance by Gennex Laboratories Limited, for the year ended March 31, 2025, as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

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 implementations thereof adopted by the Company for ensuring compliance with the conditions of the Certificate of Corporate Governance as stipulated in the said Clause. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, for the Financial Year 2024-25.

We further state that such compliance 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 R Pugalia & Company**

Chartered Accountants

Firm Regn. No. 318188E

Place: Hyderabad

Date: September 04, 2025

**Rajeev Kumar Pugalia**

Proprietor

Membership No. 053972

## **Certification by Executive Director and Chief Financial Officer (CFO) to the Board**

We, Arihant Baid, Managing Director and Akkali Santosh Kumar, Chief Financial Officer of Gennex Laboratories Limited, certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness, of internal control. The internal auditor works with all levels of management and Statutory Auditors and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the Auditors and to the Audit Committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the Financial Statements; and
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the Company's Internal Control System and Financial Reporting. However, during the year there was no such instance.

On behalf of the Board of Directors  
for Gennex Laboratories Limited

Place: Hyderabad  
Date: 04.09.2025

**Arihant Baid**  
Managing Director  
DIN: 01171845

**Mr. Akkali Santosh Kumar**  
Chief Financial Officer

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## **Declaration by Managing Director**

I, Arihant Baid, Managing Director of Gennex Laboratories Industries Limited hereby declare that the members of Board, Key Managerial Personnel and other senior level employees of the Company are adhering to the code of conduct adopted by the Board which is posted on the website of the Company.

On behalf of the Board of Directors  
for Gennex Laboratories Limited

Place: Hyderabad  
Date: 04.09.2025

**Arihant Baid**  
Managing Director  
DIN: 01171845

## 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,  
**GENNEX LABORATORIES LIMITED,**  
Sy. No. 133, IDA Bollaram, Jinnaram,  
Sangareddy District - 502 325.  
Telangana.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GENNEX LABORATORIES LIMITED having [CIN:L24240TG1990PLC011168] and having registered office at Sy. No. 133, IDA Bollaram, Jinnaram, Sangareddy District - 502 325, Telangana (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 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](http://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, 2025 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.

S.No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Arihant Baid	01171845	18/05/2012
2.	Dr. A R R Pantulu	09003006	21/12/2020
3.	Mr. A S Nageswar Rao	07030259	21/12/2020
4.	Dr. S.Ch.Dharma Rao	10512673	14/02/2024
5.	Mr. Dilip Raj Singhvi	00898902	01/10/2024
6.	Ms. Shilpa Bung	08257931	01/10/2024

Ensuring the eligibility of 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 **Rakesh Kumar Gupta**  
Company Secretaries

Place: Kolkata  
Date: 09.07.2025

Rakesh Kumar Gupta  
Proprietor  
ACS:32018; CoP:15143  
UDIN: A032291G000743265

## **Independent Auditor's Report**

### **To The Board of Directors of Gennex Laboratories Limited**

#### **Report on the Audit of Standalone Annual Financial Results**

1. We have audited the accompanying Statement of Standalone Financial Results of **Gennex Laboratories Limited** ("the company") for the Quarter & Year ended March 31, 2025 ("the Statement"), attached hereto being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us these Standalone Financial Results:
  - (i) are presented in the accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and
  - (ii) Subject to:
    - (a) **Confirmations / reconciliations of, The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities, The Impact of the same is unascertained;**
    - (b) Gives true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards (IND-AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March, 2025.

#### **3. BASIS FOR OPINION**

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

#### **4. Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and Board of Directors are responsible for the preparation of these Standalone Annual Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **5. Auditors Responsibilities for the Audit of the Standalone Annual Financial Results**

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

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

Identify and assess the risks of material misstatement of the standalone annual financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements 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 in the standalone financial results made by the Board of Directors.

Conclude on the appropriateness of the Management's and Board of Directors' 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure, and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results 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.

## **6. Other Matters**

The standalone annual financial results include the results for quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No.053972**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No. 053972**

**Place of Signature: Hyderabad**  
**Date: 30th May 2025**  
**UDIN: 25053972BMMKFU7692**

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gennex Laboratories Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (which are included under the head ('Property, plant and equipment')) are held in the name of the Company except for the Land purchased from Mercury Fund Management Co, Ltd in the FY 2009-10 for Rs 7,78,75,000 situated at Survey no 32-IE, 32-IF, 32-IF1 and 32-IF2 at Alkaturre Village Nindra Mandal, Chittoor District (AP) for the purpose of setting up Unit-II. Registration of the same is pending for the reason of conversion from Agricultural Land to Industrial Land.
  - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii As per the information and explanations given to us:
  - a) The inventories except for goods in transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and the procedure of such verification by the Management is appropriate having regard to size of the Company and the nature of its operations. In respect of goods in transit, majority of the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification when compared with books of account.
  - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits to the extent of `Rs. 10.00 crores, in aggregate, from ICICI Bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of closing stock of inventory, receivables and payables filed by the Company with such bank are in agreement with the audited books of account of the Company of the respective quarters.
- iii. The Company has made investments in, Companies and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has not provided any loans or advances in the nature of loan or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the Order is not applicable.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv The Company has not granted loans or provided guarantees or securities to parties covered under Section 185 of the Companies Act, 2013 ("the Act"). The Company has complied with the provisions of section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v The Company has neither accepted deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable
- vi We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacturing activities and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company
- vi The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.
- vii In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2025 on account of any dispute are given below

Sl No.	Nature of Statute	Nature of Dues	Amount Disputed in Lacs	Period to which the amount relates to	From where the dispute is pending
1	CST	Sales Tax	14.57	2007-08	Appellate DC(CT)
	<b>Total</b>				
2	Income Tax	Income Tax	8.22	2001-02	Appellate Authority
	Income Tax	Income Tax	37.36	2002-2003	Appellate Authority
	Income Tax	Income Tax	3.81	2015-16	Appellate Authority
	Income Tax	Income Tax	9.75	2019-20	Appellate Authority
			<b>59.14</b>		

- viii There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix
  - (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
  - (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of Standalone Financial Statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x In our opinion, money received during the year towards unpaid calls related to right issue of equity shares in an earlier year have been, prima facie, applied by the Company for the purposes for which they were raised. The Company has not raised money by way of Initial Public Offer/ further public offer through debt instruments.
- xi
  - (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year
  - (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed by Cost Auditor or Secretarial Auditor or us, in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
  - (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xvi
  - (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
  - (b) We have considered, the internal audit reports issued during the year and till the date of the audit report covering period upto 31st March, 2025.
- xv We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures. In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act are not applicable to the Company

- xvi (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to obtain Certificate of Registration (CoR) for such activities from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Company does not have any Core Investment Company.
- xvii The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii M/s R Pugalia & Company Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 38<sup>th</sup> Annual General Meeting held in the year 2023 for the financial year 2022-23 till the Conclusion of the 43<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held in the year 2028 for the financial year 2027-28.
- xix 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 and 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 indicating that 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.
- xx) There has been qualifications and adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies to be included in the consolidated financial statements.

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No.053972**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No. 053972**  
**Place of Signature: Kolkata**  
**Date: 30<sup>th</sup> Day of May 2025**  
**UDIN: 25053972BMMKFU7692**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of M/s GENNEX LABORATORIES LIMITED (the “Company”) as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to Standalone Financial Statements.

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company’s internal financial control with reference to Standalone 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 Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 ICAI.

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No.053972**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No. 053972**  
**Place of Signature: Kolkata**  
**Date: 30<sup>th</sup> Day of May 2025**  
**UDIN: 25053972BMMKFU7692**

**Balance Sheet as at 31st March 2025 (STANDALONE)**

S. No	Particulars	Note No	As at 31.03.2025	As at 31.03.2024
<b>1</b>	<b>ASSETS</b>			
	<b>Non-Current Assets</b>			
	(i) Tangible Assets			
	Property, Plant and Equipment	3	196,520,930	158,281,857
	(ii) Intangible Assets			
	(iii) Capital work-in-progress		26,241,812	13,798,500
	(iv) Pre-Operative Expenses		-	-
	Deferred Tax Assets (Net)	14	1,759,289	2,305,867
	Financial Assets			
	Investments in Subsidiary	4(a)	82,542,475	82,542,475
	Other Investment	4(b)	100,000	100,000
	Other non-current financial assets			
	Other non-current assets	5	6,426,041	6,426,041
	<b>Total non-current assets</b>		<b>313,590,548</b>	<b>263,454,740</b>
<b>2</b>	<b>Current Assets</b>			
	Inventories	6	245,856,271	160,724,683
	Financial Assets			
	Trade receivables	7	118,905,490	135,678,363
	Cash and Cash Equivalents	8(a)	5,495,343	4,770,918
	Bank Balance other than Cash and Cash Equivalents	8(b)	550,127,607	604,848,242
	Other Current Assets	9	905,914,694	862,276,040
	Total Current Financial Assets		<b>1,580,443,135</b>	<b>1,607,573,563</b>
	Current tax assets (Net)		-	-
	Other Current Assets	10	43,938,345	21,628,995
	<b>Total Current Assets</b>		<b>1,870,237,750</b>	<b>1,789,927,241</b>
	<b>Total Assets</b>		<b>2,183,828,298</b>	<b>2,053,381,981</b>
	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	Equity Share Capital	11	227,447,674	227,447,674
	Warrant		57,195,000	57,195,000
	Other Equity	12	1,563,320,067	1,422,950,928
	Non Controlling Interest			
	Total Equity		<b>1,847,962,741</b>	<b>1,707,593,602</b>
	Non-Current Liabilities			
	Financial Liabilities			
	Other financial liabilities	13	44,749,968	17,580,976
	Deferred Tax Liabilities (Net)	14	-	-
	<b>Total Non-Current Liabilities</b>	0	<b>44,749,968</b>	<b>17,580,976</b>
	<b>Current Liabilities</b>	0	-	-
	Financial Liabilities	0	-	-
	Borrowings	15	12,426,251	8,472,180
	Trade Payables			
	Total outstanding dues of MSME's (refer Note)	16(a)	17,587,394	24,779,054
	Total outstanding dues of creditors other than MSME's (refer Note)	16(b)	90,843,319	118,732,482
	Other financial liabilities	17	92,769,705	122,699,857
	<b>Total Current Financial Liabilities</b>		<b>213,626,669</b>	<b>274,683,573</b>
	Other Current Liabilities			
	Provisions	18	5,901,258	4,526,035
	Current Tax Liabilities (Net)	19	71,587,662	48,997,795
	<b>Total Current Liabilities</b>		<b>77,488,920</b>	<b>53,523,830</b>
	<b>Total Equity and Liabilities</b>		<b>2,183,828,298</b>	<b>2,053,381,981</b>

As Per our report attached

For and on behalf of the Board

 For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Dinesh Kumar Kejriwal**  
 Company Secretary

**Arihant Baid**  
 Managing Director

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFU7692

**A Santosh Kumar**  
 Chief Financial Officer

**ARR Pantulu**  
 Director

 Place : Hyderabad  
 Date : 30.05.2025

## Statement of Profit and Loss for the year ended 31st March 2025 (STANDALONE)

S. No	Particulars	Note No	As at 31.03.2025	As at 31.03.2024
I	Revenue from Operations	20	1,051,096,724	740,460,053
	Less: GST		105,317,781	72,472,675
			945,778,942	667,987,378
II	Other Income	21	92,213,854	43,019,885
III	<b>Total Income (I + II)</b>		<b>1,037,992,796</b>	<b>711,007,263</b>
IV	<b>Expenses:</b>			
	Cost of materials Consumed	22	671,816,066	408,777,804
	Purchase of Stock-in-trade		-	-
	Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	23	(7,014,391)	(24,374,468)
	Employee Benefits expense	24	64,249,555	60,464,495
	Finance Costs	25	15,845,477	11,557,720
	Depreciation expenses	3	7,695,144.08	8,103,972
	Other Expenses	26	113,285,229	98,931,082
	Total Expenses (IV)		<b>865,877,080</b>	<b>563,460,606</b>
V	<b>Profit/(Loss) before Exceptional Items &amp; Tax (I - IV)</b>		<b>172,115,716</b>	<b>147,546,657</b>
VI	Exceptional Items	27	-	-
	Less : Corporate Social Responsibilities		1,500,000	-
VII	<b>Profit before Tax</b>		<b>170,615,716</b>	<b>147,546,657</b>
	Less : Corporate Social Responsibilities		-	-
VIII	<b>Tax Expense</b>			
	Adjustment of tax relating to previous years		-	-
	Current Tax		(29,700,000)	(30,500,000)
	Deferred Tax		(546,577)	932,446
			140,369,139	-
	Profit for the year from continuing operations (VII - VIII)		140,369,139	117,979,103
X	<b>Profit / (Loss) for the period from discontinued operations</b>		-	-
XI	<b>Tax Expenses of discontinued operations</b>		-	-
XII	<b>Profit / (Loss) for the period from discontinued operations</b>		-	-
XIII	<b>Profit / (Loss) for the period (IX + XII)</b>		<b>140,369,139</b>	<b>117,979,103</b>
XIV	<b>Other Comprehensive Income</b>			
A	<b>(i) Items that will not be reclassified to Profit or Loss</b>		-	1,106,170
	<b>(ii) Income Tax relating to items that will not be reclassified to Profit or Loss</b>		-	-
B	<b>(i) Items that will be reclassified to Profit or Loss</b>		-	-
	<b>(ii) Income Tax relating to items that will be reclassified to Profit or Loss</b>		-	-
XV	<b>Total comprehensive Income for the year (XII + XIV) [Comprising Profit and Other Comprehensive Income for the year]</b>		<b>140,369,139</b>	<b>119,085,273</b>
XVI	<b>Earning per Equity Share for continuing operation in ₹ (Face value per share ₹ 1 each):</b>			
	(1) Basic	28	0.617	0.698
	(2) Diluted		0.607	0.637
XVII	<b>Earning per Equity Share for discontinuing operation:</b>			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	<b>Earning per Equity Share (for continuing &amp; discontinued operations)</b>			
	(1) Basic		0.617	0.698
	(2) Diluted		0.607	0.637

Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

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As Per our report attached

For and on behalf of the Board

For R Pugalia & Company  
Chartered Accountants  
Firm Registration No: 318188E

**Dinesh Kumar Kejriwal**  
Company Secretary

**Arihant Baid**  
Managing Director

**Rajeev Kumar Pugalia**  
Proprietor  
M.No. 053972  
UDIN: 25053972BMMKFU7692

**A Santosh Kumar**  
Chief Financial Officer

**ARR Pantulu**  
Director

Place : Hyderabad  
Date : 30.05.2025

## Cash Flow Statement as on 31st March 2025 (STANDALONE)

	31.03.2025	31.03.2024
	(Rs. In Lacs)	(Rs. In Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	1706.15	1486.53
Adjustment for :		
Depreciation and amortisation expense	76.95	81.04
Finance Cost	158.45	115.58
Interest Income	-839.07	-376.94
(Gain)/loss on sale of asset	-	0.00
	0.00	
Operating Profit before working capital changes	1102.48	1306.20
Adjustment for :		
Trade payables and other liability	-350.81	785.99
Trade receivables	167.73	-474.69
Inventories	-851.32	-110.00
Financial and other Assets	-659.48	-5463.55
Other Current Liabilities	-360.60	722.40
Cash generated from operations	-951.99	-3233.65
Income Taxes paid		-109.14
Net Cash from operating activities	-951.99	-3342.79
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property,plant and equipment	-595.84	-284.22
Sale of property,plant and equipment	19.97	0.00
Purchase of Equity Shares	0.00	0.00
Interest Income	839.07	376.94
Net Cash in Investing activities	263.20	92.72
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Capital	0.00	7983.15
Changes in Long Term Borrowings	271.69	47.00
	0.00	
Changes in Short Term Borrowings (Net)	39.58	-13.44
Interest Paid	-158.45	-115.58
Net Cash from Financing activities	152.82	7901.13
Net Increase / (Decrease) in Cash and Cash equivalent ( A+B+C )	-535.97	4651.06
Cash and Cash Equivalents as at the beginning of the year	6096.19	1445.13
Cash and Cash Equivalents as at the end of the year	5560.22	6096.19

Notes:

- The above Cash Flow Statement has been prepared under the " Indirect Method" set out in Indian Accounting Standard (Ind-AS)- 7 on Statement of Cash Flow.
- Figures in bracket indicate cash outflow.
- Previous year comparatives have been reclassified to confirm with current year's presentation,wherever applicable.

As Per our report attached

For and on behalf of the Board

For R Pugalia & Company  
Chartered Accountants  
Firm Registration No: 318188E

Dinesh Kumar Kejriwal  
Company Secretary

Arihant Baid  
Managing Director

Rajeev Kumar Pugalia  
Proprietor  
M.No. 053972  
UDIN: 25053972BMMKFU7692

A Santosh Kumar  
Chief Financial Officer

ARR Pantulu  
Director

Place : Hyderabad  
Date : 30.05.2025

## Statement of Changes in Equity

### A. Equity Share Capital

Notes	Number of Shares	Amount
As at 1 April 2018	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2018	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2019	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2020	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2021	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2022	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2023	176,643,279	176,643,279
Changes in equity share capital (Fully Paid)	50,804,395	50,804,395
As at 31 March 2024	227,447,674	227,447,674
Changes in equity share capital		
As at 31 March 2025	227,447,674	227,447,674

### B. Other Equity

Particulars	Share Ap- plication Money pending allotment	Equity Component of applica- tion financial instrument	Reserves & Surplus			Retained Earnings	Debt Instru- ment through other Com- prehensive Income	Equity Instrument through other Com- prehensive Income	Other items of Com- prehensive Income (Specify nature)	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)					
Balance at the beginning of the reporting period 2018			7,250,000	60,000,000	7,222,892	108,436,218				182,909,110
Changes in accounting policy or prior period errors										-
Restated balance at the beginning of the reporting period										-
Total Comprehensive										-
Income for the year						8,357,665				8,357,665
Dividends										-
Transfer to retained earnings										-
Investment Subsidy										-
Any Other Change (Depreciation)										-
Balance at the end of the reporting period 2018			7,250,000	60,000,000	7,222,892	116,793,883				191,266,775
Balance at the beginning of the reporting period 2019			7,250,000	60,000,000	7,222,892	116,793,883				191,266,775
Changes in accounting policy or prior period errors				-	-	-				-
Total Comprehensive										-
Income for the year						22,207,528				22,207,528

Particulars	Share Ap- plication Money pending allotment	Equity Component of applica- tion financial Instrument	Reserves & Surplus			Retained Earnings	Debt Instru- ment through other Com- prehensive Income	Equity Instrument through other Com- prehensive Income	Other items of Com- prehensive Income (Specify nature)	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)					
Dividends										-
Transfer to retained earnings										-
Investment Subsidy						-				-
Any Other Change (Depreciation)						-				-
Balance at the end of the reporting period 2019			7,250,000	60,000,000	7,222,892	139,001,411				213,474,303
Balance at the beginning of the reporting period 2020			7,250,000	60,000,000	7,222,892	139,001,411				213,474,303
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						18,563,339				18,563,339
Dividends										-
Transfer to retained earnings										-
Investment Subsidy						-				-
Any Other Change						-				-
Balance at the end of the reporting period 2020			7,250,000	60,000,000	7,222,892	157,564,750				232,037,642
Balance at the beginning of the reporting period 2021			7,250,000	60,000,000	7,222,892	157,564,750				232,037,642
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						40,381,509				40,381,509
Dividends										-
Transfer to retained earnings										-
Investment Subsidy						-				-
Any Other Change						-				-
Balance at the end of the reporting period 2021			7,250,000	60,000,000	7,222,892	197,946,259				272,419,151
Balance at the beginning of the reporting period 2021			7,250,000	60,000,000	7,222,892	197,946,259				272,419,151
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						41,054,523				41,054,523
Dividends										-
Transfer to retained earnings										-
Investment Subsidy						-				-

Particulars	Share Application Money pending allotment	Equity Component of application financial instrument	Reserves & Surplus			Retained Earnings	Debt Instrument through other Comprehensive Income	Equity Instrument through other Comprehensive Income	Other items of Comprehensive Income (Specify nature)	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)					
Any Other Change						-				-
Balance at the end of the reporting period 2022			7,250,000	60,000,000	7,222,892	239,000,782				313,473,674
Balance at the beginning of the reporting period 2022			7,250,000	60,000,000	7,222,892	239,000,782				313,473,674
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						45,825,821				45,825,821
Dividends										-
Transfer to retained earnings										-
Investment Subsidy										-
Any Other Change (Share Premium)				250,701,395						250,701,395
Balance at the end of the reporting period 2023			7,250,000	310,701,395	7,222,892	284,826,603				610,000,890
Balance at the beginning of the reporting period 2023			7,250,000	310,701,395	7,222,892	284,826,603				610,000,890
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						119,085,273				119,085,273
Dividends										-
Transfer to retained earnings										-
Investment Subsidy										-
Any Other Change (Share Premium)			2,342,790	691,521,975						693,864,765
Balance at the end of the reporting period 2024			9,592,790	1,002,223,370	7,222,892	403,911,876				1,422,950,928
Balance at the beginning of the reporting period 2024			9,592,790	1,002,223,370	7,222,892	403,911,876				1,422,950,928
Changes in accounting policy or prior period errors			-	-	-	-				-
Restated balance at the beginning of the reporting period			-	-	-	-				-
Total Comprehensive										-
Income for the year						140,369,139				140,369,139
Dividends										-
Transfer to retained earnings										-
Investment Subsidy										-
Any Other Change (Share Premium)										-
Balance at the end of the reporting period 2025			9,592,790	1,002,223,370	7,222,892	544,281,015				1,563,320,067

Note: Re-measurement of defined benefit plans and fair value changes relation to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as part of retained earnings with separate disclosure of such items along with the relevant amounts in the notes.

## **NOTES TO STANDALONE FINANCIAL STATEMENTS**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2025**

#### **1. Company Background**

Gennex Laboratories Limited (“the Company”) is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 1956. The registered office of the Company is located at Sy.No.133, IDA Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana. The equity shares of the Company are listed on the Bombay Stock Exchange.

The Company is engaged in the business of manufacturing of Bulk Drugs and Intermediaries. The Company has manufacturing facilities in India which caters to both domestic and international markets.

These financial statements for the year ended March 31, 2025, were authorized and approved for issue by the Board of Directors on May 30, 2025.

#### **2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1. Basis of Preparation**

###### **(i) Compliance with Ind AS**

The Financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

###### **(ii) Historical cost convention**

The financial statements have been prepared on going concern basis under the historical cost except for the following:

- Certain Financial assets and liabilities which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value; and
- Contingent Consideration

###### **(iii) Current versus non-current classification**

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

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

**(iv) Rounding of amounts**

All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

**2.2. Properties, plant and equipment (PPE) Recognition and initial measurements**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its Working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized instatement of profit or loss as incurred.

**Depreciation method, estimated useful lives and residual values**

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

Cost of the leasehold land is amortized on a straight-line basis over the term of the lease.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

**De-recognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de- Recognition of the asset (calculated as the Difference between the net disposal proceeds and the carrying amount of the asset) is included in the other income/other expenses when the asset is derecognized.

**2.3. Intangible Assets**

**Recognition and initial measurement**

Intangible assets (including software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**Amortisation method and period**

Computer software is amortised on a pro-rata basis using the straight-line method over its estimated useful life of 3 years from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end. Investment Properties

**2.4. Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group or assets (cash-generating units). The Company's corporate assets (e.g. Central office building for providing support to various CGUs) do not generate independent cash flows. To determinate impairment of corporate assets, recoverable amount is determined for the CGUs to which the corporate assets belongs.

## **2.5. Inventories**

- Stores & Spares are valued at cost or at net realizable value, whichever is lower. Cost is arrived at Weighted Average Basis.
- Raw Material, Semi-Finished Goods, Finished Goods are valued at Cost or Market Value whichever is lower. Cost is arrived at FIFO method.
- Obsolescence and Damaged materials are valued at Realizable Value.

## **2.6. Operating Leases**

### **As a lessee**

Leases of property, plant and equipment where the Company, as a lessee, has substantial risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fire value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are clarified as operating leases. Payments made under operating leases are charges to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **As a Lessor**

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary costs increases. The respective leased assets are included in the Balance Sheet based on their nature.

## **2.7. Investment and other financial assets**

### **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### **Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other income'.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other income' in the Statement of Profit and Loss.

### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **De-recognition of financial assets**

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Income recognition Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

#### **Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### **Fair value of financial instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

### **2.8. Derivative instruments**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other income'/'Other expenses'

### **2.9. Offsetting 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.

### **2.10. Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### **2.11. Cash and Cash equivalents**

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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.

## **2.12. Trade payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **2.13. Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## **2.14. Non-current assets (or disposal groups) held for sale**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

## **2.15. Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

**Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**2.16. Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

**2.17. Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**2.18. Foreign currency transactions and translation****(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or H), which is the Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other income/Other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**2.19. Employee benefits****(i) Short-term employee benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment benefits. Defined benefit plans**

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of Independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

During the Year the Company has not renewed the group gratuity scheme policy held with The Life Insurance Corporation of India (LIC). Therefore, gratuity valuation has been done through Independent agency as per Ind-AS19 (Employee Benefits). As per the valuation made by the Independent Agency the present value of accrued gratuity comes to ₹ 9,96,923/- on estimates of discounts @ 6.68% and escalation on salaries @ 5% which has taken in Notes to accounts.

### **Defined contribution plans**

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

### **(iii) Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## **2.20. Income Taxes**

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or inequity).

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

## **2.21. Provision and Contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

## **2.22. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

## **2.23. Earnings per share**

### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year

### **(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **2.24. Segment Reporting**

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard – 17 issued by the Institute of Chartered Accountants of India is considered as a single segment – Ref. Note 31D.

## **2.25. Critical estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of un-collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- Estimation of expected useful lives of property, plant and equipment

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

**Note 3: Property, plant and equipment**

Particulars	Land	Factory buildings	Plant and equipments (d)	Furniture and fixtures	Vehicles	Capital Work in Progress	Total
Gross carrying amount							
Cost/deemed cost as at 1st April 2017	84,181,540	16,978,278	137,742,636	27,475,057	13,572,142	2,319,990	282,269,643
Additions	0	3,283,977	5,759,878	896,502	0	0	9,940,357
Disposals / deductions	0	0	624,000	0	0	2,319,990	2,943,990
Transfer to assets classified as held for sale	0.00	-	-	-	-	-	0.00
<b>As at 31st March 2018</b>	<b>84,181,540</b>	<b>20,262,255</b>	<b>142,878,514</b>	<b>28,371,559</b>	<b>13,572,142</b>	<b>0</b>	<b>289,266,010</b>
Additions	0	0	8,907,690	1,507,609	0	0	10,415,299
Disposals / deductions	0	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to assets classified as held for sale	0	0	0	0	0	0	0.00
<b>As at 31st March 2019</b>	<b>84,181,540</b>	<b>20,262,254</b>	<b>151,786,204</b>	<b>29,879,169</b>	<b>13,572,142</b>	<b>0</b>	<b>299,681,309</b>
Additions	0	0	2,740,000	205,344	0	0	2,945,344
Disposals / deductions	0	0	0	0	0	0	0
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2020</b>	<b>84,181,540</b>	<b>20,262,254</b>	<b>154,526,204</b>	<b>30,084,513</b>	<b>13,572,142</b>	<b>0</b>	<b>302,626,653</b>
Additions	0	0	559,000	189,733	39,017	0	787,750
Disposals / deductions	0	0	0	0	0	0	0
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2021</b>	<b>84,181,540</b>	<b>20,262,254</b>	<b>155,085,204</b>	<b>30,274,246</b>	<b>13,611,159</b>	<b>0</b>	<b>303,414,404</b>
Additions	0	0	1,279,892	619,933	1,996,884	0	3,896,709
Disposals / deductions	0	0	0	0	1,168,448	0	1,168,448
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2022</b>	<b>84,181,540</b>	<b>20,262,254</b>	<b>156,365,096</b>	<b>30,894,179</b>	<b>14,439,595</b>	<b>0</b>	<b>306,142,665</b>
Additions	0	1,494,738	17,810,568	387,329	2,530,792	0	22,223,427
Disposals / deductions	0	0	0	0	2,180,926	0	2,180,926
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2023</b>	<b>84,181,540</b>	<b>21,756,992</b>	<b>174,175,664</b>	<b>31,281,508</b>	<b>14,789,461</b>	<b>0</b>	<b>326,185,166</b>
Additions	1100000	0	540,300	474,550	12,508,940	13,798,500	28,422,290
Disposals / deductions	0	0	0	0	0	0	0
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2024</b>	<b>85,281,540</b>	<b>21,756,992</b>	<b>174,715,964</b>	<b>31,756,058</b>	<b>27,298,401</b>	<b>13,798,500</b>	<b>354,607,455</b>
Additions	8180000	14,127,048	18,063,020	3,787,221	2,983,381	12,443,312	59,583,982
Disposals / deductions	0	0	0	0	1,996,884	0	1,996,884
Transfer to assets classified as held for sale	0	0	0	0	0	0	0
<b>As at 31st March 2025</b>	<b>93,461,540</b>	<b>35,884,040</b>	<b>192,778,984</b>	<b>35,543,279</b>	<b>28,284,898</b>	<b>26,241,812</b>	<b>412,194,553</b>
Accumulated depreciation							
<b>As at 1st April 2017</b>	<b>0</b>	<b>9,386,325</b>	<b>87,870,485</b>	<b>20,921,444</b>	<b>6,679,998</b>	<b>0</b>	<b>124,858,252</b>
Charge for the year	0	549,740	5,508,986	1,804,988	1,354,735	0	9,218,449
Disposals / deductions	0	0	624,000	0	0	0	624,000
<b>As at 31st March 2018</b>	<b>0</b>	<b>9,936,065</b>	<b>92,755,471</b>	<b>22,726,432</b>	<b>8,034,733</b>	<b>0</b>	<b>133,452,701</b>
Charge for the year	0	601427	5957115	1950759	1338115	0	9847416
Disposals / deductions	0	0	0	0	0	0	0
<b>As at 31st March 2019</b>	<b>0</b>	<b>10537493</b>	<b>98712586</b>	<b>24677193</b>	<b>9372846</b>	<b>0</b>	<b>143300117</b>
Charge for the year	0	601427	6218195	1906491	1323598	0	10049711
Disposals / deductions	0	0	0	0	0	0	0
<b>As at 31st March 2020</b>	<b>0</b>	<b>11138920</b>	<b>104930781</b>	<b>26583683</b>	<b>10696444</b>	<b>0</b>	<b>153349828</b>
Charge for the year	0	601427	5979337	1182425	1044189	0	8807377
Disposals / deductions	0	0	0	0	0	0	0
<b>As at 31st March 2021</b>	<b>0</b>	<b>11740347</b>	<b>110910118</b>	<b>27766108</b>	<b>11740633</b>	<b>0</b>	<b>162157205</b>
Charge for the year	0	601427	5295214	933794	1054181	0	7884616
Disposals / deductions	0	0	0	0	881539	0	881539
<b>As at 31st March 2022</b>	<b>0</b>	<b>12341774</b>	<b>116205332</b>	<b>28699902</b>	<b>11913275</b>	<b>0</b>	<b>169160282</b>
Charge for the year	0	609223	5408446	781426	644675	0	7443770
Disposals / deductions	0	0	0	0	2180926	0	2180926
<b>As at 31st March 2023</b>	<b>0</b>	<b>12950997</b>	<b>121613778</b>	<b>29481328</b>	<b>10377024</b>	<b>0</b>	<b>174423126</b>
Charge for the year	0	648855	6129436	522212	803469	0	8103972
Disposals / deductions	0	0	0	0	0	0	0
<b>As at 31st March 2024</b>	<b>0</b>	<b>13599852</b>	<b>127743214</b>	<b>30003540</b>	<b>11180493</b>	<b>0</b>	<b>182527098</b>
Charge for the year	0	648855	3591904	704103	2750282	0	7695144
Disposals / deductions	0	0	0	0	790433	0	790433
<b>As at 31st March 2025</b>	<b>0</b>	<b>14248707</b>	<b>131335117</b>	<b>30707643</b>	<b>13140343</b>	<b>0</b>	<b>189431810</b>
Net carrying amount							
<b>As at 31st March 2024</b>	<b>85,281,540</b>	<b>8157141</b>	<b>46972750</b>	<b>1752518</b>	<b>16117908</b>	<b>13798500</b>	<b>172080357</b>
<b>As at 31st March 2025</b>	<b>93,461,540</b>	<b>21,635,334</b>	<b>61,443,867</b>	<b>4,835,636</b>	<b>15,144,556</b>	<b>26,241,812</b>	<b>222762744</b>

**Note 4: FINANCIAL ASSETS**

Particulars	As at 31.03.2025	As at 31.03.2024
<b>Unquoted</b>		
<b>a. Investment in Associates</b>		
6336165 Equity Shares of ₹ 10/- each fully paid up		
in Deccan Remedies Limited	82,542,475	82,542,475
Holding 51% (Previous Year 51%)		
<b>b. Other Investments</b>		
1000 Equity Shares of ₹ 100/- each fully paid up		
in Progressive Effluent Treatment Limited	100,000.00	100,000
<b>Total</b>	<b>82,642,475.00</b>	<b>82,642,475</b>

**Note 5: Other Non Current Assets**

Particulars	As at 31.03.2025	As at 31.03.2024
Security Deposit	6,426,041.20	6,426,041
<b>Total</b>	<b>6,426,041.20</b>	<b>6,426,041</b>

**Note 6: Inventories (As valued and certified by Management)**
**Valued at lower of Cost and net realisable value**

Particulars	As at 31.03.2025	As at 31.03.2024
Stores & Spares	<b>6,567,486</b>	1,186,225
Packing Material	<b>1,448,362</b>	799,131
Coal & Diesel	<b>403,481</b>	389,420
Raw Materials	<b>81,765,301</b>	9,692,656
Finished Goods	<b>74,308,742</b>	67,350,517
Work-in-process	<b>81,362,900</b>	81,306,734
<b>Total</b>	<b>245,856,271</b>	<b>160,724,683</b>

**Note 7: Trade Receivables**

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Receivables	118,905,490	135,678,363
Receivables from Related Parties		
Less: Loss Allowance		
Total Receivables	118,905,490	135,678,363
Current Portion	112,191,878	128,019,746
Non-current Portion	6,713,612	7,658,617
Break-up of security details		
Trade Receivables considered good - secured		
Trade Receivables considered good - unsecured	118,905,490	135,678,363
Trade Receivables - which have significant increase in credit risk		-
Trade Receivables - credit impaired		-
<b>Total</b>	<b>118,905,490</b>	<b>135,678,363</b>

**a. Trade receivables are non-interest bearing and are generally on terms of up to 90 days.**

Particulars	Outstanding for following period from due date of payment				
	Less than 6 Months	6 Months to 1 Year	01 to 02 Years	02 to 03 Years	More than 3 Years
i) Undisputed Trade receivables - considered good	98,097,015	3,832,193	8,156,887	2,105,783	6,713,612
ii) Undisputed Trade receivables - considered good which have significant increase in credit risk					
iii) Undisputed Trade receivables - credit impaired					
iv) Disputed Trade receivables - considered good					
v) Disputed Trade receivables - considered good which have significant increase in credit risk					
vi) Disputed Trade receivables - credit impaired					

**Note 8: Cash and Cash Equivalents**

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Cash on hand	<b>5,495,343</b>	4,770,919
(b) Balances with Banks		
(i) In Current Accounts	<b>70,330,566</b>	121,967,640
(ii) In Deposit Accounts - (Margin Money against LCS/BG)	<b>9,797,041</b>	7,436,770
(iii) Fixed Deposit with Bank	<b>470,000,000</b>	400,000,000
(iv) Cheques in hand	-	75,443,832
<b>Total</b>	<b>555,622,950</b>	<b>609,619,161</b>

**Note 9: OTHER FINANCIAL ASSETS - SHORT TERM LOANS & ADVANCES**

Particulars	As at 31.03.2025	As at 31.03.2024
<b>(Unsecured, considered good, recoverable in cash or in kind for value to be received)</b>		
(a) Loans and advances to related parties	-	-
Unsecured, considered good		
(b) Loans and advances to employees	<b>40,825,717</b>	29,745,710
Unsecured, considered good		
(c) Advances to Contractors, Suppliers	<b>118,134,603</b>	20,977,938
Unsecured, considered good		
(d) Advances recoverable cash or in kind	<b>466,936,597</b>	420,107,386
(e) Inter Corporate Deposits	<b>280,017,777</b>	391,445,006
<b>Total</b>	<b>905,914,694</b>	<b>862,276,040</b>

**Note 10: OTHER CURRENT ASSETS**

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Prepaid Expenses	546,385	1,417,884
Unsecured, considered good		
(b) Balances with Government Authorities		
Unsecured, considered good		
(i) GST credit receivable	21,098,224	10,554,930
(ii) Balances with Central Excise Deptt	8,311,718	-
(iii) Meis claim receivable	842,256	725,441
(c) Accrued Interest	3,545,499	852,698
(d) Advance I.Tax/TDS	1,516,223	-
(e) Right/Preferential Issue Expenses	<b>8,078,040</b>	<b>8,078,042</b>
(f) Preliminary & Public Issue Expenses	-	-
<b>Total</b>	<b>43,938,345</b>	<b>21,628,995</b>

**Note 11: SHARE CAPITAL**

	Particulars	As at 31.03.2025	As at 31.03.2024
	<b>AUTHORISED CAPITAL</b>		
	<b>Equity Shares</b>		
	250,000,000 Equity Shares of ₹ 1/- each		
	(Previous Year 250,000,000 Equity Shares of ₹ 1/- each)	<b>250,000,000</b>	250,000,000
<b>11.1</b>	<b>ISSUED SHARES</b>		
	<b>Equity Shares</b>		
	239854500 Equity Shares of ₹ 1/- each		
	(Previous Year 238954500 Equity Shares of ₹ 1/- each)	<b>239,754,500</b>	239,754,500
	<b>Total</b>		<b>239,754,500</b>
<b>11.2</b>	<b>SUBSCRIBED And Fully PAID UP Shares</b>		

	Particulars	As at 31.03.2025	As at 31.03.2024
	<b>Equity Shares</b>		
	227447674 Equity Shares of ₹ 1/- each		
	(Previous Year 227447674 Equity Shares of ₹ 1/- each)	227,447,674	227,447,674
	<b>SUBSCRIBED BUT NOT Fully PAID UP Shares</b>		
	Partly Paidup Equity Share	-	3,549,382
	(Previous Year Nil Equity Shares of ₹ 1/- each)		
	Forfeited Shares (amount originally paid up)		
	Total subscribed and paid up share capital	227,447,674	227,447,674
	Warrant (Partly Paid)	57,195,000	57,195,000
<b>11.2.1</b>	<b>(a) The reconciliation of the no of shares outstanding at the beginning and at the end of the year:</b>		
	At the beginning of the year	227,447,674	176,643,279
	Outstanding at the end of the year	227,447,674	227,447,674
	<b>(b) Terms/rights attached to equity shares</b> The Company has only one class of equity shares having a part value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuring 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 shareholders.		
<b>11.2.2</b>	<b>The details of share holders holding more than 5% shares:</b>		
	Premier Fiscal Services (P) Ltd	37,538,000	37,538,000
		16.50%	16.50%

**Note 12: OTHER EQUITY**

	As at 31.03.2025	As at 31.03.2024
Share Premium	1,002,223,370	1,002,223,370
Investment Subsidy	2,000,000	2,000,000
General Reserve	7,222,892	7,222,892
Capital Reserve (Forfeit of warrant)	7,250,000	7,250,000
Capital Reserve (Forfeit of Shares)	2,342,790	2,342,790
Retained Profit on Property, plant and equipmen (net of deferred tax)	(1,407,367)	(1,407,367)
Balance in OCI		
Balance at the beginning of the year	3,164,528	2,058,358
Add: Profit for the year	-	1,106,170
Balance at the Closing of the year	3,164,528	3,164,528
Balance in Profit & Loss		
Balance at the beginning of the year	400,154,715	282,175,613
Add: Profit for the year	140,369,139	117,979,102
Balance at the Closing of the year	540,523,854	400,154,715
<b>TOTAL</b>	<b>1,563,320,067</b>	<b>1,422,950,928</b>

**Note 13: OTHER FINANCIAL LIABILITIES**

Particulars	As at 31.03.2025	As at 31.03.2024
Yes Bank	-	1,108,560
<b>ICICI BANK LOAN ACCOUNT NO.LAHYD00049662160 (BENZO)</b>	6,705,181	8,510,904
YES BANK XUV 700	287,764	
<b>ICICI BANK LOAN ACCOUNT NO.XEV 9E CAR LOAN LAHYD000508968223</b>	1,608,348	
ICICI Bank Term Loan A/C'S	27,516,018	3,368,178
ICICI Bank Term Loan A/c. No.603090024459	-	-
<b>ICICI Bank Term Loan A/c. No IUBD A/C</b>	8,632,657	
ICICI ECLGS LOAN A/C No.006955000064	-	4,593,334
<b>Total</b>	<b>44,749,968</b>	<b>17,580,976</b>

**Note 14: Deferred Tax (Liability)/Assets**

Particulars	As at 31.03.2025	As at 31.03.2024
a) Difference between Book & Tax Depreciation ( Liability )	5,658,203	3,982,586
b) Others	(5,111,626)	(4,915,031)
Total	546,577	(932,446)
<b>Net Deferred Tax Liability/(Assets)</b>	<b>546,577</b>	<b>(932,446)</b>

**Note 15: CURRENT BORROWINGS**

Particulars	As at 31.03.2025	As at 31.03.2024
a) Secured		
From Banks - Secured		
ICICI BANK LTD c/c a/c	-	-
(The due to ICICI Bank Limited - Secured by means of Hypothecation of Stocks of Raw Material, Semi Finished & Finished Goods, Stores & Spare parts and Book-debts and First Charge on the Fixed Assets of the Company and personal guarantee of One Director)		
ICICI Bank Term Loan A/c. - Deccan		-
ICICI BANK LTD - Term Loan - (Secured against exclusive first charge on Fixed Assets of the Company)		
<b>ICICI Bank Term Loan A/c. No.603090024459</b>	2,245,452	2,245,452
<b>ICICI ECLGS LOAN A/C No.006955000064</b>	2,756,000	2,756,000
<b>ICICI ECLGS LOAN A/C No.TERM LOAN A/CS</b>	4,321,800	-
<b>ICICI FDOD ACCOUNT</b>	366,650	
<b>ICICI BANK LOAN ACCOUNT NO.XEV 9E CAR LOAN LAHYD000508968223</b>	391,652	1,090,909
<b>Loan - Secured</b>		
<b>(Secured against the hypothecated assets procured out of Loan)</b>		
<b>ICICI BANK LOAN ACCOUNT NO.LAHYD00049662160 (BENZO)</b>	1,805,723	1,489,096
YES BANK	538,974	890,723
<b>Total</b>	<b>12,426,251</b>	<b>8,472,180</b>

### Note 16: Trade Payables

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Payable	112,583,957	143,511,536
<b>Total</b>	<b>112,583,957</b>	<b>143,511,536</b>

16.1 Dues to Micro, Small and Medium enterprises has been determined to be ₹ /- (Previous Year ₹ /-) to the extent such parties have been indentified on the basis of information available with the company.

16.2 Trade payables are non-interest bearing and normally settled within 90 days term.

Particulars	Outstanding for following period from due date of payment				
	Less than	01 to 02	02 to 03	More than	Total
	1 Year	Years	Years	3 Years	
i) MSME	17,587,394	-	-	-	17,587,394
ii) Others	78,830,761	3,558,286	4,830,585	3,623,687	90,843,319
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

### Note 17: Other Current Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Creditors for Capital Goods	-	2,849,838
Advances from Customers	59,925,489	83,225,370
Other Liabilities	32,844,216	36,624,649
	-	-
<b>Total</b>	<b>92,769,705</b>	<b>122,699,857</b>

17.1 Other liabilities consist of PF, ESI, SERVICE TAX, TDS, GST and TCS payable etc

### Note 18: PROVISIONS

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for leave encashment	5,901,258	4,526,035
<b>Total</b>	<b>5,901,258</b>	<b>4,526,035</b>

### Note 19: CURRENT TAX LIABILITIES

Particulars	As at 31.03.2025	As at 31.03.2024
Current Tax Liabilities (Net)	71,587,662	48,997,795
<b>Total</b>	<b>71,587,662</b>	<b>48,997,795</b>

**Note 20: REVENUE FROM OPERATION**

Particulars	As at 31.03.2025	As at 31.03.2024
Sale of Products	1,051,096,724	740,183,095
Other Operating Revenues	-	276,958
	1,051,096,724	740,460,053
Less: GST	105,317,781	72,472,675
<b>Net Revenue from Operation</b>	<b>945,778,942</b>	<b>667,987,378</b>

**Note 21: OTHER INCOME**

Particulars	As at 31.03.2025	As at 31.03.2024
Interest Income (TDS ₹ 7237434 /- Previous Year ₹ 3490685/-)	83,907,286	37,694,155
RODTEP RECEIVED	2,149,068	-
OTHER COMPREHENSIVE INCOME	1,677,684	8,139
PROFIT ON SALE OF FIXED ASSETS	(206,451)	-
Exchange Rate Fluctuation	2,393,966	1,759,451
<b>Duty Draw back</b>	<b>2,292,301</b>	<b>3,558,140</b>
<b>Total</b>	<b>92,213,854</b>	<b>43,019,885</b>

**Note 22: COST OF RAW MATERIAL CONSUMED**

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Stock of Raw material	9,692,656	21,617,405
Add: Purchases during the year	743,888,711	396,853,055
Total	753,581,367	418,470,460
Less: Closing Stock of Raw material	81,765,301	9,692,656
<b>Cost of Raw Material Consumed</b>	<b>671,816,066</b>	<b>408,777,804</b>

**Note 23: CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & WORK IN PROGRESS**

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Stocks		
Work in Progress	81,306,734	52,394,901
Finished Goods	67,350,517	71,887,882
Total	148,657,251	124,282,783
Closing Stocks		
Work in Progress	81,362,900	81,306,734
Finished Goods	74,308,742	67,350,517
	-	-
<b>Total</b>	<b>155,671,642</b>	<b>148,657,251</b>
Changes in Stock	(7,014,391)	(24,374,468)

**Note 24: EMPLOYEE BENEFITS EXPENSE**

Particulars	As at 31.03.2025	As at 31.03.2024
Salaries, Wages and bonus	57,828,516	53,382,010
Contributions to Provident and other funds	2,370,001	2,454,655
Gratuity	93,461	1,128,106
Staff Welfare expenses	3,957,577	3,499,724
<b>Total</b>	<b>64,249,555</b>	<b>60,464,495</b>

**Note 25: FINANCE COST**

Particulars	As at 31.03.2025	As at 31.03.2024
Interest and Finance Charges	15,845,477	11,557,720
<b>Total</b>	<b>15,845,477</b>	<b>11,557,720</b>

**Note 26: OTHER EXPENSES**

Particulars	As at 31.03.2025	As at 31.03.2024
Pollution control expenses	8,698,858	9,469,087
Consultancy & Legal Expenses	4,966,667	2,485,324
Rent & Facilities	1,522,686	627,029
Electricity Charges	183,096	765,819
Security Charges	1,617,031	1,352,126
Printing & Stationery	1,133,950	769,648
Communication Expenses	788,554	804,393
Insurance	1,233,397	845,219
Travelling & Conveyance Exp.	10,090,756	5,045,449
Selling Expenses	8,712,639	6,849,358
Carriage Outwards	15,597,692	8,938,711
Auditors' Remuneration:		
i. Audit Fees	316,000	200,000
ii. Tax Audit Fees	-	35,000
iii. Certification & Others	-	87,500
iv. Audit Fees - Branch	-	-
Vehicle Maintenance	1,192,108	1,305,919
Miscellaneous Expenses	7,154,866	5,974,460
Sundry Balances Written Off ( Net )	-	-
Stores, Spares & Others	2,925,355	6,420,054
Packing Material	11,799,349	10,659,478
Power & Fuels	30,609,979	32,164,487
Repairs & Maintenance – Buildings	547,548	648,152
Repairs & Maintenance – Plant & Machinery	1,605,240	1,856,039
Repairs & Maintenance – Others	962,804	448,776
Job Work Charges	1,626,655	1,179,053
<b>Total</b>	<b>113,285,229</b>	<b>98,931,082</b>

**Note 27: EXCEPTIONAL ITEMS**

Particulars	As at 31.03.2025	As at 31.03.2024
Sundry balances adjusted	-	-

**Note 28: EARNING PER SHARE**

Particulars	As at 31.03.2025	As at 31.03.2024
Net Profit the basic EPS	140,369,139	119,085,273
Weighted Average No.of Shares	227,447,674	170,643,279
Annualized Basic Earning per share (Basic and Diluted)	0.617	0.698

**Note 29: Contingent Liability**

S. No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
i)	Income-tax where appeals/Petitions are pending with Various Authorities	*59.14	*59.14
ii)	Sales Tax where Appeal is pending	*14.57	*14.57
iii)	Rent of Office Payable where case is pending	*24.53	*24.53

\*Company is hopeful of complete relief, hence no provision is made.

Sl No	Nature of Statute	Nature of Dues	Amount RS in Lacs	Period to which the amount relates to	Forum where the dispute is pending
1	CST	Sales Tax	14.57	2007-08	Appellate DC (CT)
	Total		14.57		
				Asstt Year	
2	Income Tax	Income Tax	8.22	2001-02	Appellate Authority
		Income Tax	37.36	2002-03	Appellate Authority
		Income Tax	3.81	2015-16	
		Income Tax	9.75	2019-20	
	Total		59.14		
3	Rent of Office	Rent	24.53		Hon'ble Civil Court
	Total		24.53		

Based on the experiences, the management is of the opinion that the above cases would be in favour of the company. However in case of loss then there could be significant impact on the financial statement of the company.

**Note 30: Additional informatio pursuant to paragraphs 5 (viii) of part II of Schedule VI to the Companies Act, 1956 are as follows:**

S. No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
A.	C.I.F. value of imports by the Company (Excluding imported items purchased locally)		
	Raw Materials	24,110,598	16,744,772
B.	Expenditure in foreign currency during the year:		
	a) Foreign Travel Expenses	988,914	60,220
	b) Sales Commission	9,229,614	2,348,797
	c) Bank Charges	303,558	388,447
	d) Business Promotion Charges	-	-
		<b>34,632,684</b>	<b>19,542,236</b>

**C. Details of consumption of imported and indigenous items**

S. No	Particulars	As on 31.03.2025	As on 31.03.2024	As on 31.03.2024	As on 31.03.2024
		₹	%	₹	%
	Imported				
	Raw Material	24,110,598	10%	20476013	5%
	Indigenous				
	Raw material	647,705,468	90%	388301791	95%
	Stores, Spares Parts & Components	2,925,354.79	100%	6420054	100%
	<b>Total</b>	<b>674,741,420.92</b>		<b>415197858</b>	

Note: Figures/percentages in brackets relates to the previous year.

**D. Segment Details**

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard- 17 issued by the Institute of Chartered

Accountants of India is considered as a single segment.

The geographic segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:

₹ IN LACS

Geographic Segment	Revenue for the Year ended 31.03.2025	Segment assets as at 31.03.2025	Revenue for the Year ended 31.03.2024	Segment assets as at 31.03.2024
ALGERIA	6.81	0	51.06	0
BANGLADESH	15.2	0	0	0
BARZIL	12.51	0	2.24	0
BOLIVIA	3.14	0		
COLOMBIA	492.7	84.32	9.32	0.68
CZECH REPUBLIC	4.57	0	2.11	0

Geographic Segment	Revenue for the Year ended 31.03.2025	Segment assets as at 31.03.2025	Revenue for the Year ended 31.03.2024	Segment assets as at 31.03.2024
CHINA	0	0	22.51	0
EGYPT	520.06	0	203.04	94.38
ELSALVADOR	251.55	105.68	77.00	0.00
GERMANY	28.28	0	126.16	4.33
GUATEMALA CITY	96.82	11.36	156.25	0
IRAN	0.00	22.2	1.87	22.20
MEXICO	285.07	252.88	0	0
PERU	278.94	74.94	139.98	49.35
RUSSIA	0	0.00	43.00	0
SAUDI ARABIA	0	0.00	59.18	18.09
SPAIN	41.26	0.00	371.84	5.86
SWITZERLAND	0	0.00	0	0
TURKEY	1.62	0.00	1.79	0
THAILAND	24.95	0.00	18.48	32.90
UAE	86.51	0.00	10.21	0
VIETNAM	1092.51	0.00	956.74	109.20
INDIA	6215.29	637.67	4427.09	1019.79
<b>TOTAL</b>	<b>9,457.79</b>	<b>1,189.05</b>	<b>6,679.87</b>	<b>1,356.78</b>

		For the year ended 31.03.2025	For the year ended 31.03.2024
E.	Earning in Foreign Currency on F.O.B. basis		
	Export of Goods	303,694,348	211,126,323

### 31. RELATED PARTIES DISCLOSURES

Name of related parties and related party relationship

Related parties with whom transactions have taken place during the year

Enterprise having significant influence on the Company

#### Key Management Personnel/Directors

Mr. Arihant Baid : Managing Director

Mr. Dilip Raj Singhvi : Independent Director (appointed w.e.f.01.10.2024)

Ms. Shilpa Bung : Independent Director & Women Director (appointed w.e.f.01.10.2024)

Mr. Y Ravinder Reddy : Independent Director (retired w.e.f.30.09.2024)

Ms. Sadhana Bhansali : Independent Director & Women Director (retired w.e.f.30.09.2024)

Mr. A S Nageswar Rao : Independent Director

Dr. A R R Pantulu : Non-Executive Director

Dr, S CH Dharma Rao : Non-Executive Director (resigned w.e.f.30.05.2025)

Mr. Sandeep Kumar Daga : Non-Executive Director (appointed w.e.f.30.05.2025)

Mr. Mohammed Khaleequr Rahman : Non-Executive Director (appointed w.e.f.06.09.2024 and resigned w.e.f.14.02.2025)

Mr. K V L N Bhaswanth : Chief Operating Officer

Mr. Laxmipat Baid : Chief Financial Officer (resigned w.e.f.13.08.2024)

Mr. Akkali Santosh Kumar : Chief Financial Officer (appointed w.e.f.12.11.2024)

Mr. Dinesh Kumar Kejriwal : Company Secretary & Compliance Officer

Relative of Key Management Personnel/Directors

Mr Vinod Baid

Enterpriss owned or significantly influenced by Key

Management Personnel/Directors or their relatives

(Deccan Remedies Limited)

Relative of Key Management Personnel/Directors

Mr. Arihant Baid (Managing Director)

### 31.1 Remuneration of Key Personnel/Directors

S.No	Name & Relationship	Nature of Transaction	Year ended	Amount (₹)
1	Mr. Arihant Baid	Remuneration	31.03.2025	30,28,800
	Managing Director	Remuneration	31.03.2024	30,28,800
2	Mr. Akkali Santosh Kumar	Remuneration	31.03.2025	6,45,000
	Chief Financial Officer	Remuneration	31.03.2024	-
3	Mr. Dinesh Kumar Kejriwal	Remuneration	31.03.2025	11,73,420
	Company Secretary	Remuneration	31.03.2024	8,20,026

### 32. Employees Benefits:-

32.1. Company has not renewed the Group Gratuity Scheme with LIC.

Therefore, Gratuity Valuation has been done through independent agency as per Ind AS 19. As per the Valuation made by the Independent

Agency, the present accrued gratuity comes to ₹ 996923/- (previous Year ₹ 1128106) on estimate of discounts @ 6.68% (7.10%) and escalation on salary @ 5% (5%).

### 32.2 Defined Contribution Plan:

Contribution to defined contribution plan, recognized as expenses for the year are as under:

Employer's Contribution to Provident/Pension Fund - ₹ 2217425/- (Previous Year ₹ 2302893/-)

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund managed by the Central Government.

### Leave Encashment: -

The Company has provided a sum of ₹ (1375223) (Previous Year ₹ 1525829) towards Leave encashment based on actuarial valuation.

**33.** Balance in Advances, Deposits, Unsecured loans, other Liabilities, Trade Receivables, Trade Payables and advances against suppliers are subject to confirmation by respective parties.

**34.** Fixed Assets includes land for which Registration has been done during the year.

**35.** The Company's Lease Agreement in respect of Building at Srinagar Colony. The Lease Rentals payable are charged as "Lease Rental Charges" under "Other Expenses" in Note No - 26. This leasing arrangement is for longer period and renewable by mutual consent on mutually agreeable terms. Future lease rental payable are as under:

The company has not provided Amount of ₹ 2453160/- towards rent of the office premises for the period Jan 2023 to Mar 2024, Since Damage caused to the company's assets due to heavy seepage of Water inside the office premises exceeds the rental amount payable to landlord

The Landlord has filed the Civil Suit before the Hon'able City Civil court of Hyderabad in OS 363 of 2023.

The Matter is Sub-judice before the Hon'able Court and We are confident that the Case will be decided in our Favour.

(₹ in Lakhs)

Particulars	As at March 31, 2025*	As at March 31, 2024
Payable:		
Not later than one year	0.00	0.00
Later than one year but not later than 3 years.	0.00	0.00
Later than 3 years.	0.00	0.00

\* The above figures are given without discounting at present value

**36.** Investment includes ₹ 82542475 (Previous Yar ₹ 82442475) in Shares of Deccan Remedies Limited for the Company's expansion plans.

**37.** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

**38.** In accordance with the Accounting Standards (AS-28) on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that may have been impaired in respect of each cash generating unit. On the basis of this review carried out by the management there was no impairment loss on the fixed assets during the year ended 31st March, 2025.

**39.** Investment Subsidy received from Andhra Pradesh Government is shown under Other Equity.

As Per our report attached

For and on behalf of the Board

For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Dinesh Kumar Kejriwal**  
 Company Secretary

**Arihant Baid**  
 Managing Director

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFU7692

**Akkali Santosh Kumar**  
 Chief Financial Officer

**ARR Pantulu**  
 Director

Place : Hyderabad  
 Date : 30th May, 2025

#### 40. Income Tax

₹ in Lakhs

Particulars	March 31, 2025	March 31, 2024
Tax expense(Credit) comprises of:		
Current income tax	297.00	305.00
Deferred tax	5.47	-9.32
Adjusted of Tax relating to Previous Year	0	0
Income Tax expenses reported in the Statement of Profit or Loss	<b>302.47</b>	295.68

The major components of Income Tax expense and the reconciliation of expected tax expenses based on the domestic effective tax rate of the Company at 25.17% (Previous year 25.17%) and the reported tax expenses in Profit or Loss are as follows

Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate

₹ in Lakhs

Particulars	March 31, 2025	March 31, 2024
Profit before tax	1706.15	1475.47
Tax at the Indian tax rate (25.17%) (March 31, 2023: 25.17%)	429.44	371.37
Adjustments:		
CSR expenses and other donations		
Weighted deduction on research and development expense		
Tax incentives		
Capital gain tax		
MAT credit utilisation		
Deferred tax assets not recognized / (utilized)	-5.47	9.32
Effect of change in tax laws and rate in jurisdictions outside India		
Other Adjustments	132.44	-66.37
Income tax expense	<b>302.47</b>	295.68

#### 41. Capital management

₹ in Lacs

Particulars	As at 31.03.2025	As at 31.03.2024
Borrowings	124.26	84.72
Trade Payables	1084.32	1435.12
Less: Cash & Cash Equivalents	5556.23	6096.19
Net Debt	-4347.65	-4576.35
Equity Capital	18479.63	17075.94
Equity Capital and Net Debt	14131.98	12499.59
Gearing Ratio	31%	37%
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.		

## 42. Fair Values

₹ in Lacs

Particulars	Carrying	Values	Fair	Values
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Financial Assets				
Investments	826.42	826.42	826.42	826.42
Other financial assets	64.26	64.26	64.26	64.26
Tax Assets (Net)	17.59	23.06	17.59	23.06
Trade Receivables	1,189.07	1,356.78	1,189.07	1,356.78
Cash and Cash Equivalents	54.95	47.71	54.95	47.71
Bank balances other than cash and cash equivalents	5501.28	6048.48	5501.28	6048.48
Other financial assets	9059.16	8622.76	9059.16	8622.76
<b>Total</b>	<b>16,712.73</b>	<b>16,989.48</b>	<b>16,712.73</b>	<b>16,989.48</b>
Financial Liabilities				
Non-current Borrowings		-		-
Other non-current financial Liabilities	447.49	175.81	447.49	175.81
Current Borrowings	124.26	84.72	124.26	84.72
Trade Payables	1084.32	1435.12	1084.32	1435.12
Other current financial Liabilities	927.70	1227.00	927.70	1227.00
<b>Total</b>	<b>2,583.77</b>	<b>2,922.65</b>	<b>2,583.77</b>	<b>2,922.65</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## 43. Fair values hierarchy

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for the financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using the valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant Observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Fair value of financial assets disclosed</b>					
Investments	31-Mar-2025	826.42	-	826.42	-
Other financial assets	31-Mar-2025	64.26	-	64.26	-
Tax Assets (Net)	31-Mar-2025	17.59	-	17.59	-
Trade Receivables	31-Mar-2025	1,189.07	-	1189.07	-
Cash and Cash Equivalents	31-Mar-2025	54.95	-	54.95	-
Bank balances other than cash and cash equivalents	31-Mar-2025	5501.28	-	5501.28	-
Other financial assets	31-Mar-2025	9059.16	-	9059.16	-
<b>Total</b>		<b>16,712.73</b>	<b>-</b>	<b>16,712.73</b>	<b>-</b>
There have been no transfers between Level 1 and Level 2 during the period.					
Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2025:					
Fair value of financial liabilities disclosed					
Non-current Borrowings	31-Mar-2025		-		-
Other non-current financial Liabilities	31-Mar-2025	447.49	-		447.49
Current Borrowings	31-Mar-2025	124.26	-		124.26
Trade Payables	31-Mar-2025	1084.32	-		1084.32
Other current financial Liabilities	31-Mar-2025	927.70	-		927.70
<b>Total</b>		<b>2,583.77</b>	<b>-</b>	<b>0.00</b>	<b>2,583.77</b>

There have been no transfers between Level 1 and Level 2 during the period.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant Observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Fair value of financial assets disclosed</b>					
Investments	31-Mar-2024	826.42	-	826.42	-
Other financial assets	31-Mar-2024	64.26	-	64.26	-
Tax Assets (Net)	31-Mar-2024	23.06	-	23.06	-
Trade Receivables	31-Mar-2024	1,356.78	-	1356.78	-
Cash and Cash Equivalents	31-Mar-2024	47.71	-	47.71	-
Bank balances other than cash and cash equivalents	31-Mar-2024	6048.48	-	6048.48	-
Other financial assets	31-Mar-2024	8622.76	-	8622.76	-
<b>Total</b>		<b>16,989.48</b>	<b>-</b>	<b>16,989.47</b>	<b>-</b>

There have been no transfers between Level 1 and Level 2 during the period.

## Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2024:

### Fair value of financial liabilities disclosed

Non-current Borrowings	31-Mar-2024		-		
Other non-current financial Liabilities	31-Mar-2024	<b>175.81</b>	-		<b>175.81</b>
Current Borrowings	31-Mar-2024	84.72	-		<b>84.72</b>
Trade Payables	31-Mar-2024	<b>1435.12</b>	-		<b>1435.12</b>
Other current financial Liabilities	31-Mar-2024	<b>1227.00</b>	-		<b>1227.00</b>
<b>Total</b>		<b>2,922.65</b>	-	<b>0.00</b>	<b>2,922.65</b>

There have been no transfers between Level 1 and Level 2 during the period.

## 44. Financial risk management objectives and policies

The Company is exposed to financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post- retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

### Interest Rate Risk

The interest rate risk arise from long term borrowing of the company with variable interest rates (Bank one year MCLR plus spread). Although the spread is fixed, it is subject to change at fixed time interval or occurrence of specified event(s). Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	<b>Increase/(decrease) in Interest Rate</b>	<b>Increase/ (decrease) in Profit beofe tax</b>
<b>March 31, 2025</b>		
INR	0.5% p.a.	0.00
INR	(0.5)% p.a.	0.00

<b>March 31, 2024</b>		
INR	0.5% p.a.	0.00
INR	(0.5)% p.a.	0.00

## RATIO ANALYSIS

### A. Current Ratio:

Particulars	As at 31.03.2025	As at 31.03.2024
Current Assets	1870237750	1789927242
Current Liabilities	291115590	328207404
Current Ratio	6.424	5.454

Current Assets = Inventories, Trade receivables, Cash & Cash Equivalents, Bank Balance other than Cash and Cash Equivalents, Loans and advances to employees, "Advances to Contractors, Supplies", Advances recoverable cash or in kind, Prepaid Expenses, GST credit receivable, Balances with Central Excise Deptt, Meis claim receivable, Accrued interest.

Current Liabilities - Borrowings, Trade Payable, Creditors for Capital Goods, Advances from Customers, other liabilities. Provision for leave encashment, Current Tax Liabilities

### B. Debt -Equity Ratio (D/E):

Particulars	As at 31.03.2025	As at 31.03.2024
Total Liabilities	335865557.3	345788379
Total Shareholder's Equity	1847962741	1707593603
Debt -Equity Ratio	0.182	0.203

Total Liabilities - Borrowings, Trade Payable, Creditors for Capital Goods, Advances from Customers, other liabilities. Provision for leave encashment, Current Tax Liabilities, Other financial liabilities, Deferred Tax Liabilities (Net)

Total Shareholder's Equity = Equity Share Capital, Other Equity (Share Premium, Investment Subsidy, General Reserve, Capital Reserve (Forfeit of Warrant), Retained Profit on Property, plant and equipment (net of deferred tax), Balance in Profit & Loss

### C Inventory Turnover Ratio

Particulars	As at 31.03.2025	As at 31.03.2024
COGS (Cost of Goods Sold)	664801675.6	384403336
Average value of Inventory (Beginning Inventory+Ending Inventory)/2	203290477	155224810
<b>Inventory Turnover Ratio</b>	<b>3.270</b>	<b>2.476</b>

### D Trade Receivables Turnover Ratio

Particulars	As at 31.03.2025	As at 31.03.2024
Net Annual Credit Sales	845778942.4	597987377
Average Accounts Receivable	127291927	111943705
<b>Trade Receivables Turnover Ratio</b>	<b>6.644</b>	<b>5.342</b>

Where Average Accounts Receivable = (Opening accounts receivable+closing accounts receivable)/2

**E Trade Payables Turnover Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Net Annual Credit Purchases	671816066.1	408777804
Average Accounts Payable	125971124.6	104212282
<b>Trade Payables Turnover Ratio</b>	<b>5.333</b>	<b>3.923</b>

Where Average Accounts Payables = (Opening accounts payable+closing accounts payable)/2

**F Net Capital Turnover Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Total Sales	945778942.4	667987377
Total Shareholders Equity	1847962741	1707593603
<b>Net Capital Turnover Ratio</b>	<b>0.512</b>	<b>0.391</b>

Total Shareholder's Equity = Equity Share Capital, Other Equity (Share Premium, Investment Subsidy, General Reserve, Capital Reserve (Forfeit of Warrant), Retained Profit on Property, plant and equipment (net of deferred tax), Balance in Profit & Loss

**G Net Profit Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Revenue - Cost	172115716	147546657
Revenue	1037992796	711007263
<b>Net Profit Ratio</b>	<b>0.166</b>	<b>0.208</b>

Revenue = Sale of Products, Interstate Sales-Scrap, Interest Income, Sundry Balances written off/back, Profit on sale of fixed assets, Exchange rate fluctuation, Duty Draw Back Cost = Cost of Material Consumed, "changes in inventories of finished goods, Stock-in-trade and work-in-progress", Employees Benefits Expenses, Finance Cost, Depreciation expenses, Pollution control expenses, Consultancy & legal expense, Rent & Facilities, Electricity charges, security Charges, Printing & Stationery, Communication expense, Insurance, Travelling & Conveyance Expenses, Selling Expenses, Carriage Outwards, Audit Fees, Tax Audit Fees, Certification & Others, Vehicle Maintenance, Miscellaneous Expenses, Sundry balances written off, Stores, Spares & others, Packing Material, Power & Fuels, Repair & Maintenance-Buildings, Repair & Maintenance-Plant & Machinery, Repair & Maintenance- Others, Job Work Charges

**Price risk**

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

**Credit risk**

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in advance, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short- term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset

carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds advances as security from customers to mitigate credit risk.

### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

### **Liquidity risk**

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

The Company primarily uses short-term bank facilities in the nature of bank overdraft facility to fund its ongoing working capital requirements.

### **As Per our report attached**

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm Registration No: 318188E**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**M.No. 053972**  
**UDIN: 25053972BMMKFU7692**

**Place : Hyderabad**  
**Date : 30.05.2025**

### **For and on behalf of the Board**

**Dinesh Kumar Kejriwal**  
**Company Secretary**

**A Santosh Kumar**  
**Chief Financial Officer**

**Arihant Baid**  
**Managing Director**

**ARR Pantulu**  
**Director**

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Board of Directors of Gennex Laboratories Limited**

#### **Report on the Audit of the Consolidated Annual Financial Results**

##### **1. Opinion**

We have audited the accompanying the Consolidated Financial Results of Gennex Laboratories Limited ("the company") for the Quarter & Year ended March 31, 2025 and its Subsidiary (together referred as "the Group") for the year ended March 31, 2025, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulation)

##### **2. In our opinion and to the best of our information and according to the explanations given to us these Consolidated Financial Results:**

- a. are presented in the accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and
- b. Subject to:
  - (i) Confirmations / reconciliations of, The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities, The Impact of the same is unascertained;
  - (ii) Gives true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards (IND-AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31st March, 2025.

##### **3. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report.

We are independent of the Group and its Subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Annual Financial Results.

##### **4. Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the Consolidated Annual Financial Statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its joint ventures/ Subsidiaries in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its Subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Annual Financial Results by the Management and the Directors of the Company, as aforesaid.

In preparing the Consolidated Annual Financial Results, the Management and the respective Board of Directors of the companies included in the Group and of its Subsidiaries are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Subsidiary is responsible for overseeing the financial reporting process of each company.

## **5. Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated Annual Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Annual Financial Results.

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

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its Subsidiary to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Annual Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.
- We communicate with those charged with governance of the Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

## **6. Other Matters**

- a) The consolidated annual financial results include the audited financial results of 1 Subsidiary, whose Financial Statements reflect total assets of ₹ 8,05,102.18 (in thousands), total revenue is ₹ 4,45,338.25 (in thousands), total net profit after tax is ₹ 40,856.97 (in thousands), and net cash outflow of ₹ 66,330.00 (in thousands) for the year ended 31.03.2025, as considered in the Consolidated Annual Financial Results, which have been audited by their respective independent auditors. The Independent Auditors Report on the Financial Statements of these Entities have been furnished to us by the management and our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosure included in respect of these entities, is based solely on the report of such Auditors and the procedures performed by us are as stated in the paragraph above.

Our opinion on the Consolidated Annual Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b) The consolidated annual financial results include the results for the quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No.053972**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No. 053972**

**Place of Signature: Hyderabad**  
**Date: 30th May 2025**  
**UDIN: 25053972BMMKFT3381**

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gennex Laboratories Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (which are included under the head ('Property, plant and equipment')) are held in the name of the Company except for the Land purchased from Mercury Fund Management Co, Ltd in the FY 2009-10 for Rs 7,78,75,000 situated at Survey no 32-IE, 32-IF, 32-IF1 and 32-IF2 at Alkaturre Village Nindra Mandal, Chittoor District (AP) for the purpose of setting up Unit-II. Registration of the same is pending for the reason of conversion from Agricultural Land to Industrial Land.
  - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii As per the information and explanations given to us:
  - a) The inventories except for goods in transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and the procedure of such verification by the Management is appropriate having regard to size of the Company and the nature of its operations. In respect of goods in transit, majority of the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification when compared with books of account.
  - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits to the extent of `Rs. 10.00 crores, in aggregate, from ICICI Bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of closing stock of inventory, receivables and payables filed by the Company with such bank are in agreement with the audited books of account of the Company of the respective quarters.
- iii. The Company has made investments in, Companies and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has not provided any loans or advances in the nature of loan or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the Order is not applicable.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv The Company has not granted loans or provided guarantees or securities to parties covered under Section 185 of the Companies Act, 2013 ("the Act"). The Company has complied with the provisions of section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v The Company has neither accepted deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable
- vi We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacturing activities and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company
- vi The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.
- vii In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2025 on account of any dispute are given below

Sl No.	Nature of Statute	Nature of Dues	Amount Disputed in Lacs	Period to which the amount relates to	From where the dispute is pending
1	CST	Sales Tax	14.57	2007-08	Appellate DC(CT)
	<b>Total</b>				
2	Income Tax	Income Tax	8.22	2001-02	Appellate Authority
	Income Tax	Income Tax	37.36	2002-2003	Appellate Authority
	Income Tax	Income Tax	3.81	2015-16	Appellate Authority
	Income Tax	Income Tax	9.75	2019-20	Appellate Authority
			<b>59.14</b>		

- viii There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix
  - (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of Standalone Financial Statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x In our opinion, money received during the year towards unpaid calls related to right issue of equity shares in an earlier year have been, prima facie, applied by the Company for the purposes for which they were raised. The Company has not raised money by way of Initial Public Offer/ further public offer through debt instruments.
- xi
  - (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year
  - (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed by Cost Auditor or Secretarial Auditor or us, in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
  - (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xvi
  - (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
  - (b) We have considered, the internal audit reports issued during the year and till the date of the audit report covering period upto 31st March, 2025.
- xv We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures. In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act are not applicable to the Company

- xvi (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to obtain Certificate of Registration (CoR) for such activities from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Company does not have any Core Investment Company.
- xvii The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii M/s R Pugalia & Company Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 38<sup>th</sup> Annual General Meeting held in the year 2023 for the financial year 2022-23 till the Conclusion of the 43<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held in the year 2028 for the financial year 2027-28.
- xix 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 and 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 indicating that 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.
- xx There has been qualifications and adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies to be included in the consolidated financial statements.

**R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No: 318188E**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No: 053972**  
**UDIN: 25053972BMMKFT3381**  
**PRN: 015694**  
**Place : Kolkata**  
**Date : 30<sup>th</sup> Day of May 2025**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of M/S Gennex Laboratories Limited (the “Company”) as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to Standalone Financial Statements.

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company’s internal financial control with reference to Standalone 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 Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 ICAI.

**For R Pugalia & Company**  
**Chartered Accountants**  
**Firm's Registration No.053972**

**Rajeev Kumar Pugalia**  
**Proprietor**  
**Membership No. 053972**  
**Place of Signature: Kolkata**  
**Date: 30<sup>th</sup> Day of May 2025**  
**UDIN: 25053972BMMKFT3381**

**Balance Sheet for the Financial Year March 31, 2025 (CONSOLIDATED)**

S.No	Particulars	Note No	As at 31.03.2025	As at 31.03.2023
<b>1</b>	<b>ASSETS</b>			
	<b>Non-Current Assets</b>			
	(i) Tangible Assets			
	Property, Plant and Equipment	3	566,076,551.37	526,994,540
	(ii ) Intangible Assets		29,406,250	29,406,250
	(iii) Capital work-in-progress		52,173,088	23,245,710
	(iv) Pre-Operative Expenses		90,845,614	90,845,614
	Financial Assets			
	Investments in Associate	4(a)	-	-
	Other Investment	4(b)	100,000	100,000
	Other non-current financial assets			
	Deferred Tax Assets (Net)	14	1,759,289	2,305,867
	Other non-current assets	5	8,701,241	8,818,241
	Total non-current assets		<b>749,062,035</b>	<b>681,716,222</b>
<b>2</b>	<b>Current Assets</b>			
	Inventories	6	359,399,197	251,749,619
	Financial Assets			
	Trade receivables	7	141,611,327	178,111,655
	Cash and Cash Equivalents	8(a)	5,528,459	4,785,919
	Bank Balance other than Cash and Cash Equivalents	8(b)	550,160,888	604,963,873
	Other Current Assets	9	707,697,611	552,937,823
	Total Current Financial Assets		<b>1,764,397,482</b>	<b>1,340,799,270</b>
	Current tax assets (Net)		-	-
	Other Current Assets	10	46,893,493	25,592,676
	Total Current Assets		<b>1,811,290,975</b>	<b>1,618,141,565</b>
	<b>Total Assets</b>		<b>2,560,353,010</b>	<b>2,299,857,787</b>
	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	Equity Share Capital	11	227,447,674	227,447,674
	Warrant		57,195,000	57,195,000
	Other Equity	12	1,582,225,000	1,419,172,235
	Non Controlling Interest Net		79,004,105	60,830,756
	Total Equity		<b>1,945,871,779</b>	<b>1,764,645,665</b>
	Non-Current Liabilities			
	Financial Liabilities			
	Other financial liabilities	13	168,930,714	132,164,338
	Total Non-Current Liabilities		<b>168,930,714</b>	<b>132,164,338</b>
	Current Liabilities			
	Financial Liabilities			
	Borrowings	15	102,185,972	57,204,627
	Trade Payables			151,802,999
	Total outstanding dues of MSME's(refer Note)	16(a)		
	Total outstanding dues of creditors other than MSME's (refer Note)	16(b)	131,593,578	
	Other financial liabilities	17	128,182,046	136,916,328
	Total Current Financial Liabilities		<b>361,961,596</b>	<b>345,923,954</b>
	Other Current Liabilities			
	Provisions	18	5,901,258	4,526,035
	Current Tax Liabilities (Net)	19	77,687,662	52,597,795
	Total Current Liabilities		<b>83,588,920</b>	<b>57,123,830</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,560,353,010</b>	<b>2,299,857,787</b>
	<b>Significant Accounting Policies and Notes on Financial Statement</b>	<b>1 to 44</b>		

For and on behalf of the Board

As Per our report attached

 For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFT3381

 Place : Hyderabad  
 Date : 30th May, 2025

**Dinesh Kumar Kejriwal**  
 Company Secretary

**A Santosh Kumar**  
 Chief Financial Officer

**Arihant Baid**  
 Managing Director

**ARR Pantulu**  
 Director

**Statement of Profit and Loss for the year ended 31st March 2025 (CONSOLIDATED)**

S. No	Particulars	Note No	As at 31.03.2025	As at 31.03.2024
<b>I</b>	<b>Income</b>			
	Revenue from Operations	20	1,562,333,299	983,334,502
	Less: GST		183,303,021	116,190,076
			<b>1,379,030,277</b>	<b>867,144,426.00</b>
II	Other Income	21	104,300,767	49,059,288
III	<b>Total Income (I + II)</b>		<b>1,483,331,044</b>	<b>916,203,714.00</b>
IV	Expenses:			
	Cost of materials Consumed	22	1,005,895,585	578,805,294
	Purchase of Stock-in-trade		-	-
	Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	23	(35,058,346)	(90,282,971)
	Employee Benefits expense	24	83,469,821	77,947,693
	Finance Costs	25	36,076,928	30,760,190
	Depreciation expenses	3	19,907,816	23,678,737
	Other Expenses	26	157,566,550	130,376,962
	<b>Total Expenses (IV)</b>		<b>1,267,858,354</b>	<b>751,285,905.00</b>
V	Profit/(Loss) before Exceptional Items & Tax (I - IV)		215,472,690	164,917,809.00
VI	Exceptional Items	27	-	-
VII	<b>Profit before Tax</b>		215,472,690	164,917,809
	Less : Corporate Social Responsibilities		(1,500,000)	
VIII	Tax Expense			
	Adjustment of tax relating to previous years		-	-
	Current Tax		(32,200,000)	(34,100,000)
	Deferred Tax		(546,577)	932,446
	<b>Profit for the year from continuing operations (VII - VIII)</b>		<b>181,226,113</b>	<b>131,750,255</b>
X	Profit / (Loss) for the period from discontinued operations		-	-
XI	Tax Expenses of discontinued operations		-	-
XII	Profit / (Loss) for the period from discontinued operations		-	-
XIII	<b>Profit / (Loss) for the period (IX + XII)</b>		<b>181,226,113</b>	<b>131,750,255</b>
XIV	Other Comprehensive Income			
A (i)	Items that will not be reclassified to Profit or Loss		-	(18,022,663)
(ii)	Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
B (i)	Items that will be reclassified to Profit or Loss		-	-
(ii)	Income Tax relating to items that will be reclassified to Profit or Loss		-	-
XV	Total comprehensive Income for the year (XII + XIV) [Comprising Profit and Other Comprehensive Income for the year]		<b>181,226,113</b>	<b>113,727,592</b>
XVI	Earning per Equity Share for continuing operation in ₹ (Face value per share ₹ 1 each):			
	(1) Basic	28	0.797	0.666
	(2) Diluted		0.783	0.608
XVII	Earning per Equity Share for discontinuing operation:			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per Equity Share (for continuing & discontinued operations)			
	(1) Basic		0.797	0.666
	(2) Diluted		0.783	0.608
	Significant Accounting Policies			
	The accompanying notes are an integral part of these financial statements	1 to 44		

As Per our report attached

For and on behalf of the Board

 For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFT3381

**Dinesh Kumar Kejriwal**  
 Company Secretary

**A Santosh Kumar**  
 Chief Financial Officer

**Arihant Baid**  
 Managing Director

**ARR Pantulu**  
 Director

 Place : Hyderabad  
 Date : 30th May, 2025

**Cash Flow Statement as on March 31, 2025 (CONSOLIDATED)**

	31.03.2025 (₹ in lacs)	31.03.2024 (₹ in lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	2139.96	1649.18
Adjustment for :		
Depreciation and amoratisation expense	199.08	236.79
Finance Cost	360.77	307.60
Interest Income	-957.08	-379.48
Operating Profit before working capital changes	1742.72	1814.09
Adjustment for :		
Trade payables and other liability	-202.09	204.99
Trade receivables	365.00	-839.46
Inventories	-1076.50	-948.25
Financial and other Assets	1763.89	4900.01
Other Current Liabilities	177.07	-
Cash generated from operations	-757.68	-4668.64
Adjustments for :		
Income Taxes paid	-322.00	0.00
Net Cash from operating activities	-1079.68	-4668.64
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-894.68	0.00
Sale of property, plant and equipment	19.97	1535.30
Purchase of Equity Shares		-23.44
Increase in Security Deposit	957.08	379.48
Interest Income	0.00	
Net Cash used in Investing activities	82.37	1891.34
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Capital	0.00	7983.15
Proceeds from others		
Changes in Long Term Borrowings	367.66	-307.17
Changes in Short Term Borrowings (Net)	449.81	0.00
Interest Paid	-360.77	-307.60
Net Cash from Financing activities	456.70	7368.38
Net Increase / (Decrease) in Cash and Cash equivalent (A+B+C)	-540.60	4591.08
Cash and Cash Equivalents as at the beginning of the year	6097.50	1506.42
Cash and Cash Equivalents as at the end of the year	5556.895	6097.50

**Notes:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind-AS)- 7 on Statement of Cash Flow.
- Figures in bracket indicate cash outflow.
- Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable.

**For and on behalf of the Board**

As Per our report attached

 For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFT3381

**Dinesh Kumar Kejriwal**  
 Company Secretary

**A Santosh Kumar**  
 Chief Financial Officer

**Arihant Baid**  
 Managing Director

**ARR Pantulu**  
 Director

 Place : Hyderabad  
 Date : 30th May, 2025

## Statement of Changes in Equity

### A. Equity Share Capital

Notes	Number of shares	Amount
As at 1 April 2018	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2018	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2019	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2020	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2021	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2022	126,503,000	126,503,000
Changes in equity share capital		
As at 31 March 2023	176,643,279	176,643,279
Changes in equity share capital (Fully Paid)	50,804,395	50,804,395
As at 31 March 2024	227,447,674	227,447,674
Changes in equity share capital		
As at 31 March 2025	227,447,674	227,447,674

### B. Other Equity

Particulars	Share Ap- plication Money pending allotment	Equity Compo- nent of application financial Instrument	Reserves & Surplus			Retained Earnings	Debt Instrument through other Com- prehensive Income	Equity Instrument through other Com- prehensive Income	Effec- tive Portion of Cash Flow Hedges	Effective difference on Trans- lation the financial statement	Other Items of Com- prehensive Income (Specify nature)	Money received against share capital	Total
Balance at the beginning of the reporting period 2018			7,250,000	60,000,000	7,222,892	108,436,218							182,909,110
Changes in accounting policy or prior period errors													-
Restated balance at the beginning of the reporting period													-
Total Comprehensive													-
Income for the year						8,357,665							8,357,665
Dividends													-
Transfer to retained earnings													-
Investment Subsidy													-
Any Other Change (Depreciation)													-
Balance at the end of the reporting period 2018			7,250,000	60,000,000	7,222,892	116,793,883							191,266,775
Balance at the beginning of the reporting period 2019			7,250,000	60,000,000	7,222,892	116,793,883							191,266,775
Changes in accounting policy or prior period errors				-	-	-							-

Particulars	Share Application Money pending allotment	Equity Component of application financial instrument	Reserves & Surplus			Retained Earnings	Debt Instrument through other Comprehensive Income	Equity Instrument through other Comprehensive Income	Effective Portion of Cash Flow Hedges	Effective difference on Translation the financial statement	Other Items of Comprehensive Income (Specify nature)	Money received against share capital	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)								
Total Comprehensive Income for the year						22,207,528							22,207,528
Dividends													-
Transfer to retained earnings													-
Investment Subsidy													-
Any Other Change (Depreciation)						-							-
Balance at the end of the reporting period 2019			7,250,000	60,000,000	7,222,892	139,001,411							213,474,303
Balance at the beginning of the reporting period 2020			7,250,000	60,000,000	7,222,892	139,001,411							213,474,303
Changes in accounting policy or prior period errors			-	-	-	-							-
Restated balance at the beginning of the reporting period			-	-	-	-							-
Total Comprehensive Income for the year						18,563,339							18,563,339
Dividends													-
Transfer to retained earnings													-
Investment Subsidy						-							-
Any Other Change						-							-
Balance at the end of the reporting period 2020			7,250,000	60,000,000	7,222,892	157,564,750							232,037,642
Balance at the beginning of the reporting period 2021			7,250,000	60,000,000	7,222,892	157,564,750							232,037,642
Changes in accounting policy or prior period errors			-	-	-	-							-
Restated balance at the beginning of the reporting period			-	-	-	-							-
Total Comprehensive Income for the year						40,381,509							40,381,509
Dividends													-
Transfer to retained earnings													-
Investment Subsidy						-							-
Any Other Change						-							-
Balance at the end of the reporting period 2021			7,250,000	60,000,000	7,222,892	197,946,259							272,419,151
Balance at the beginning of the reporting period 2021			7,250,000	60,000,000	7,222,892	197,946,259							272,419,151
Changes in accounting policy or prior period errors			-	-	-	-							-
Restated balance at the beginning of the reporting period			-	-	-	-							-
Total Comprehensive Income for the year						41,054,523							41,054,523
Dividends													-
Transfer to retained earnings													-
Investment Subsidy						-							-

Particulars	Share Application Money pending allotment	Equity Component of application financial instrument	Reserves & Surplus			Retained Earnings	Debt Instrument through other Comprehensive Income	Equity Instrument through other Comprehensive Income	Effective Portion of Cash Flow Hedges	Effective difference on Translation the financial statement	Other Items of Comprehensive Income (Specify nature)	Money received against share capital	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)								
Any Other Change			7,250,000	60,000,000	7,222,892	239,000,782	-	-	-	-	-	-	-
Balance at the end of the reporting period 2022			7,250,000	60,000,000	7,222,892	239,000,782	-	-	-	-	-	-	313,473,674
Balance at the beginning of the reporting period 2022			-	-	-	-	-	-	-	-	-	-	313,473,674
Changes in accounting policy or prior period errors			-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period			-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive													-
Income for the year						59,131,105							59,131,105
Dividends													-
Transfer to retained earnings													-
Investment Subsidy													-
Any Other Change (Share Premium)				250,701,395									250,701,395
Balance at the end of the reporting period 2023			7,250,000	310,701,395	7,222,892	298,131,887							623,306,174
Balance at the beginning of the reporting period 2023			7,250,000	310,701,395	7,222,892	298,131,887							623,306,174
Changes in accounting policy or prior period errors			-	-	-	-							-
Restated balance at the beginning of the reporting period			-	-	-	-							-
Total Comprehensive													-
Income for the year						102,001,297							102,001,297
Dividends													-
Transfer to retained earnings													-
Investment Subsidy													-
Any Other Change (Share Premium)			2,342,790	691,521,975									693,864,765
Balance at the end of the reporting period 2024			9,592,790	1,002,223,370	7,222,892	400,133,183							1,419,172,235
Balance at the beginning of the reporting period 2024			9,592,790	1,002,223,370	7,222,892	400,133,183							1,419,172,235
Changes in accounting policy or prior period errors			-	-	-	-							-
Restated balance at the beginning of the reporting period			-	-	-	-							-
Total Comprehensive													-
Income for the year						163,052,765							163,052,765
Dividends													-
Transfer to retained earnings													-
Investment Subsidy													-
Any Other Change (Share Premium)													-
Balance at the end of the reporting period 2025			9,592,790	1,002,223,370	7,222,892	563,185,948							1,582,225,000

Note: Re-measurement of defined benefit plans and fair value changes relation to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as part of retained earnings with separate disclosure of such items along with the relevant amounts in the notes.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2025****Note 1 & 2****1. Company Background**

Gennex Laboratories Limited ("the Company") is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 1956. The registered office of the Company is located at Sy.No.133, IDA Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana. The equity shares of the Company are listed on the Bombay Stock Exchange.

The Company is engaged in the business of manufacturing of Bulk Drugs and Intermediaries. The Company has manufacturing facilities in India which caters to both domestic and international markets.

These Consolidated financial statements for the year ended March 31, 2025 were authorized and approved for issue by the Board of Directors on May 30, 2025.

**2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1. Basis of Preparation****(i) Compliance with Ind AS**

The Consolidated Financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The Consolidated financial statements have been prepared on going concern basis under the historical cost except for the following:

- Certain Financial assets and liabilities which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value; and
- Contingent Consideration

**(iii) Current versus non-current classification**

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

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

#### **(iv) Rounding of amounts**

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

## **2.2 Properties, plant and equipment (PPE) Recognition and initial measurements**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in consolidated statement of profit or loss as incurred.

### **Depreciation method, estimated useful lives and residual values**

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II of the Companies Act, 2013.

Cost of the leasehold land is amortized on a straight-line basis over the term of the lease.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **De-recognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the Difference between the net disposal proceeds and the carrying amount of the asset) is included in the other income/other expenses when the asset is derecognized.

## **2.3 Intangible Assets**

### **Recognition and initial measurement**

Intangible assets (including software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### **Amortisation method and period**

Computer software is amortised on a pro-rata basis using the straight-line method over its estimated useful life of 3 years from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end. Investment Properties.

## **2.4 Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's

carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group or assets (cash-generating units). The Company's corporate assets (eg. Central office building for providing support to various CGUs) do not generate independent cash flows. To determine impairment of corporate assets, recoverable amount is determined for the CGUs to which the corporate assets belongs.

## **2.5 Inventories**

- Stores & Spares are valued at cost or at net realizable value, whichever is lower. Cost is arrived at Weighted Average Basis.
- Raw Material, Semi-Finished Goods, Finished Goods are valued at Cost or Market Value whichever is lower. Cost is arrived at FIFO method.
- Obsolescence and Damaged materials are valued at Realizable Value.

## **2.6 Operating Leases**

### **As a lessee**

Leases of property, plant and equipment where the Company, as a lessee, has substantial risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are clarified as operating leases. Payments made under operating leases are charges to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **As a Lessor**

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary costs increases. The respective leased assets are included in the Balance Sheet based on their nature.

## **2.7 Investment and other financial assets**

### **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

## **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### **Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other income'.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Consolidated Statement of Profit and Loss within 'Other income' in the period in which it arises.

### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other income' in the Consolidated Statement of Profit and Loss.

## **(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **(iv) De-recognition of financial assets**

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **(v) Income recognition Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

#### **Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### **(vi) Fair value of financial instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

### **2.8 Derivative instruments**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other income'/'Other expenses'.

### **2.9 Offsetting 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.

### **2.10 Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### **2.11 Cash and Cash equivalents**

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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.

## **2.12 Trade payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **2.13 Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## **2.14 Non-current assets (or disposal groups) held for sale**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

## **2.15 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

**Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**2.16 Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

**2.17 Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**2.18 Foreign currency transactions and translation****(i) Functional and presentation currency**

Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (Rupees or ₹), which is the Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Consolidated Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within 'Other income'/'other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**2.19 Employee benefits****(i) Short-term employee benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment benefits Defined benefit plans**

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Consolidated Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of Independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

During the Year the Company has not renewed the group gratuity scheme policy held with The Life Insurance Corporation of India (LIC). Therefore, gratuity valuation has been done through Independent agency as per Ind-AS19 (Employee Benefits). As per the valuation made by the Independent Agency the present value of accrued gratuity comes to ₹ 9,96,923/- on estimates of discounts @ 6.68% and escalation on salaries @ 5% which has taken in Notes to accounts.

#### **Defined contribution plans**

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

#### **(iii) Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **2.20 Income Taxes**

Tax expense recognized in consolidated statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly inequity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax

assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or inequity).

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

## **2.21 Provision and Contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

## **2.22 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

## **2.23 Earnings per share**

### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

### **(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **2.24 Segment Reporting**

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard – 17 issued by the Institute of Chartered Accountants of India is considered as a single segment– Ref. Note 31D.

## **2.25 Critical estimates and judgments**

The preparation of Consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these Consolidated financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of un-collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

**Note 3: Property, plant and equipment**

Particulars	Land	Factory buildings	Plant and equipments (d)	Furniture and fixtures	Vehicles	Other Assets	Capital Work in Progress	Total
Gross carrying amount								
Cost/deemed cost as at 1st April 2017	84,181,540	16,978,278	137,742,636	27,475,057	13,572,142		2,319,990	282,269,643
Additions	-	3,283,977	5,759,878	896,502	-		-	9,940,357
Disposals / deductions	-	-	624,000	-	-		2,319,990	2,943,990
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2018	84,181,540	20,262,255	142,878,514	28,371,559	13,572,142		-	289,266,010
Additions	-	-	8,907,690	1,507,609	-		-	10,415,299
Disposals / deductions	-	-	-	-	-		-	-
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2019	84,181,540	20,262,254	151,786,204	29,879,169	13,572,142		-	299,681,309
Additions	-	-	2,740,000	205,344	-		-	2,945,344
Disposals / deductions	-	-	-	-	-		-	-
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2020	84,181,540	20,262,254	154,526,204	30,084,513	13,572,142		-	302,626,653
Additions	-	-	559,000	189,733	39,017		-	787,750
Disposals / deductions	-	-	-	-	-		-	-
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2021	84,181,540	20,262,254	155,085,204	30,274,246	13,611,159		-	303,414,404
Additions	-	-	1,279,892	619,933	1,996,884		-	3,896,709
Disposals / deductions	-	-	-	-	1,168,448		-	1,168,448
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2022	84,181,540	20,262,254	156,365,096	30,894,179	14,439,595		-	306,142,665
Additions	-	1,494,738	17,810,568	387,329	2,530,792		-	22,223,427
Disposals / deductions	-	-	-	-	2,180,926		-	2,180,926
Subsidiary - Deccan Remedies Ltd	30,662,643	143,646,995	255,009,701	6,722,350	916,139	88,688,266	207,917	525,854,011
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2023	114,844,183	165,403,987	429,185,365	38,003,858	17,886,526	88,688,266	207,917	852,039,177
Additions	1,100,000	-	540,300	474,550	12,508,940		13,798,500	28,422,290
Disposals / deductions	5,978,149	45,121,095	99,422,289	699,729	916,139		207,917	152,345,318
Subsidiary - Deccan Remedies Ltd	-	-	9,159,852	65,018	-		9,447,210	18,672,080
Transfer to assets classified as held for sale	-	-	-	-	-		-	-
As at 31st March 2024	109,966,034	120,282,892	339,463,228	37,843,697	29,479,327	88,688,266	23,245,710	746,788,228
Additions	8,180,000	14,127,048	18,063,020	3,787,221	2,983,381	-	12,443,312	59,583,982
Disposals / deductions	-	-	-	-	1,996,884	-	-	1,996,884
Subsidiary - Deccan Remedies Ltd	-	223,200	13,006,669	170,340	-	-	16,484,066	29,884,275

Particulars	Land	Factory buildings	Plant and equipments (d)	Furniture and fixtures	Vehicles	Other Assets	Capital Work in Progress	Total
Transfer to assets classified as held for sale	-	-	-	-	-	-	-	-
As at 31st March 2025	118,146,034	134,633,140	370,532,917	41,801,258	30,465,824	88,688,266	52,173,088	834,259,601
Accumulated depreciation								
As at 1st April 2017	-	9,386,325	87,870,485	20,921,444	6,679,998		-	124,858,252
Charge for the year	-	549,740	5,508,986	1,804,988	1,354,735		-	9,218,449
Disposals / deductions	-	-	624,000	-	-		-	624,000
As at 31st March 2018	-	9,936,065	92,755,471	22,726,432	8,034,733		-	133,452,701
Charge for the year	-	601,427	5,957,115	1,950,759	1,338,115		-	9,847,416
Disposals / deductions	-	-	-	-	-		-	-
As at 31st March 2019	-	10,537,493	98,712,586	24,677,193	9,372,846		-	143,300,117
Charge for the year	-	601,427	6,218,195	1,906,491	1,323,598		-	10,049,711
Disposals / deductions	-	-	-	-	-		-	-
As at 31st March 2020	-	11,138,920	104,930,781	26,583,683	10,696,444		-	153,349,828
Charge for the year	-	601,427	5,979,337	1,182,425	1,044,189		-	8,807,377
Disposals / deductions	-	-	-	-	-		-	-
As at 31st March 2021	-	11,740,347	110,910,118	27,766,108	11,740,633		-	162,157,205
Charge for the year	-	601,427	5,295,214	933,794	1,054,181		-	7,884,616
Disposals / deductions	-	-	-	-	881,539		-	881,539
As at 31st March 2022	-	12,341,774	116,205,332	28,699,902	11,913,275		-	169,160,282
Charge for the year	-	609,223	5,408,446	781,426	644,675		-	7,443,770
Charge for the year- Subsidiary- Deccan Remedies Ltd	-	259,739	606,109	43,542	-	247,235	-	1,156,625
Disposals / deductions	-	-	-	-	2,180,926		-	2,180,926
As at 31st March 2023	-	13,599,852	127,743,214	30,003,540	13,361,419	247,235	-	175,579,751
Charge for the year	-	648,855	6,129,436	522,212	803,469		-	8,103,972
Charge for the year- Subsidiary- Deccan Remedies Ltd	-	3,822,787	11,119,802	586,405	45,772		-	15,574,765
Disposals / deductions	-	605,725	2,054,222	5,091	45,472		-	2,710,510
As at 31st March 2024	-	17,465,769	142,938,229	31,107,066	14,165,189	247,235	-	196,203,376
Charge for the year	-	648,855	3,591,904	704,103	2,750,282		-	7,695,144
Charge for the year- Subsidiary- Deccan Remedies Ltd	-	3,291,367	8,363,429	557,876	-		-	12,212,672
Disposals / deductions	-	-	-	-	790,433		-	790,433
As at 31st March 2025	-	21,405,991	154,893,561	32,369,045	16,125,038	247,235	-	215,320,760
Net carrying amount								
As at 31st March 2024	109,966,034	102,817,124	196,524,999	6,736,631	15,314,139	88,441,031	23,245,710	550,240,250
As at 31st March 2025	118,146,034	113,227,150	215,639,355	9,432,213	14,340,786	88,441,031	52,173,088	618,249,639

**Note 4: FINANCIAL ASSETS**

Particulars	As at 31.03.2025	As at 31.03.2024
<b>Unquoted</b>		
<b>a. Investment in Associates</b>		
6336165 Equity Shares of ₹ 10/- each fully paid up		
in Deccan Remedies Limited	-	-
b. Other Investments	-	
<b>1000 Equity Shares of ₹ 100/- each fully paid up</b>	-	
in Progressive Effluent Treatment Limited	100,000	100,000
	-	
	-	
<b>Total</b>	<b>100,000.0</b>	<b>100,000.0</b>

**Note 5: Other Non Current Assets**

Particulars	As at 31.03.2025	As at 31.03.2024
	-	
<b>Security Deposit</b>	<b>8,701,241.20</b>	<b>8,818,241</b>
	-	
	-	
<b>Total</b>	<b>8,701,241.20</b>	<b>8,818,241</b>

**Note 6: Inventories (As valued and certified by Management) Valued at lower of Cost and net realisable value**

Particulars	As at 31.03.2025	As at 31.03.2024
Stores & Spares	7,740,176.00	4,186,225
Packing Material	1,996,708.00	799,131
Coal & Diesel	403,480.50	389,420
Raw Materials	99,634,733.00	31,809,089
Finished Goods	114,941,450.00	111,392,979
Work-in-process	134,682,649.50	103,172,775
<b>Total</b>	<b>359,399,197.00</b>	<b>251,749,619</b>

**Note 7: Trade Receivables**

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Receivables	141,611,327	178,111,655.00
Receivables from Related Parties		
Less: Loss Allowance		
Total Receivables		178,111,655.00
Current Portion	134,897,715	170,453,038.00
Non-current Portion	6,713,612	7,658,617.00
Break-up of security details		
Trade Receivables considered good - secured		
Trade Receivables considered good - unsecured	141,611,327	178,111,655.00
Trade Receivables - which have significant increase in credit risk		-
Trade Receivables - credit impaired		-
<b>Total</b>	<b>141,611,327</b>	<b>178,111,655.00</b>

**a. Trade receivables are non-interest bearing and are generally on terms of up to 90 days.**

Particulars	Outstanding for following period from due date of payment				
	Less than 6 Months	6 Months to 1 Year	01 to 02 Years	02 to 03 Years	More than 3 Years
i) Undisputed Trade receivables - considered good	113,351,821	3,832,193	15,607,918	2,105,783	6,713,612
ii) Undisputed Trade receivables - considered good which have significant increase in credit risk					
iii) Undisputed Trade receivables - credit impaired					
iv) Disputed Trade receivables - considered good					
v) Disputed Trade receivables - considered good which have significant increase in credit risk					
vi) Disputed Trade receivables - credit impaired					

**Note 8: Cash and Cash Equivalents**

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Cash on hand	5,528,459.45	4,785,919
(b) Balances with Banks		
(i) In Current Accounts	70,363,846.65	122,083,271
(ii) In Deposit Accounts - (Margin Money against LCS/BG )	9,797,041.18	7,436,770
(iii) Fixed Deposit with Bank	470,000,000.00	400,000,000
(iv) Cheques in hand	-	75,443,832
<b>Total</b>	<b>555,689,347.28</b>	<b>609,749,792</b>

**Note 9: OTHER FINANCIAL ASSETS - SHORT TERM LOANS & ADVANCES**

Particulars	As at 31.03.2025	As at 31.03.2024
<b>(Unsecured, considered good, recoverable in cash or in kind for value to be received)</b>		
(a) Loans and advances to related parties		-
Unsecured, considered good		
(b) Loans and advances to employees	58,820,528.81	34,204,510
Unsecured, considered good	-	
(c) Advances to Contractors, Suppliers	118,279,975.72	21,725,352
Unsecured, considered good	-	
(d) Advances recoverable cash or in kind	250,579,329.00	105,562,955
(e) Inter Corporate Deposits	280,017,777.00	391,445,006
<b>Total</b>	<b>707,697,610.53</b>	<b>552,937,823.00</b>

**Note 10: OTHER CURRENT ASSETS**

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Prepaid Expenses	2,593,387.00	3,464,886
Unsecured, considered good	-	
(b) Balances with Government Authorities	-	
Unsecured, considered good	-	
(i) GST credit receivable	21,098,223.99	10,554,931
(ii) Balances with Central Excise Deptt	8,311,717.69	-
(iii) Meis claim receivable	842,256.00	725,441
(c) Accrued Interest	3,545,499.00	852,698
(d) Advance I.Tax/TDS	2,110,356.00	1,602,666
(e) Right/Preferential Issue Expenses	8,078,040	8,078,040
(f) Preliminary & Public Issue Expenses	314,013.00	314,013
<b>Total</b>	<b>46,893,492.68</b>	<b>25,592,676</b>

**Note 11: SHARE CAPITAL**

Particulars		As at 31.03.2025	As at 31.03.2024
	<b>AUTHORISED CAPITAL</b>		
	<b>Equity Shares</b>		
	250,000,000 Equity Shares of ₹ 1/- each		
	<b>(Previous Year 250,000,000 Equity Shares of ₹ 1/- each)</b>	250,000,000.00	250,000,000.00
<b>11.1</b>	<b>ISSUED SHARES</b>		
	<b>Equity Shares</b>		
	239854500 Equity Shares of ₹ 1/- each		
	<b>(Previous Year 239854500 Equity Shares of ₹ 1/- each)</b>	239,754,500.00	239,754,500.00
	<b>Total</b>		<b>239,754,500.00</b>
<b>11.2</b>	<b>SUBSCRIBED And Fully PAID UP Shares</b>		
	<b>Equity Shares</b>		
	<b>227447674 Equity Shares of ₹ 1/- each</b>		
	(Previous Year 227447674 Equity Shares of ₹ 1/- each)	227,447,674.00	227,447,674.00
	SUBSCRIBED BUT NOT Fully PAID UP Shares		
	<b>Partly Paidup Equity Share</b>		-
	(Previous Year Nil Equity Shares of ₹ 1/- each)		
	Forfeited Shares (amount originally paid up)		-
	<b>Total subscribed and paid up share capital</b>	<b>227,447,674.00</b>	<b>227,447,674.00</b>
	<b>Warrant (Partly Paid)</b>		<b>57,195,000.00</b>
<b>11.2.1</b>	<b>(a) The reconciliation of the no of shares outstanding at the beginning and at the end of the year:</b>		
	At the beginning of the year	227,447,674	176,643,279
	Outstanding at the end of the year	227,447,674	227,447,674
	<b>(b) Terms/rights attached to equity shares</b>		
	The Company has only one class of equity shares having a part value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuring 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 shareholders.		
<b>11.2.2</b>	<b>The details of share holders holding more than 5% shares:</b>		
	Premier Fiscal Services (P) Ltd	37538000	37,538,000
		16.50%	16.50%

**Note 12: OTHER EQUITY**

Particulars	As at 31.03.2025	As at 31.03.2024
Share Premium	1,002,223,370.00	1,002,223,370.00
Investment Subsidy	2,000,000.00	2,000,000.00
General Reserve	7,222,892.00	7,222,892.00
Capital Reserve (Forfeit of warrant)	7,250,000.00	7,250,000.00
Capital Reserve (Forfeit of Shares)	2,342,790.00	2,342,790.00
Retained Profit on Property, plant and equipmen (net of deferred tax)	(1,407,367.00)	(1,407,367.00)
Balance in Profit & Loss	-	
Balance at the beginning of the year	381,367,202.00	285,812,958.00
Add: Profit for the year	181,226,113.06	113,727,592.00
Balance at the Closing of the year	562,593,315.06	399,540,550.00
<b>TOTAL</b>	<b>1,582,225,000</b>	<b>1,419,172,235.00</b>

**Note 13: OTHER FINANCIAL LIABILITIES**

Particulars	As at 31.03.2025	As at 31.03.2024
Yes Bank	-	1,108,560
<b>ICICI BANK LOAN ACCOUNT NO.LAHYD00049662160 (BENZO)</b>	6,705,181.00	8,510,904
YES BANK XUV 700	287,764.00	
<b>ICICIBANKLOANACCOUNTNO.XEV9ECARLOANLAHYD000508968223</b>	1,608,348.00	
ICICI Bank Term Loan A/C'S	27,516,017.71	114,583,362
ICICI Bank Term Loan A/c. No.603090024459	-	3,368,178
<b>ICICI Bank Term Loan A/c. No IUBD A/C</b>	104,475,708.93	
ICICI ECLGS LOAN A/C No.006955000064	-	4,593,334
Vab Ventures	100,000.00	
Advance from Holding Company	-	
Prudential sugaar	28,237,694.00	
<b>Total</b>	<b>168,930,713.64</b>	<b>132,164,338</b>

**Note 14: Deferred Tax (Liability)/Assets**

Particulars	As at 31.03.2025	As at 31.03.2024
a) Difference between Book & Tax Depreciation ( Liability )	5,658,203.07	3,982,586
b) Others	(5,111,625.83)	(4,915,031)
<b>Total</b>	<b>546,577.24</b>	<b>(932,446)</b>
Net Deferred Tax Liability/(Assets)	546,577.24	(932,446)

**Note 15: CURRENT BORROWINGS**

Particulars	As at 31.03.2025	As at 31.03.2024
<b>Secured</b>		
<b>From Banks - Secured</b>		
<b>ICICI BANK LTD c/c a/c</b> (The due to ICICI Bank Limited - Secured by means of Hypothecation of Stocks of Raw Material, Semi Finished & Finished Goods, Stores & Spare parts and Book-debts and First Charge on the Fixed Assets of the Company and personal guarantee of One Director)		-
ICICI Bank Term Loan A/c. - Deccan	26,116,076.00	24,999,972
<b>ICICI BANK LTD - CC Loan - (Secured against exclusive first charge on Fixed Assets of the Company)</b>	63,643,645.00	23,732,475
<b>ICICI Bank Term Loan A/c. No.603090024459</b>	2,245,452.00	2,245,452
<b>ICICI ECLGS LOAN A/C No.006955000064</b>	2,756,000.00	2,756,000
<b>ICICI ECLGS LOAN A/C No.TERM LOAN A/CS</b>	4,321,800.00	1,090,909
<b>ICICI FDOD ACCOUNT</b>	366,650.00	
<b>ICICI BANK LOAN ACCOUNT NO.XEV 9E CAR LOAN LAHYD000508968223</b>	391,652.00	
<b>Loan - Secured</b>	-	
<b>(Secured against the hypothecated assets procured out of Loan )</b>	-	
<b>ICICI BANK LOAN ACCOUNT NO.LAHYD00049662160 (BENZO)</b>	1,805,723.00	1,489,096
YES BANK	538,974.00	890,723
<b>Total</b>	<b>102,185,972.00</b>	<b>57,204,627</b>

**Note 16: Trade Payables**

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Payable	131,593,578.12	151,802,999
<b>Total</b>	<b>131,593,578.12</b>	<b>151,802,999</b>

16.1 Dues to Micro, Small and Medium enterprises has been determined to be ₹ 17587394/-

(Previous Year ₹ 25211408/-) to the extent such parties have been indentified on the basis of information available with the company.

16.2 Trade payables are non-interest bearing and normally settled within 90 days term.

Particulars	Outstanding for following period from due date of payment				
	Less than	01 to 02	02 to 03	More than	Total
	1 Year	Years	Years	3 Years	
i) MSME	17,587,394	-	0	0	17,587,394
ii) Others	101,993,626	3,558,286	4830585	3623687	114,006,184
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

**Note 17: Other Current Liabilities**

Particulars	As at 31.03.2025	As at 31.03.2024
Creditors for Capital Goods	13,991,738	2,849,838
Advances from Customers	59,925,489	83,225,371
Other Liabilities	54,264,819	50,841,119
<b>Total</b>	<b>128,182,046</b>	<b>136,916,328</b>

17.1 Other liabilities consist of PF, ESI, SERVICE TAX, TDS, GST and TCS payable etc

**Note 18: PROVISIONS**

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for leave encashment	<b>5,901,258.00</b>	4,526,035
<b>Total</b>	<b>5,901,258.00</b>	<b>4,526,035</b>

**Note 19: CURRENT TAX LIABILITIES**

Particulars	As at 31.03.2025	As at 31.03.2024
Current Tax Liabilities (Net)	<b>77,687,662.32</b>	52,597,795
<b>Total</b>	<b>77,687,662.32</b>	<b>52,597,795</b>

**Note 20: REVENUE FROM OPERATION**

Particulars	As at 31.03.2025	As at 31.03.2024
Sale of Products	1,558,826,338.50	907,196,328
Other Operating Revenues	3,506,960.00	76,138,174
	1,562,333,298.50	983,334,502
LESS: GST	183,303,021.07	116,190,076
<b>Net Revenue from Operation</b>	<b>1,379,030,277.43</b>	<b>867,144,426</b>

**Note 21: OTHER INCOME**

Particulars	As at 31.03.2025	As at 31.03.2024
Interest Income (TDS ₹ 7237434 /- Previous Year ₹ 3490685/-)	95,708,388.62	37,947,730
RODTEP RECEIVED	2,149,068.00	-
OTHER COMPREHENSIVE INCOME	1,677,684.00	-
SUNDRY BALANCE WRITTEN OFF	-	8,140
PROFIT ON SALE OF FIXED ASSETS	<b>-206,451.00</b>	5,785,828
Exchange Rate Fluctuation	<b>2,393,965.67</b>	1,759,451
Duty Draw back	<b>2,292,301.44</b>	3,558,140
MISCELLANEOUS INCOME	<b>285,810.00</b>	
<b>Total</b>	<b>104,300,766.73</b>	<b>49,059,288</b>

**Note 22: COST OF RAW MATERIAL CONSUMED**

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Stock of Raw material	31,809,089.00	25,817,405
Add: Purchases during the year	1,073,721,229.13	584,796,978
<b>Total</b>	<b>1,105,530,318.13</b>	<b>610,614,383</b>
Less: Closing Stock of Raw material	99,634,733.00	31,809,089
<b>Cost of Raw Material Consumed</b>	<b>1,005,895,585</b>	<b>578,805,294</b>

**Note 23: CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & WORK IN PROGRESS**

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Stocks		
Work in Progress	103,172,775.00	52,394,901
Finished Goods	111,392,979.00	71,887,882
<b>Total</b>	<b>214,565,754.00</b>	<b>124,282,783</b>
Closing Stocks		
Work in Progress	134,682,649.50	103,172,775
Finished Goods	114,941,450.00	111,392,979
	-	-
<b>Total</b>	<b>249,624,099.50</b>	<b>214,565,754</b>
<b>Changes in Stock</b>	<b>(35,058,345.50)</b>	<b>(90,282,971)</b>

**Note 24: EMPLOYEE BENEFITS EXPENSE**

Particulars	As at 31.03.2025	As at 31.03.2024
Salaries, Wages and bonus	75,588,969.00	69,567,820.00
Contributions to Provident and other funds	2,421,599.00	2,799,270.00
Gratuity	93,461.00	1,128,106.00
Staff Welfare expenses	5,365,791.50	4,452,497.00
<b>Total</b>	<b>83,469,820.50</b>	<b>77,947,693.00</b>

**Note 25: FINANCE COST**

Particulars	As at 31.03.2025	As at 31.03.2024
Interest and Finance Charges	36,076,928.07	30,760,190.00
<b>Total</b>	<b>36,076,928.07</b>	<b>30,760,190.00</b>

**Note 26: OTHER EXPENSES**

Particulars	As at 31.03.2025	As at 31.03.2024
Pollution control expenses	16430539.00	14,438,423.00
Consultancy & Legal Expenses	5801407.00	2,812,007.00
Rent & Facilities	3035614.00	965,529.00
Electricity Charges	183095.68	788,766.00
Security Charges	2488871.00	2,173,728.00
Printing & Stationery	1477941.68	1,194,293.00
Communication Expenses	876338.02	872,602.00
Insurance	2138275.58	1,348,329.00
Travelling & Conveyance Exp.	10994475.40	5,714,571.00
Selling Expenses	8712638.55	6,849,358.00
Carriage Outwards	15597692.32	9,293,691.00
Auditors' Remuneration:	0.00	
i. Audit Fees	337000.00	211,000.00
ii. Tax Audit Fees	0.00	35,000.00
iii. Certification & Others	0.00	87,500.00
iv. Audit Fees - Branch	0.00	-
Vehicle Maintenance	1192108.00	1,305,919.00
Miscellaneous Expenses	8952251.53	9,582,225.00
Sundry Balances Written Off ( Net )	0.00	-
Stores, Spares & Others	9770121.79	10,830,320.00
Packing Material	14368711.00	10,988,998.00
Power & Fuels	46907648.03	45,954,713.00
Repairs & Maintenance – Buildings	717793.00	890,702.00
Repairs & Maintenance - Plant & Machinery	4280964.00	2,411,459.00
Repairs & Maintenance - Others	1152404.00	448,776.00
Job Work Charges	1626655.00	1,179,053.00
RATES & TAXES	524005.00	
<b>Total</b>	<b>157,566,549.58</b>	<b>130,376,962.00</b>

**Note 27: EXCEPTIONAL ITEMS**

Particulars	As at 31.03.2025	As at 31.03.2024

**Note 28: EARNING PER SHARE**

Particulars	As at 31.03.2025	As at 31.03.2024
Net Profit the basic EPS	181,226,113.06	113,727,592.00
Weighted Average No.of Shares	227,447,674	186,817,062
Annualized Basic Earning per share (Basic and Diluted)	1.255	0.609

**Note 29: EARNING PER SHARE**

S.No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
i)	Income-tax where appeals/Petitions are pending with Various Authorities	*59.14	*59.14
ii)	Sales Tax where Appeal is pending	*14.57	*14.57
iii)	Rent of Office Payable where case is pending	*24.53	*24.53
	*Company is hopeful of complete relief, hence no provision is made.		

S. No	Nature of Statute	Nature of Dues	Amount Rs in Lacs	Period to which the amount relates to	Forum where the dispute is pending
1	CST	Sales Tax	14.57	2007-08	Appellate DC (CT)
	Total		14.57		
				Asstt Year	
2	Income Tax	Income Tax	8.22	2001-02	Appellate Authority
		Income Tax	37.36	2002-03	Appellate Authority
		Income Tax	3.81	2015-16	
		Income Tax	9.75	2019-20	
	Total		59.14		
3	Rent of Office	Rent	24.53		Hon'ble Civil Court
	Total		24.53		

'Based on the experiences, the management is of the opinion that the above cases would be in favour of the company.  
'However in case of loss then there could be significant impact on the financial statement of the company.

**30. Additional informatio pursuant to paragraphs 5 (viii) of part II of Schedule VI to the Companies Act,1956 are as follows:**

S. No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
A.	C.I.F. value of imports by the Company (Excluding imported items purchased locally)		
	Raw Materials	24,110,598	16,744,772
B.	Expenditure in foreign currency during the year:		
	a) Foreign Travel Expenses	988,914	60,220
	b) Sales Commission	9,229,614	2,348,797
	c) Bank Charges	303,558	388,447
	d) Business Promotion Charges	-	-

**C. Details of consumption of imported and indigenous items**

Particulars	As on 31.03.2025 ₹	As on 31.03.2024 %	As on 31.03.2024 ₹	As on 31.03.2024 %
Imported				
Raw Material	24,110,598	2%	20476013	5%
Indigenous				
Raw material	981,784,987	98%	388301791	95%
Stores, Spares Parts & Components	9,770,121.79	100%	6420054	100%
<b>Total</b>	<b>1,015,665,706.92</b>		<b>415197858</b>	

Note: Figures/percentages in brackets relates to the previous year.

## D. Segment Details

The Company is engaged in manufacture of Bulk Drugs & Intermediates which in the context of Accounting Standard- 17 issued by the Institute of Chartered Accountants of India is considered as a single segment.

The geographic segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:

₹ IN LACS

Geographic Segment	Revenue for the Year ended 31.03.2025	Segment assets as at 31.03.2025	Revenue for the Year ended 31.03.2024	Segment assets as at 31.03.2024
ALGERIA	6.81	0	51.06	0
BANGLADESH	15.2	0	0	0
BARZIL	12.51	0	2.24	0
BOLIVIA	3.14	0		
COLOMBIA	492.7	84.32	9.32	0.68
CZECH REPUBLIC	4.57	0	2.11	0
CHINA	0	0	22.51	0
EGYPT	520.06	0	203.04	94.38
ELSALVADOR	251.55	105.68	77.00	0.00
GERMANY	28.28	0	126.16	4.33
GUATEMALA CITY	96.82	11.36	156.25	0
IRAN	0.00	22.2	1.87	22.20
MEXICO	285.07	252.88	0	0
PERU	278.94	74.94	139.98	49.35
RUSSIA	0	0.00	43.00	0
SAUDI ARABIA	0	0.00	59.18	18.09
SPAIN	41.26	0.00	371.84	5.86
SWITZERLAND	0	0.00	0	0
TURKEY	1.62	0.00	1.79	0
THAILAND	24.95	0.00	18.48	32.90
UAE	86.51	0.00	10.21	0
VIETNAM	1092.51	0.00	956.74	109.20
INDIA	6215.29	637.67	4427.09	1019.79
<b>TOTAL</b>	<b>9,457.79</b>	<b>1,189.05</b>	<b>6,679.87</b>	<b>1,356.78</b>

	For the year ended 31.03.2025	For the year ended 31.03.2024
Earning in Foreign Currency on F.O.B. basis		
Export of Goods	303,694,348	211,126,323

### 31. RELATED PARTIES DISCLOSURES

Name of related parties and related party relationship

Related parties with whom transactions have taken place during the year

Enterprise having significant influence on the Company

#### Key Management Personnel/Directors

Mr. Arihant Baid : Managing Director

Mr. Dilip Raj Singhvi : Independent Director (appointed w.e.f.01.10.2024)

Ms. Shilpa Bung : Independent Director & Women Director (appointed w.e.f.01.10.2024)

Mr. Y Ravinder Reddy : Independent Director (retired w.e.f.30.09.2024)

Ms. Sadhana Bhansali : Independent Director & Women Director (retired w.e.f.30.09.2024)

Mr. A S Nageswar Rao : Independent Director

Dr. A R R Pantulu : Non-Executive Director

Dr. S CH Dharma Rao : Non-Executive Director (resigned w.e.f.30.05.2025)

Mr. Sandeep Kumar Daga : Non-Executive Director (appointed w.e.f.30.05.2025)

Mr. Mohammed Khaleequr Rahman : Non-Executive Director (appointed w.e.f.06.09.2024 and resigned w.e.f.14.02.2025)

Mr. K V L N Bhaswanth : Chief Operating Officer

Mr. Laxmipat Baid : Chief Financial Officer (resigned w.e.f.13.08.2024)

Mr. Akkali Santosh Kumar : Chief Financial Officer (appointed w.e.f.12.11.2024)

Mr. Dinesh Kumar Kejriwal : Company Secretary & Compliance Officer

Relative of Key Management Personnel/Directors

Mr Vinod Baid

Enterprise owned or significantly influenced by Key

Management Personnel/Directors or their relatives

(Deccan Remedies Limited)

Relative of Key Management Personnel/Directors

Mr. Arihant Baid (Managing Director)

#### 31.1 Remuneration of Key Personnel/Directors

S.No	Name & Relationship	Nature of Transaction	Year ended	Amount (₹)
1	Mr. Arihant Baid	Remuneration	31.03.2025	30,28,800
	Managing Director	Remuneration	31.03.2024	30,28,800
2	Mr. Akkali Santosh Kumar	Remuneration	31.03.2025	6,45,000
	Chief Financial Officer	Remuneration	31.03.2024	-
3	Mr. Dinesh Kumar Kejriwal	Remuneration	31.03.2025	11,73,420
	Company Secretary	Remuneration	31.03.2024	8,20,026

## 32. Employees Benefits:-

### 32.1 Company has not renewed the Group Gratuity Scheme with LIC.

Therefore, Gratuity Valuation has been done through independent agency as per Ind AS 19. As per the Valuation made by the Independent Agency, the present accrued gratuity comes to ₹ 996923/- (previous Year ₹ 1128106) on estimate of discounts @ 6.68% (7.10%) and escalation on salary @ 5% (5%).

### 32.2 Defined Contribution Plan:

Contribution to defined contribution plan, recognized as expenses for the year are as under:

Employer's Contribution to Provident/Pension Fund - ₹ 2217425/- (Previous Year ₹ 2302893/-)

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund managed by the Central Government.

#### Leave Encashment: -

The Company has provided a sum of ₹ (1375223) (Previous Year ₹ 1525829) towards Leave encashment based on actuarial valuation.

**33.** Balance in Advances, Deposits, Unsecured loans, other Liabilities, Trade Receivables, Trade Payables and advances against suppliers are subject to confirmation by respective parties.

**34.** Fixed Assets includes land for which Registration has been done during the year.

**35.** The Company's Lease Agreement in respect of Building at Srinagar Colony. The Lease Rentals payable are charged as "Lease Rental Charges" under "Other Expenses" in Note No - 26. This leasing arrangement is for longer period and renewable by mutual consent on mutually agreeable terms. Future lease rental payable are as under:

The company has not provided Amount of ₹ 2453160/- towards rent of the office premises for the period Jan 2023 to Mar 2024, Since Damage caused to the company's assets due to heavy seepage of Water inside the office premises exceeds the rental amount payable to landlord

The Landlord has filed the Civil Suit before the Hon'able City Civil court of Hyderabad in OS 363 of 2023

The Matter is Sub-judice before the Hon'able Court and We are confident that the Case will be decided in our Favour.

(₹ in Lakhs)

Particulars	As at March 31, 2025*	As at March 31, 2024
Payable:		
Not later than one year	0.00	0.00
Later than one year but not later than 3 years.	0.00	0.00
Later than 3 years.	0.00	0.00

\* \* The above figures are given without discounting at present value

**36.** Investment includes ₹ 82542475 (Previous Yar ₹ 82442475) in Shares of Deccan Remedies Limited for the Company's expansion plans.

**37.** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

**38.** In accordance with the Accounting Standards (AS-28) on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that may have been impaired in respect of each cash generating unit. On the basis of this review carried out by the management there was no impairment loss on the fixed assets during the year ended 31st March, 2025.

**39.** Investment Subsidy received from Andhra Pradesh Government is shown under Other Equity.

As Per our report attached

**For and on behalf of the Board**

For R Pugalia & Company  
 Chartered Accountants  
 Firm Registration No: 318188E

**Dinesh Kumar Kejriwal**  
 Company Secretary

**Arihant Baid**  
 Managing Director

**Rajeev Kumar Pugalia**  
 Proprietor  
 M.No. 053972  
 UDIN: 25053972BMMKFT3381

**A Santosh Kumar**  
 Chief Financial Officer

**ARR Pantulu**  
 Director

Place : Hyderabad  
 Date : 30th May, 2025

#### 40. Income Tax

₹ in Lakhs

Particulars	March 31, 2025	March 31, 2024
<b>Tax expense (Credit) comprises of:</b>		
Current income tax	322.00	305.00
Deferred tax	5.47	-9.32
Adjusted of Tax relating to Previous Year	0	0
Income Tax expenses reported in the Statement of Profit or Loss	327.47	295.68

The major components of Income Tax expense and the reconciliation of expected tax expenses based on the domestic effective tax rate of the Company at 25.17% (Previous year 25.17%) and the reported tax expenses in Profit or Loss are as follows

#### Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate

₹ in Lakhs

Particulars	March 31, 2025	March 31, 2024
Profit before tax	2154.72	1475.47
Tax at the Indian tax rate (25.17%) (March 31, 2023: 25.17%)	542.34	371.37
Adjustments:		
CSR expenses and other donations		
Weighted deduction on research and development expense		
Tax incentives		
Capital gain tax		
MAT credit utilisation		
Deferred tax assets not recognized / (utilized)	-5.47	9.32
Effect of change in tax laws and rate in jurisdictions outside India		
Other Adjustments	220.34	-66.37
Income tax expense	327.47	295.68

#### 41. Capital management

₹ in Lacs

Particulars	As at 31.03.2025	As at 31.03.2024
Borrowings	1021.86	84.72
Trade Payables	1315.93	1435.12
Less: Cash & Cash Equivalents	5556.89	6096.19
Net Debt	-3219.10	-4576.35
Equity Capital	19458.72	17075.94
Equity Capital and Net Debt	16239.62	12499.59
Gearing Ratio	20%	37%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

#### 42. Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ in Lacs

Particulars	Carrying	Values	Fair	Values
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Financial Assets				
Investments	1.00	826.42	1.00	826.42
Other financial assets	87.01	64.26	87.01	64.26
Tax Assets (Net)	17.59	23.06	17.59	23.06
Trade Receivables	1,416.11	1,356.78	1,416.11	1,356.78
Cash and Cash Equivalents	55.28	47.71	55.28	47.71
Bank balances other than cash and cash equivalents	5501.60	6048.48	5501.60	6048.48
Other financial assets	7076.97	8622.76	7076.97	8622.76
Total	14,155.56	16,989.48	14,155.56	16,989.48
Financial Liabilities				
Non-current Borrowings		-		-
Other non-current financial Liabilities	1689.31	175.81	1689.31	175.81
Current Borrowings	1021.86	84.72	1021.86	84.72
Trade Payables	1319.93	1435.12	1319.93	1435.12
Other current financial Liabilities	1281.82	1227.00	1281.82	1227.00
<b>Total</b>	<b>5,312.92</b>	<b>2,922.65</b>	<b>5,312.92</b>	<b>2,922.65</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024:

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant Observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Fair value of financial assets disclosed</b>					
Investments	31-Mar-2025	1.00	-	1.00	-
Other financial assets	31-Mar-2025	87.01	-	87.01	-
Tax Assets (Net)	31-Mar-2025	17.59	-	17.59	-
Trade Receivables	31-Mar-2025	1,416.11	-	1416.11	-
Cash and Cash Equivalents	31-Mar-2025	55.28	-	55.28	-
Bank balances other than cash and cash equivalents	31-Mar-2025	5501.60	-	5501.60	-
Other financial assets	31-Mar-2025	7076.97	-	7076.97	-
<b>Total</b>		<b>14,155.56</b>	<b>-</b>	<b>14,155.56</b>	<b>-</b>

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2025:

<b>Fair value of financial liabilities disclosed</b>					
Non-current Borrowings	31-Mar-2025		-		-
Other non-current financial Liabilities	31-Mar-2025	1689.31	-		1689.31
Current Borrowings	31-Mar-2025	1021.86	-		1021.86
Trade Payables	31-Mar-2025	1319.93	-		1319.93
Other current financial Liabilities	31-Mar-2025	1281.82	-		1281.82
<b>Total</b>		<b>5,312.92</b>	<b>-</b>	<b>0.00</b>	<b>5,312.92</b>

There have been no transfers between Level 1 and Level 2 during the period.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities: Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant Observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Fair value of financial assets disclosed</b>					
Investments	31-Mar-2024	826.42	-	826.42	-
Other financial assets	31-Mar-2024	64.26	-	48.28	-
Tax Assets (Net)	31-Mar-2024	23.06	-	13.73	-
Trade Receivables	31-Mar-2024	1,356.78	-	882.09	-
Cash and Cash Equivalents	31-Mar-2024	47.71	-	42.02	-

Bank balances other than cash and cash equivalents	31-Mar-2024	6048.48	-	1403.11	-
Other financial assets	31-Mar-2024	8622.76	-	3289.85	-
<b>Total</b>		<b>16,989.47</b>	<b>-</b>	<b>6,505.50</b>	<b>-</b>
There have been no transfers between Level 1 and Level 2 during the period.					
Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2024:					
<b>Fair value of financial liabilities disclosed</b>					
Non-current Borrowings	31-Mar-2024	-	-		-
Other non-current financial Liabilities	31-Mar-2024	175.81	-		175.81
Current Borrowings	31-Mar-2024	84.72	-		84.72
Trade Payables	31-Mar-2024	1435.12	-		1435.12
Other current financial Liabilities	31-Mar-2024	1227.00	-		1227.00
<b>Total</b>		<b>2,922.65</b>	<b>-</b>	<b>0.00</b>	<b>2,922.65</b>
There have been no transfers between Level 1 and Level 2 during the period.					

#### 44. Financial risk management objectives and policies

The Company is exposed to financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

##### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

##### Interest Rate Risk

The interest rate risk arise from long term borrowing of the company with variable interest rates (Bank one year

MCLR plus spread). Although the spread is fixed, it is subject to change at fixed time interval or occurrence of specified event(s). Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	<b>Increase/(decrease) in Interest Rate</b>	<b>Increase/(decrease) in Profit before tax</b>
<b>March 31, 2025</b>		
INR	0.5% p.a.	0.00
INR	(0.5)% p.a.	0.00
<b>March 31, 2024</b>		
INR	0.5% p.a.	0.00
INR	(0.5)% p.a.	0.00

## RATIO ANALYSIS

### A. Current Ratio:

<b>Particulars</b>	<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>
Current Assets	1,789,927,242	486,827,060
Current Liabilities	328,207,404	295,130,089
Current Ratio	5.454	1.650

Current Assets = Inventories, Trade receivables, Cash & Cash Equivalents, Bank Balance other than Cash and Cash Equivalents, Loans and advances to employees, "Advances to Contractors, Supplies", Advances recoverable cash or in kind, Prepaid Expenses, GST credit receivable, Balances with Central Excise Deptt, Meis claim receivable, Accrued interest.

Current Liabilities - Borrowings, Trade Payable, Creditors for Capital Goods, Advances from Customers, other liabilities. Provision for leave encashment, Current Tax Liabilities

### B. Debt -Equity Ratio (D/E):

<b>Particulars</b>	<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>
Total Liabilities	614481230	345788379
Total Shareholder's Equity	1945871779	1707593603
<b>Debt-Equity Ratio</b>	<b>0.316</b>	<b>0.203</b>

Total Liabilities - Borrowings, Trade Payable, Creditors for Capital Goods, Advances from Customers, other liabilities. Provision for leave encashment, Current Tax Liabilities, Other financial liabilities, Deferred Tax Liabilities (Net)

Total Shareholder's Equity = Equity Share Capital, Other Equity (Share Premium, Investment Subsidy, General Reserve, Capital Reserve (Forfeit of Warrant), Retained Profit on Property, plant and equipment (net of deferred tax), Balance in Profit & Loss

### C. Inventory Turnover Ratio

<b>Particulars</b>	<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>
COGS (Cost of Goods Sold)	970837240	384403336

Average value of Inventory (Beginning Inventory+Ending Inventory)/2	305574408	155224810
<b>Inventory Turnover Ratio</b>	<b>3.177</b>	<b>2.476</b>

**D. Trade Receivables Turnover Ratio**

Particulars	As at 31.03.2025	As at 31.03.2024
Net Annual Credit Sales	1,229,030,277	597987377
Average Accounts Receivable	159861491	111943705
<b>Trade Receivables Turnover Ratio</b>	<b>7.688</b>	<b>5.342</b>
Where Average Accounts Receivable= (Opening accounts receivable+closing accounts receivable)/2		

**E. Trade Payables Turnover Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Net Annual Credit Purchases	1005895585	408777804
Average Accounts Payable	141698289	104212282
<b>Trade Payables Turnover Ratio</b>	<b>7.099</b>	<b>3.923</b>
Where Average Accounts Payables = (Opening accounts payable+closing accounts payable)/2		

**F. Net Capital Turnover Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Total Sales	1,379,030,277.43	667987377
Total Shareholders Equity	1945871779	1707593603
<b>Net Capital Turnover Ratio</b>	<b>0.709</b>	<b>0.391</b>

Total Shareholder's Equity = Equity Share Capital, Other Equity (Share Premium, Investment Subsidy, General Reserve, Capital Reserve (Forfeit of Warrant), Retained Profit on Property, plant and equipment (net of deferred tax), Balance in Profit & Loss

**G. Net Profit Ratio:**

Particulars	As at 31.03.2025	As at 31.03.2024
Revenue - Cost	213972690	147546657
Revenue	1483331044	711007263
<b>Net Profit Ratio</b>	<b>0.144</b>	<b>0.208</b>

Revenue = Sale of Products, Interstate Sales-Scrap, Interest Income, Sundry Balances written off/back, Profit on sale of fixed assets, Exchange rate fluctuation, Duty Draw Back

Cost = Cost of Material Consumed, "changes in inventories of finished goods, Stock-in-trade and work-in-progress", Employees Benefits Expenses, Finance Cost, Depreciation expenses, Pollution control expenses, Consultancy & legal expense, Rent & Facilities, Electricity charges, security Charges, Printing & Stationery, Communication expense, Insurance, Travelling & Conveyance Expenses, Selling Expenses, Carriage Outwards, Audit Fees, Tax Audit Fees, Certification & Others, Vehicle Maintenance, Miscellaneous Expenses, Sundry balances written off, Stores, Spares & others, Packing Material, Power & Fuels, Repair & Maintenance-Buildings, Repair & Maintenance-Plant & Machinery, Repair & Maintenance-Others, Job Work Charges.

**Price risk**

Price risk is the risk of fluctuations in the change in prices of equity Investments. The Company's investment in JV company is of strategic in nature rather than for trading purpose.

**Credit risk**

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short- term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds advances as security from customers to mitigate credit risk.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments held by the Company are in the nature of investment in jointly controlled entity and also an investment in an alternate energy supply company as required under the respective State energy policy. Both the categories are unquoted non-trade equity.

**Liquidity risk**

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

The Company primarily uses short-term bank facilities in the nature of bank overdraft facility to fund its ongoing working capital requirements.

As Per our report attached

For R Pugalia & Company  
Chartered Accountants  
Firm Registration No: 318188E

**Rajeev Kumar Pugalia**  
Proprietor  
M.No. 053972  
UDIN: 25053972BMMKFT3381

Place : Hyderabad  
Date : 30th May, 2025

**For and on behalf of the Board**

**Dinesh Kumar Kejriwal**  
Company Secretary

**Arihant Baid**  
Managing Director

**A Santosh Kumar**  
Chief Financial Officer

**ARR Pantulu**  
Director

**GENNEX LABORATORIES LIMITED**

Regd. Office: Sy. No. 133, IDA Bollaram Jinnaram Mandal, Sangareddy Dist. - 502 325. Telangana

Corporate Office: "Akash Ganga", 4th Floor, Plot # 144, Srinagar Colony, Hyderabad - 500 073. Telangana

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies vide its circular no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 after considering certain provisions of the Information Technology Act, 2000, permitted the companies to send the notices / annual reports etc. through email to its members. To support this green initiative of the MCA whole heartedly, members who have not yet registered their email address, are requested to register their e-mail address with the Depository through their concerned Depository Participant and members who hold shares in physical mode are requested to intimate their e-mail address at which they would like to receive the above documents electronically, either to the company or to its Registrar and Share Transfer Agent. Shareholders are requested to fill the consent form below and send it to the Registrar and Share Transfer Agent, R&D Infotech Pvt. Ltd or to the company

**CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE****(Pursuant to circulars no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011)**

To,  
R&D Infotech Pvt. Ltd.  
15C, Naresh Mitra Sarani,  
Kolkata – 700 026

Dear Sir,

I/We shareholder(s) of GENNEX LABORATORIES LIMITED, agree to receive all notices and documents including the Annual Report, Notice for General Meetings and other Shareholders Communication in electronic mode (through email). I/We request you to kindly register my / our below mentioned email id in the Company's records for sending such communication through email.

Folio No.....

DPID No.....

Client ID.....

\*Applicable for members holding shares in Electronic Form.

Name of the Sole/First Shareholder : .....

Name of the Joint Shareholders (If any) : .....

No. of Shares held : .....

E-mail ID of receipt of documents in : .....

Electronic Mode : .....

Date:

Place:

Signature:\_\_\_\_\_

(Sole / First Shareholder)

Note: 1. Shareholders are requested to inform the Company's Registrar and Share Transfer Agent R&D Infotech Pvt. Ltd, as and when there is change in their registered email-id.

2. for shares held in demat form, shareholders are also requested to inform /update their email-ids to their respective Depository Participants.

**GENNEX LABORATORIES LIMITED**

Regd. Office: Sy. No. 133, IDA Bollaram Jinnaram Mandal, Sangareddy Dist. - 502 325. Telangana  
Corporate Office: "Akash Ganga", 4th Floor, Plot # 144, Srinagar Colony, Hyderabad - 500 073. Telangana

Registration of e-mail address for future communication

Name of the Shareholder .....

Folio No..... DP.ID No. .... Client ID. ....

Registered Address: .....

.....

.....

Email Id: .....

Signature: \_\_\_\_\_





## GENNEX LABORATORIES LIMITED

CIN: L24230TG1990PLC011168

**Regd. Off. Add:** Survey No.133, IDA Bollaram, Jinnaram Mandal, Sangareddy District – 502 325, Telangana State, India.

**Corp. Off. Add:** Plot No.144, Akash Ganga Complex, 04rd Floor, Sringer Colony, Hyderabad – 500 073, Telangana State, India

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