



WHERE YOUR WELL BEING MATTERS

44th Annual Report
2024-25

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajendra R Shah (DIN:00257253)	:	Managing Director
Mr. Dilip R Shah (DIN: 00257242)	:	Non-Executive Director
Mr. Bharat D Mehta (DIN:07180906)	:	Independent Director (Upto 14.05.2025) & Chairperson (Upto 14.05.2025)
Mr. Paresh Mistry (DIN:07893654)	:	Non-Executive Director
Ms. Janki R Shah (DIN: 08686344)	:	Non-Executive Director
Mr. Jayantilal D Raval(DIN:10662609)	:	Independent Non-Executive Director (w.e.f 24.07.2024)
Mr. Sanjay Patel(DIN: 00283429)	:	Chairperson (w.e.f 15.05.2025) & Independent Director (w.e.f 14.05.2025)

KEY MANAGERIAL PERSONNEL

Mr. Ashish Vasavada	:	Chief Financial Officer
Ms. Krishna Shah	:	Company Secretary & Compliance Officer

BANKERS	:	HDFC Limited
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STATUTORY AUDITORS	:	Naresh & Co.,Chartered Accountants
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INTERNAL AUDITORS	:	K R & Associates, Chartered Accountants, Vadodara
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SECRETARIAL AUDITORS	:	Dholakia & Associates LLP, Company Secretaries, Mumbai
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COST AUDITORS	:	V.M. Patel & Associates, Surat
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REGISTERED OFFICE	:	First Floor 18, Shreeji Bhuvan, 51, Mangaldas Road, Princess Street, Mumbai - 400 002. Tele. : 022-66372841. E-mail : mllbrd@mercurylabs.com.
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R & T AGENT.	:	MUFG Intime India Private Limited (Formerly Link Intime India Pvt Ltd), "Geetakunj", 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara – 390 015, Gujarat. Tel: +91 265 3566768 E-mail: vadodara@in.mpms.mufg.com
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CIN	:	L74239MH1982PLC026341
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WEBSITE	:	www.mercurylabs.com
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E-MAIL	:	secretarial@mercurylabs.com / mllbrd@mercurylabs.com
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CORPORATE OFFICE & UNITS

Unit No. 1 & Corporate Office
2/13-14, Gorwa Industrial Estate
Gorwa Road, Vadodara – 390 016
Phone No: 0265-2477952
Email:mllbrd@mercurylabs.com

Unit No. 2
Village : Jarod, Halol-Baroda Road,
Tal. Waghodia, Dist. Vadodara.

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Mercury At A Glance

Mercury Laboratories is a leading pharmaceutical company specializing in the formulation and development of high-quality medicines that address a wide range of therapeutic needs. Established in 1962, our company has built a strong reputation for excellence in pharmaceutical formulation, driven by our commitment to innovation, quality, and patient care. Our company is dedicated to Mother & Child Healthcare.

Quality is at the core of everything we do. Our state-of-the-art manufacturing facilities are equipped with advanced technology and adhere to stringent regulatory standards, including Good Manufacturing Practices (GMP). We are committed to continuous improvement, regularly updating our processes and systems to maintain the highest levels of quality and safety in our products. Innovation is a key driver of our success. At Mercury Laboratories, we are constantly exploring new formulation technologies and delivery systems to enhance the effectiveness and convenience of our medicines.

With a strong presence in both domestic and international markets, Mercury

Laboratories has established itself as a trusted partner in the global healthcare industry. Our global reach is supported by a robust distribution network and a deep understanding of diverse regulatory environments. Today we are exporting to over 40 countries across the globe through our two manufacturing units situated in Vadodara.

Our mission at Mercury Laboratories is to improve the quality of life for patients by providing safe, effective, and accessible medicines. We are driven by a deep sense of responsibility to the communities we serve, and we strive to make a positive impact on global health through our work in pharmaceutical formulation.



Managing Directors' Message

Dear Stakeholders,

I am pleased to present the 44th Annual Report for 2024-25. This year has been a period of mixed challenges and promising opportunities for us. We witness a marginal decline in our overall revenue, largely decrease in domestic sales. This decline reflects certain macroeconomic factors and regularly shifts within the local market that affected demand in the short term.

However I pleased to share that our export segment showed strong growth. This performance is a testament to our global strategy and increasing trust our international partners and clients place in the quality and reliability of our products. It also demonstrates our resilience and ability to adapt, diversify, and expand into new markets even when with domestic headwinds.

Our focus on innovation, quality assurance, and cost optimization has continues to strengthen our competitive edge. We remain committed to expanding our footprints globally while also reevaluating

and reinvigorating our domestic strategies for a strong comeback in the coming year.

In closing, I would like to express my sincere gratitude to all our stakeholders, Employees, partners, suppliers, regulatory bodies, and customers. You unwavering support, trust and collaboration have been instrumental in helping us navigate through this dynamic environment. As a move forward, we will continue to uphold our mission of delivering high-quality, affordable medicines that improve lives across the globe. Together, we will achieve sustainable growth and shared success in the years ahead.

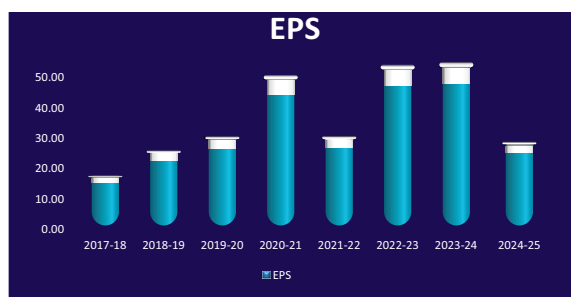
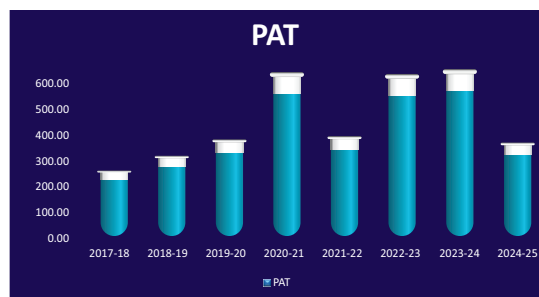
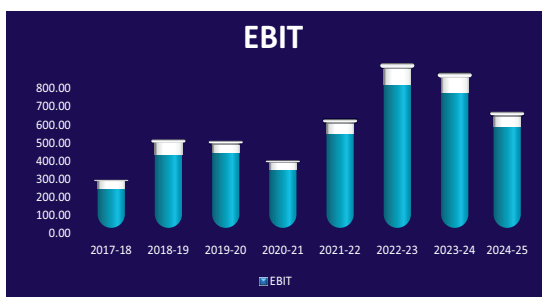
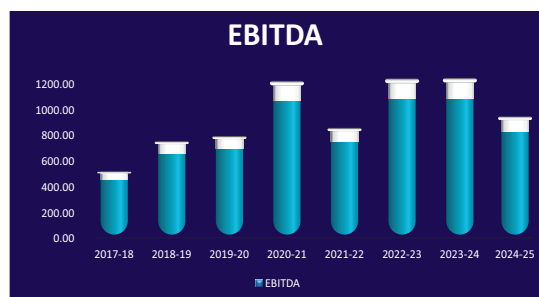
Mr. Rajendra Shah

Managing Director

Financial Highlight's

(₹ in Lakhs)

References	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenue	5240.46	5552.10	5726.91	6860.15	5792.38	7533.37	7,555.90	7510.12
EBITDA	483.73	676.64	701.54	1047.10	780.61	1028.98	1011.88	808.52
EBIT	245.59	405.05	432.90	790.89	535.33	780.65	730.33	520.94
PAT	201.33	283.61	322.81	533.75	356.19	557.88	565.42	314.49
EPS	16.78	23.63	26.90	44.48	29.68	46.49	47.12	26.21



Board of Directors



Mr. Rajendra Shah
Managing Director



Mr. Dilip Shah
Non-Executive Director



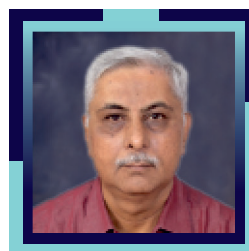
Mr. Sanjay Patel
Additional Independent Director
(w.e.f 14.05.2025, Chairmanship &
Membership in committees w.e.f 15.05.2025)



Ms. Janki Shah
Non-Executive Director



Mr. Paresh Mistry
Non-Executive Director



Mr. Jayantilal Raval
Independent Director
(w.e.f 24.07.2024, Chairmanship &
Membership in committees w.e.f 25.07.2024)



Chairman
 Member

Audit Committee
 Corporate Social Responsibility Committee
 Nomination and Remuneration Committee
 Stakeholders' Relationship Committee

Key Managerial Personnel



Mr. Ashish Vasavada
Chief Financial Officer



Ms. Krishna Shah
Company Secretary &
Compliance Officer

Composition of Board



- Executive Director
- Non-executive Director
- Independent Director

NOTICE

NOTICE is hereby given that the Forty-Forth (44th) Annual General Meeting (AGM) of the Members of **Mercury Laboratories Limited** ("the Company") will be held on **Wednesday, August 13, 2025 at 11:30 a.m.** (IST) through Video Conferencing / Other Audio-Visual Means ("VC/OAVM") facility, to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company

Ordinary business:

- 1. Consideration and Adoption of the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Reports of the Board of Directors and Auditors thereon.**

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

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended on March 31, 2025 along with Report of the Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

- 2. Declaration of Dividend of ₹ 3.50/- per equity share of ₹ 10/- each for the Financial Year ended March 31, 2025**

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

"RESOLVED THAT in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for payment of dividend at the rate of ₹ 3.5 per equity share of ₹ 10 each for the financial year ended on March 31, 2025 be paid to those members whose names appear in the Register of Members as on cut-off date."

- 3. To re-appoint a Director in place of Ms. Janki R Shah (DIN: 08686344), Non-Executive Non-Independent Director who retires by rotation and being eligible, offers herself for re-appointment.**

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], Ms. Janki R Shah, (DIN: 08686344) Non-Executive Non-Independent Director who retires by rotation at this Annual General Meeting of the Company, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation, on such remuneration as may be recommended by the Board of Directors from time to time which shall be within the maximum limits as approved by the members of the Company."

Special Businesses:

- 4. Approval for Payment of Remuneration to Ms. Janki R Shah, (DIN: 08686344) Non- Executive Director exceeding fifty percent (50%) of total remuneration payable to all Non-Executive Directors**

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], approval of the Company be accorded for payment of remuneration to Ms. Janki R Shah, (DIN: 08686344) as the Non-Executive Director of the Company, for the Financial Year 2025-26, as approved by the Members at the Forty Second Annual General Meeting held on September 27, 2023, being an amount exceeding fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for the Financial Year 2025-26.

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

5. Approval of re-appointment of Mr. Rajendra R Shah (DIN: 00257253), as Managing Director of the Company w.e.f April 01, 2026.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 & Schedule V to the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], subject to such other laws, rules and regulations as may be applicable in this regard and pursuant to recommendation by the Nomination and Remuneration Committee, subject to applicable clauses of the Articles of Association of the Company and subject to such other approvals, permissions, consents, sanctions and permissions from appropriate authority(ies) as may be required, the approval of the members of the Company be and is hereby accorded for reappointment of Mr. Rajendra R Shah (DIN: 00257253) who has already crossed the age of 70 years as Managing Director of the Company, for a further period of 3 years with effect from April 01, 2026 on the under mentioned terms of Remuneration:

a) Salary: Salary not exceeding ₹ 3 lakhs per month (increment at such time, as may be decided by Nomination and Remuneration Committee and the Board of Directors within the limit prescribed)

b) Allowances & Perquisites: In addition to the salary, allowances and Perquisites shall comprise of:

- i. Actual Medical Reimbursement
- ii. Leave and travel allowance/reimbursement for self and family once in a year in accordance with the rules of the Company shall not exceed 50% of the monthly salary.
- iii. Gratuity as per the rules of the Company but shall not exceed half a month's salary for each completed year of service.
- iv. Car with Driver for use on Company's business, cell phones and telephone at residence will not be considered as perquisites. Personal long-distance calls and use of car for private purpose shall be billed by the Company.
- v. Reimbursement of entertainment, travelling and other expenses incurred in the course of legitimate business of the Company

c) In the event of loss or inadequacy of profits, Mr. Rajendra R Shah shall be entitled to above stated remuneration subject to the necessary approval, if any, required. In the event of Non-approval / pending approval of remuneration, Mr. Rajendra R Shah shall be entitled to remuneration as per the slab stipulated in Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of director be and are hereby authorized to take such steps as may be necessary, expedient or desirable to give effect to this resolution and alter, vary any of the terms and conditions relating to remuneration payable to Mr. Rajendra R Shah including increase in remuneration within the limit of remuneration prescribed in Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) be and are hereby severally authorized to submit the necessary applications, if required and the other required documents, forms and papers the registrar of companies and to do all acts and to take all such steps as may be necessary, proper and expedient to give effect to this resolution including altering, deleting, inserting any of the clause and solve difficulties that may arise while giving effect to this resolution without seeking any further approval of the members of the Company."

6. Approval of appointment of Mr. Sanjay Patel (DIN: 00283429) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, pursuant to Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to recommendation of the Nomination and Remuneration Committee, Mr. Sanjay Patel (DIN: 00283429), who was appointed as an Additional

Director of the Company in the category of Independent Director with effect from May 14, 2025 and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of 5 (five) consecutive years with effect from May 14, 2025 up-to May 13, 2030 as well as to continue to hold the position of Independent Non-Executive Director beyond the age of Seventy Five(75)Years, whose period of office shall not be liable to determination by retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things including filings and take such steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

7. Payment of Remuneration to Mr. Paresh Mistry (DIN:07893654), Non-Executive Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions Section 197, 198, 188(1)(f) and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], pursuant to recommendation by the Nomination and Remuneration Committee, the Consent of the members be and is hereby accorded for the payment of remuneration not exceeding ₹ 30 Lakhs per annum to Mr. Paresh J Mistry, Non-Executive Director to whom the Company is paying remuneration for holding place of profit being office of Purchase Manager of the Company for a period of three years i.e. 2025-26 to 2027-28, in lieu of his services to the Company

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to make necessary application(s) and to sign, execute and file all such forms, papers and documents as may be considered necessary or expedient including appointing attorneys or authorized representatives under appropriate Letter(s) of Authority to appear before the office of the ROC and other regulatory authorities, as may be applicable, for making application to give effect to the above resolution and to file required documents and information to such other authority(s) as may be required from time to time and to do all such acts, deeds and things as may be required in this connection and to resolve all the doubts, questions, difficulties relating thereto from time to time without seeking any further approval of the members of the Company.”

8. Ratification of Remuneration payable to the Cost Auditor of the Company for Financial Year 2025-26

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 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], the remuneration payable to M/s. V. M. Patel & Associates, Cost Accountants (Firm Registration No. 101519), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2026 amounting to ₹ 43,000 (Rupees Forty Three Thousand Only) plus applicable taxes if any and re-imbursement of out of pocket expenses be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, desirable or expedient to give effect to the resolutions.”

9. Appointment of M/s. Dholakia & Associates LLP, Company Secretaries (Firm Registration Number: P2014MH034700) as the 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 Sections 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) [including any statutory modification or re-enactment thereof for the time being in force] read with Circulars issued thereunder from time to time and in accordance with the recommendation of the Board of Directors of the Company, consent of the Members, be and is, hereby accorded for the appointment of M/s. Dholakia & Associates LLP, a firm of Company Secretaries in practice, (Firm Registration Number: P2014MH034700) as the Secretarial Auditors of the Company for conducting Secretarial Audit for a term of 5 (five) consecutive years from the financial year 2025-26 till the financial year 2029-30 on such remuneration as may be determined by the Audit Committee/Board of Directors and the Secretarial Auditors from time to time.

RESOLVED FURTHER THAT approval of the members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws at a remuneration to be determined by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) or any other person authorized by the Board in this regard, be and is hereby jointly and/or severally authorized on behalf of the Company to do all such acts, deeds and things as may be considered necessary, desirable or expedient to give effect to the resolutions.”

Date: May 14, 2025
Place: Vadodara

By order of Board of Directors of
Mercury Laboratories Limited

Krishna Shah
Company Secretary & Compliance Officer

Registered Office:
CIN: L74239MH1982PLC026341
18, Shreeji Bhuvan, 51, Mangaldas Road
Princess Street, Mumbai – 400 002,
Website: www.mercurylabs.com
Telephone: 022-66732841
Email: mllbrd@mercurylabs.com,

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read with the relevant rules made thereunder ("The Act"), the Secretarial Standard on General Meetings (SS-2) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in respect of item nos. 4 to 9, of this notice, is annexed hereto.
2. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the personal presence of the members at the general meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and latest being Circular No. 09/2024 dated September 19, 2024 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities Exchange Board of India ("SEBI Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 44th Annual General Meeting will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. Notice of the AGM alongwith the Annual Report is being sent online through electronic mode to those Members whose email addresses are registered with the Company/Depositories. A letter containing the web link, alongwith the exact path to access the complete details of the Annual Report, is being sent to members who have not registered their email address with Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.mercurylabs.com, website of Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
3. The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM is annexed.
4. Since this AGM is being held through VC/OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members can join the 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 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 AGM without restriction on account of first come first served basis.
7. Institutional/Corporate members (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution / Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to Company by email through their registered email address to secretarial@mercurylabs.com
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice and Explanatory Statement thereto will be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to secretarial@mercurylabs.com
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, August 07, 2025 to Wednesday, August 13, 2025 (both days inclusive), in connection with AGM and for the purpose of determining the names of members eligible for dividend on equity shares, if approved at the AGM.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile number, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details, such as name of Bank, branch details, bank account number, MICR Code, IFSC Code, etc.
 - i. **For Shares held in electronic form:** to their Depository Participants (Dps)
 - ii. **For Shares held in physical form:** to the Registrar and Transfer Agent in the prescribed form from ISR 1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRDS/MIRDS_RTAMB/CIR/2021/655 dated November 03, 2021 and amendments thereof
11. For receiving all communications (including Annual Report) from the Company electronically:
 - i. Members holding shares in physical mode and who have not registered / updated their PAN, email address and mobile number with the Company are requested to register / update the same by providing the duly completed Form ISR-1 as stated in point (e) of the Notes.
 - ii. Members holding shares in dematerialized mode are requested to register / update their email address and mobile number with the respective Depository Participant(s).

In case any Member is desirous of obtaining a hard copy of the Annual Report of the Company for the financial Year 2024-25, he / she may send a request to the Company's e-mail address secretarial@mercurylabs.com mentioning Folio No./DP ID and Client ID

12. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://investor.mercurylabs.com/investor-contact/>. The Company has a designated email ID for Redressal of Shareholders'/Investors' Complaints/Grievances. Hence, please write to us at secretarial@mercurylabs.com
13. During the year, the Company has transferred 3,400 (equity shares) of 11 members whose dividend has remained unclaimed / unpaid for a consecutive period of 7 (seven) years to the demat account of IEPF and credited unclaimed dividend of ₹ 1,43,106 to the Investor Education and Protection Fund (IEPF) pursuant to Section 125(1) of the Act, pertaining to FY 2016-17.
14. Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The Company has also uploaded details of such Members whose shares are transferred to IEPF Account and details of unpaid dividend on its website at <https://investor.mercurylabs.com/details-of-shares-to-iepf/>

The due dates for transfer of unclaimed / unpaid dividend to IEPF are as under:

Date of Declaration of Dividend	Dividend for Financial Year	Proposed Month and Year of transfer to IEPF
14-09-2018	2017-18	November, 2025
28-09-2019	2018-19	December, 2026
29-09-2020	2019-20	December, 2027
11-02-2021	2020-21 (Interim Dividend)	March, 2028
28-09-2021	2020-21 (Final Dividend)	December, 2028
27-09-2022	2021-22	December, 2029
27-09-2023	2022-23	December, 2030
27-09-2024	2023-24	December, 2031

Pursuant to Schedule V and VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, details of unclaimed shares outstanding in the Company's Suspense Escrow Demat Account as on March 31, 2025, are as follows:

Particulars	No of Shares
Shares lying In SEDA as on April 01, 2024	-
Shares transferred to SEDA during FY 2024-25	-
Shares lying in SEDA as on March 31, 2025	-

15. **Dividend Related Information:**

- The dividend for the financial year ended March 31, 2025, as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid to the Members on or before September 11, 2025 as under
 - i) To all Beneficial Owners in respect of shares in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours Wednesday, August 06, 2025.
 - ii) To all Members in respect of shares held in physical form as per the Register of Members, as may be made available by the Company's Registrar and Transfer Agent, as of the close of business hours on Wednesday, August 06, 2025.
- SEBI, vide its circular dated November 3, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and 17 November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 1, 2024, only upon furnishing the PAN, contact details including mobile number, bank account details and specimen signature with the Company's Registrar and Share Transfer Agents ("RTA")- MUFG Intime India Private Limited. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz., NSDL and CDSL.
- In case of joint holders, the Member whose name appeared as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM and the dividend will be paid in the name of such first holder in the order of names.
- In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of its Members and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at the applicable rates. A separate email will be sent at the registered email ID of the Members describing about the detailed process to submit the documents/ declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/declarations by the Members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company at <https://investor.mercurylabs.com/>
- 16. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize shares held by them in physical form, for ease in portfolio management.
- 17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://investor.mercurylabs.com/miscellaneous-shareholder-details/> and on the website of the Company's Registrar and Transfer Agents, MUFG Intime India Private Limited at <https://in.mpms.mufg.com/> It may be noted that any service request can be processed only after the folio is KYC Compliant.

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.

18. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://investor.mercurylabs.Com/miscellaneous-shareholder-details/> and on the website of the Company's Registrar and Transfer Agents, MUFG Intime India Private Limited at <https://in.mpms.mufg.com/> Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to MUFG Intime India Private Limited in case the shares are held in physical form.
19. Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of: a) Change in their residential status on return to India for permanent settlement b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier. Members are requested to send all their documents and communications pertaining to shares to the Registrar & Transfer (R & T) Agent of the Company – MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), at their address at Geetakunj, 1 Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara, Gujarat - 390 015, Telephone No. +91 265 3566768, for both physical and demat segments of Equity Shares.

Please quote on all such correspondence –“Unit – Mercury Laboratories Limited.” For Shareholders queries – Telephone No. +91 265 3566768 Email ID vadodara@in.mpms.mufg.com Website <https://in.mpms.Mufg.com/>

20. General instructions for accessing and participating in the AGM through VC/OAVM Facility and voting through electronic means including remote e-voting:
 - (i) 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), Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 AGM will be provided by NSDL.
 - (ii) The remote e-voting period begins on Saturday, August 09, 2025 at 9:00 A.M. (IST) and ends on Tuesday, August 12, 2025 at 5:00 P.M. (IST). 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. Wednesday, August 06, 2025 may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, August 06, 2025. Any person who acquires shares of the Company and becomes member of the Company after dispatch of this Notice and holding shares as on Wednesday, August 06, 2025 may obtain the login ID and Password by sending request at Evoing@nsdl.co.in. The e-voting module shall be disabled by NSDL for voting after Tuesday, August 12, 2025 at 5:00 P.M. (IST).
 - (iii) A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on August 06, 2025 (“Cut-Off date”) only shall be entitled to avail the facility of remote e-voting

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 members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 Members holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Members holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual members holding securities in demat mode with CDSL	- 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. - 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 & 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. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911

B Login Method for e-Voting and joining virtual meeting for members other than Individual members holding securities in demat mode and members 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.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:
For Members who hold shares in demat account with NSDL..	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for members other than Individual members 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 members whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- A. 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.
- B. 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".
- C. Now you are ready for e-Voting as the Voting page opens.
- D. 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.
- E. Upon confirmation, the message "Vote cast successfully" will be displayed.
- F. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation Page.
- G. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@dholakia-associates.com with a copy marked to evoting@nsdl.co.in. Institutional members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll free No.: 022 4886 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of 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 members, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **secretarial@mercurylabs.com**.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **secretarial@mercurylabs.com**. If you are an Individual members 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 members holding securities in demat mode.
3. Alternatively members may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join 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. Members 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 **secretarial@mercurylabs.com**. The same will be replied by the company suitably. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request from their registered email address to **secretarial@mercurylabs.com** between Monday, August 04, 2025 (from 9:00 a.m. IST) to Saturday, August 09, 2025 (up to 5:00 p.m. IST). The request must mention their name, DP ID and Client ID/folio number, PAN and mobile number. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions on the resolutions proposed in the Notice convening the AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
21. Mr. Nrupang Dholakia of Dholakia & Associates LLP., Company Secretaries (Membership No.: F10032, CP: 12884) and in his absence Ms. Michelle Martin, of Dholakia & Associates LLP having consented to act as a scrutinizer has been appointed as the scrutinizer to scrutinize e-voting process (electronically or otherwise) in fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (Votes casted

during the AGM and votes casted through remote e-voting), not later than two working days from the conclusion of the AGM. The results declared Along with the Scrutinizer's Report shall be communicated to the stock exchanges and will also be displayed on the Company's website.

22. Members may address all the correspondences relating to dividend, unclaimed shares, claiming refund of shares & dividend transferred to IEPF, change of address, share transfer, transmission, nomination, etc. to the Company at secretarial@mercurylabs.com or the RTA at vadodara@in.mpms.mufg.com

Date: May 14, 2025
Place: Vadodara

By order of Board of Directors of
Mercury Laboratories Limited

Krishna Shah
Company Secretary & Compliance Officer

Registered Office:
CIN: L74239MH1982PLC026341
18, Shreeji Bhuvan, 51, Mangaldas Road
Princess Street, Mumbai – 400 002,
Website: www.mercurylabs.com
Telephone: 022-66732841
Email: mlbdrd@mercurylabs.com,

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

Ms. Janki R Shah (DIN: 08686344), Non-Executive Director of the Company, is liable to retire by rotation and being eligible, have offered herself for re-appointment.

Ms. Janki R Shah was first appointed as an Additional Director of the Company with effect from February 05, 2020 and as a Director, liable to retire by rotation, at the 39th Annual General Meeting held on September 29, 2020. Ms. Janki R Shah had last retired by rotation and was re-appointed by the members of the Company at the 41st Annual General Meeting of the Company held on September 27, 2022.

Ms. Janki R Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act and she is not restrained from holding the position of Director in any company by virtue of any order of SEBI or any such authority.

Additional information pursuant to the Secretarial Standards - 2 on General Meetings and pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Ms. Janki R Shah as stipulated is provided at explanatory statement of item no 4 and at the ends of notice. Nature of Concern or interest None of Directors, Key Managerial Personnel and their relatives (to the extent of their shareholding interest in the Company) except appointee herself, Mr. Rajendra R Shah and Mr. Dilip R Shah, relatives of Ms. Janki R Shah are concerned or interested, financially or otherwise in passing of this resolution. Mr. Rajendra R Shah, Managing Director is Father and Mr. Dilip R Shah is Uncle of Ms. Janki R Shah.

Your Board, therefore, recommends passing of the Ordinary Resolution as set forth in Item No. 3 of this Notice.

ITEM NO. 4

Ms. Janki R Shah aged 43 years, had been appointed as a Non- Executive Director on the Board of the Company with effect from February 05, 2020, provides significant guidance and direction to the Export Business of the Company. As Non-Executive Director, Ms. Janki R Shah involved into the areas of Strategic Planning, Risk Mitigation and External Interface. She continues to play an important role in epitomising and building Brand of Mercury Laboratories Limited.

Further Pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), approval of the Members of the Company by way of a Special Resolution is

required to be obtained every year for payment of annual remuneration required to be obtained every year for to a single Non-Executive Director exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, giving details of remuneration thereof.

As the remuneration payable to Ms. Janki R Shah in the Financial Year 2025-26 (in accordance with the approval accorded by the Members at the Forty Second Annual General Meeting) is likely to exceed fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company, consent of the Members is sought for passing a Special Resolution as set out at Item No. 4 of the Notice. The said remuneration to Non-Executive Directors shall be in addition to the sitting fee and re-imbursement of expenses payable to them

Brief Profile of Ms. Janki R Shah:

Ms. Janki R Shah has done Master of Science in Pharmacology from St. Johns University, School of Pharmacy New York. She has rich experience of working in this field for more than 15 years. She has rich experience and expertise in areas of Production Management, Marketing, Human resources, Business Management and Strategic Planning.

She does not hold directorship in any other Company. She is Member of Nomination and Remuneration Committee

Nature of Concern or interest None of Directors, Key Managerial Personnel and their relatives (to the extent of their shareholding interest in the Company) except appointee herself, Mr. Rajendra R Shah and Mr. Dilip R Shah, relatives of Ms. Janki R Shah are concerned or interested, financially or otherwise in passing of this resolution. Mr. Rajendra R Shah, Managing Director is Father and Mr. Dilip R Shah is Uncle of Ms. Janki R Shah.

A statement containing the information stipulated in schedule V to the Companies Act, 2013 is given in subsequent pages. General information as required to be disclosed is provided below Explanatory statement of agenda item no 7

Your Board, therefore, recommends passing of the Special Resolution as set forth in Item No. 04 of this Notice.

INFORMATION ABOUT THE DIRECTOR:

a.	The background details	The background details of Ms. Janki R Shah are given elsewhere in the notice.
b.	Past Remuneration	Ms. Janki R Shah was paid an aggregate remuneration, of ₹ 18.22 Lakhs during the Financial Year ended March 31, 2025.
c.	Recognition or awards	Nil
d.	Job profile and its suitability	Ms. Janki R Shah provides leadership and guidance to the Company in addition to supervising functional - heads of Export, Production, Human resources, Business Management and Strategic Planning etc. Given the profile of Ms. Janki R Shah, it is imperative that Company avail her services as director also.
e.	Remuneration proposed	As approved by the members at 42 nd AGM of the Company
f.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Remuneration payable to the appointees has been benchmarked with the remuneration being drawn by similar positions in health care companies, companies engaged in multiple business, of comparable size and has been considered by the nomination and remuneration committee and the board of directors of the company in their respective meeting held on August 05, 2023
g.	Pecuniary Relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any or other Director.	Ms. Janki Shah is daughter of Mr. Rajendra R Shah, Managing Director of the Company. There is no other pecuniary relationship directly or indirectly with the Company except to the extent her remuneration and shareholding in the Company. This information is already disclosed elsewhere in the notice.

ITEM NO. 5

Mr. Rajendra R Shah has been associated with the Company since its inception, he is founder Director of the Company and at the Forty First Annual General Meeting ("AGM") of the Company held on September 27, 2022 had been re-appointed as a Managing Director of the Company for a period of 3 (three) years commencing from April 01, 2023 to March 31, 2026. Further, the members at the 43rd Annual General Meeting held on September 27, 2024 had approved revision in remuneration payable to Mr. Rajendra R Shah during his remaining tenure as the Managing Director of the Company from October 01, 2024, till March 31, 2026.

In light of the current dynamic business environment marked by intense competition, economic fluctuations, and evolving industry regulations, the continued leadership of Mr. Rajendra R Shah as Managing Director is essential for the sustained growth and strategic stability of the company with effect from April 01, 2026 for a period further 3 years beyond the age of 70 years. The Board at its meeting held on May 14, 2025 on the recommendation of Nomination and Remuneration Committee and subject to approval of the members, re-appointed Mr. Rajendra R Shah as Managing Director (designated as Executive Director) of the Company with effect from April 01, 2026 for a period further 3 years.

The Board further approved that the terms and conditions of re-appointment of Mr. Rajendra R Shah shall continue to be same as provided in the special resolution mentioned at item no 5.

Brief Profile of Mr. Rajendra R Shah including the nature of expertise in specific functional area:

Mr. Rajendra R Shah holds a degree of B. Pharm from the Gujarat University of Ahmedabad and possess extensive experience of more than four decades in overall management more particularly in the fields of production, quality, control, Material Management, Marketing and overall administration of the Company. Mr. Rajendra R Shah is Promoter Director of the Company and has been serving as a Director of the Company since its inception. He has been actively involved in operations of the Company and has rich and varied experience of over 48 years.

Additional information in respect of Mr. Rajendra R Shah pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at end of this Notice.

A statement containing the information stipulated in schedule V to the Companies Act, 2013 is given in subsequent pages. General information as required to be disclosed is provided below Explanatory statement of agenda item no 7.

The Managing Director will perform his duties as such with regard to all work of the company and will manage and attend business and carry out the orders and directions given by the board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the board.

The Managing Director shall adhere to the code of conduct for directors and management personnel. He is not disqualified from being appointed as director in terms of section 164 of the act. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Rajendra Shah under section 190 of the act. Nature of his expertise in specific functional areas of Mr. Rajendra R Shah, names of companies in which he hold directorships and memberships/Chairmanships of board committee, shareholding and relations amongst director inter se as stipulated is provided in the ends of notice. Mr. Rajendra R Shah is interested in the resolution set out at item no. 5 of the notice, which pertains to his appointment.

Save and except the above, Mr. Dilip R Shah, being brother of Rajendra R Shah and Ms. Janki Shah, Daughter of Rajendra R Shah, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

It is proposed to seek the members' approvals for the appointment Mr. Rajendra R Shah as Managing director in terms of the applicable provisions of the act. The explanatory statement together with the accompanying notice may also be regarded as an abstract of the terms appointment of Mr. Rajendra R shah as Managing director of the company and memorandum of interest of directors us 190 of the Companies Act, 2013.

Your Board, therefore, recommends passing of the Special Resolution as set forth in Item No. 5 of this Notice.

INFORMATION ABOUT THE DIRECTOR:

a.	The background details	The Background details of Mr. Rajendra R shah are given elsewhere in the notice
b.	Past Remuneration	Mr. Rajendra R Shah was paid an aggregate remuneration, of ₹ 20.96 Lakhs (including perquisite of ₹ 7.92) during the Financial Year ended March 31, 2025.
c.	Recognition or awards	Nil
d.	Job profile and its suitability	Mr. Rajendra R shah has been associated with the Company since its inception, he is founder Director of the Company. He has been actively involved in operations of the Company and has rich and varied experience of over 48 years. Mr. Rajendra R shah provides leadership and strategic guidance to the Company in addition to supervising functional-heads of finance accounts, regulatory compliance etc including overall management & administration of the company. Given the profile of Mr. Rajendra R Shah, it is imperative that he is appointed as Managing Director
e.	Remuneration proposed	As provided in the special resolution mentioned at item no 5.
f.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Remuneration payable to the appointees has been benchmarked with the remuneration being drawn by similar positions in health care companies, companies engaged in multiple business, of comparable size and has been considered by the nomination and remuneration committee and the board of directors of the company in their respective meeting held on July 24, 2024
g.	Pecuniary Relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any or other Director.	Mr. Dilip R Shah (Non-Executive Director) is brother and Ms. Janki Shah (Non-Executive Director) is Daughter of Mr. Rajendra R Shah (Managing Director), there is no other pecuniary relationship directly or indirectly with the company except to the extent of their remuneration and shareholding in the company. This information is already disclosed elsewhere in the notice

ITEM NO. 6

On the basis of the recommendations of the Nomination and Remuneration Committee, in terms of Section 161 of the Act, the Board of Directors of the Company at its Meeting held on May 14, 2025, has approved the appointment of Mr. Sanjay Patel (DIN: 00283429), as a Non- Executive Independent Director as per the terms and conditions of his letter of appointment for a period of five (5) years with effect from May 14, 2025 subject to approval of members. He shall not be liable to retire by rotation. The Draft letter of appointment will be made available for inspection by the members electronically; members seeking to inspect the same can send an email to secretarial@mercurylabs.com

Mr. Sanjay Patel has given consent to act as a Director in terms of Section 152 of the Act and a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. He has also confirmed that he is not debarred from holding the office of a Director by virtue of order passed by SEBI or any other such authority. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as a Non-Executive Independent Director and he is independent from the Management. In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying his candidature for the office of Director. In compliance with the provisions of Section 149 of the Act read with Schedule IV thereto and Regulation 25 of the Listing Regulations, his appointment as a Non-Executive Independent Director is now being placed before the Members for their approval. The terms and conditions of appointment of Independent Directors are available at the website of the Company.

Brief Profile of Mr. Sanjay Patel

Mr. Sanjay Patel age about 74 years, was the Founder of J.R.S. Patel & Co., Chartered Accountants, which was later converted into a Partnership Firm and is presently in the name of JHS & Associates LLP. He has vast experience in Income Tax (Corporate), International Tax Laws, FEMA, Venture Capital Financing and Mergers. He is a Member of the Advisory Committee of many international firms, hospitals, banks etc.

Additional information in respect of Mr. Sanjay Patel pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at end of this Notice.

Except Mr. Sanjay Patel and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the above Resolution.

Your Board, therefore, recommends passing of the Special Resolution as set forth in Item No. 6 of this Notice.

A brief profile of Mr. Sanjay Patel alongwith other details is attached to the notice and is forming part of Explanatory Statement.

ITEM NO. 7

Mr. Paresh J Mistry, aged 55 years, had been appointed as a Director on the Board of the Company with effect from October 01, 2017 and presently occupying position of Purchase Manager, being the office and/or place of profit in the Company.

In terms of Section 188(1)(f) of the Companies Act, 2013, the appointment/reappointment of a director or a relative of director to an office or place of profit in a company, its subsidiary company or an associate company requires approval of the shareholders of the company. Since Mr. Paresh J Mistry is a Director of the Company, provisions of Section 188(1)(f) of the Companies Act, 2013 would be applicable for continuing appointment of Mr. Paresh J Mistry to a place of profit being the office of Purchase Manager of Company. In the light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No. 7 of the accompanying Notice. A brief profile of Mr. Paresh J Mistry including his nature of expertise is provided in this Annual Report.

In the opinion of the Board, Mr. Paresh J Mistry fulfils the conditions specified in relevant provisions of the Companies Act, 2013 and remuneration paid to him is commensurate with his experience and as per prevalent industry standards.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Paresh J Mistry as Non-Executive Non Independent Director and Purchase Manager. Accordingly, the Board recommends the resolution in relation to payment of remuneration to Mr. Paresh J Mistry as Non- Executive Non Independent Director, for the approval by the shareholders of the Company.

None of Directors and their relatives (to the extent of their shareholding interest in the Company) except appointee himself, no other directors or Key Managerial Personnel or their relative, is concerned or interested, financially or otherwise in passing of this resolution.

The Explanatory Statement together with the accompanying notice may also be regarded as an abstract of the terms appointment of Mr. Paresh J Mistry, as the Director of the Company and Memorandum of Interest of Directors u/s. 190 of the Companies Act, 2013.

Additional information in respect of Mr. Paresh Mistry pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at end of this Notice.

A statement containing the information stipulated in Schedule V to the Companies Act, 2013 is given in subsequent pages. General information as required to be disclosed is provided below Explanatory statement of agenda item no 7.

Your Board, therefore, recommends passing of the Special Resolution as set forth in Item No. 7 of this Notice.

Brief Profile of Mr. Paresh Mistry

Mr. Paresh J Mistry (age 53) has done his Bachelors in Commerce. He also completed Industrial Purchasing & Material Management. He did Master of Business Administration in 2010. He is associated with the Company since 1994. Having expertise in the field of Business Management, he looks after marketing, purchase, export and administration of the Company.

INFORMATION ABOUT THE DIRECTOR:

a.	The background details	The background details of Mr. Paresh J Mistry are given elsewhere in the notice.
b.	Past Remuneration	Mr. Paresh J Mistry was paid an aggregate remuneration, of ₹ 14.86 Lakhs during the Financial Year ended March 31, 2025.
c.	Recognition or awards	Nil
d.	Job profile and his suitability	Mr. Paresh J Mistry provides leadership and guidance to the Company in addition to supervising functional as heads of purchase & also handling export including overall administration of Company and its operations. Given the profile of Mr. Paresh J Mistry, it is imperative that Company avail his services as director also.
e.	Remuneration proposed	Within the Maximum Ceiling Limits prescribed in resolution mentioned herein above with authorization to Board to decide at its absolute discretion for payment of remuneration to Mr. Paresh J Mistry.
f.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable to the appointees has been benchmarked with the remuneration being drawn by similar positions in Health-Care Companies; Companies engaged in similar businesses, of comparable size and has been considered by the Nomination and Remuneration Committee and the Board of Directors of the Company.
g.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	There is no other pecuniary relationship directly or indirectly with the Company except to the extent of their remuneration drawn in capacity as Purchase Manager. This information is already disclosed elsewhere in the notice.

The details as required to be given under Schedule V of the Act (General Information including other information) for the Item nos 4,5 & 7 is as under:

GENERAL INFORMATION

S. No	Information sought	Information																					
i.	Nature of Industry	The Company is engaged Pharmaceutical Business, Manufacturing, Exporting, Selling and Otherwise dealing in all kinds of pharmaceutical drugs, medicines, etc.																					
ii.	Date of Commencement of Commercial Production	The Company has started its operations from February 12, 1982.																					
iii.	Financial performance of the Company	(₹ In Lakhs) <table> <tr> <th>Particulars</th><th>2024-25</th><th>2023-24</th></tr> <tr> <td>Revenue from Operations</td><td>7,510.12</td><td>7,555.90</td></tr> <tr> <td>Profit/(Loss) before Tax</td><td>466.17</td><td>692.03</td></tr> <tr> <td>Profit/(Loss) After Tax</td><td>314.49</td><td>565.42</td></tr> <tr> <td>Paid-up Equity share Capital</td><td>120</td><td>120</td></tr> <tr> <td>Reserves & Surplus</td><td>5,236.92</td><td>4,963.85</td></tr> <tr> <td>Earnings per Share (₹ in Actual)</td><td>26.21</td><td>47.12</td></tr> </table>	Particulars	2024-25	2023-24	Revenue from Operations	7,510.12	7,555.90	Profit/(Loss) before Tax	466.17	692.03	Profit/(Loss) After Tax	314.49	565.42	Paid-up Equity share Capital	120	120	Reserves & Surplus	5,236.92	4,963.85	Earnings per Share (₹ in Actual)	26.21	47.12
Particulars	2024-25	2023-24																					
Revenue from Operations	7,510.12	7,555.90																					
Profit/(Loss) before Tax	466.17	692.03																					
Profit/(Loss) After Tax	314.49	565.42																					
Paid-up Equity share Capital	120	120																					
Reserves & Surplus	5,236.92	4,963.85																					
Earnings per Share (₹ in Actual)	26.21	47.12																					
iv.	Export performance and net foreign exchange collaboration	The Company's export was ₹ 2,084.29 Lakhs for 2024 -25 and ₹ 1,871.09 Lakhs for 2023-24.																					
v.	Foreign investments or collaborations	NIL																					
Other Information:																							
i.	Reasons for inadequacy of profits	Increased input costs and operational expenses, Highly competitive market and aggressive pricing by domestic and International Companies impacted overall profitability																					
ii.	Steps taken or proposed to be taken for improvement	The Company has undertaken several initiatives, including optimizing production process to reduce waste and increase efficiency, renegotiating raw material, procurement contracts to secure better pricing, and enhancing batch yield through improve quality control and Also Company has started taking some steps, which may lead to gradual increase in export business. Besides these, Company has started business with the other countries, which may lead to increase in Companies sale volume and growth plan.																					
iii.	Expected increase in production and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it and also taking other strategic initiatives includes, skill/competency management along with talent retention schemes to improve the profits for the organization, by improving productivity, and structural costs to be aligned to the focus area of growth. However, it is extremely difficult in the present scenario to predict profits in measurable terms but Company is expecting 5% to 10% increase.																					

ITEM NO. 8

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ('the rules') the Company is required to appoint a cost auditor to audit the cost records of the Company for products and services as specified under the Companies (Cost Records and Audit) Rules, 2014. On the recommendation of Audit Committee, the Board of Directors had approved the appointment of M/s V.M. Patel & Associates, Cost Accountants, Surat (Firm Registration No. 101519) as the cost auditors of the company to conduct audit of cost records maintained by the Company for the financial year 2025-26 at a remuneration of ₹ 43,000/ annually plus applicable taxes if any and re-imbursement of out of pocket expenses.

M/s V.M. Patel & Associates Cost Accountants have furnished certificates regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provisions of Section 148 of the act read with the rules, the remuneration payable to the cost auditor has to be ratified by the shareholder of the company.

None of Directors and their relatives or Key Managerial Personnel or their relative, is concerned or interested, financially or otherwise in passing of this resolution.

Accordingly, the Members of the Company are requested to ratify remuneration payable to the Cost Auditors for conducting the Audit of Cost records, for the Financial Year ending March 31, 2026.

Your Board, therefore, recommends passing of the Ordinary Resolution as set forth in Item No. 8 of this Notice.

ITEM NO. 9

Pursuant to Section 204 of the Companies Act, 2013 ('the Act') the Company has to annex to its Board's Report a Secretarial Audit Report given by a practicing company secretary in the format as may be prescribed. Rule 9 of the Companies (Appointment and Remuneration) Rules 2014 prescribes Form MR-3 for the said Secretarial Audit Report. Further, Section 179 of the Act read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 provide that the appointment of Secretarial Auditor shall be made by the Board at the meeting of the Board. SEBI vide its notification dated December 12, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the Listing Regulations"). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated December 31, 2024 ('the Circular') have inter-alia prescribed the term of appointment/re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company. Pursuant to Regulation 24A(1) of the Listing Regulations, the Company may appoint an individual for not more than one term of five consecutive years and a Secretarial Audit Firm not more than two terms of five consecutive years as Secretarial Auditors of the Company with the approval of its shareholders in its Annual General Meeting.

In view of the same, the Board of Directors, on the recommendation of the Audit Committee at its meeting held on May 14, 2025 recommends to the members of the Company for appointment of M/s. Dholakia & Associates LLP, Mumbai, Practicing Company Secretary having Firm Registration Number - P2014MH034700, as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations, for the first term of five consecutive years to carry out the Secretarial Audit of the Company from the financial year 2025-26 upto the financial year 2029-30 and to fix their remuneration.

M/s. Dholakia & Associates LLP is a Practicing Company Secretaries Firm established in the year 1983 under the leadership of Late Mr. Bhumitra Dholakia. The Firm has rich experience of handling various Corporate Law matters Including but not limited to Secretarial Audit, Bank Diligence Audit, SEBI Audit, etc. for Listed and Unlisted Companies across industries and size. The Firm is Peer Reviewed and quality reviewed under the ICSI Guidelines.

They have given their consent to act as Secretarial Auditors and confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and Listing Regulations. The Board believes that their experience of conducting Secretarial Audit of listed companies and large companies and knowledge of the legal and regulatory framework will be invaluable to the Company in ensuring continued adherence to compliance requirements under the applicable laws.

On the recommendation of the Audit Committee, the Board also recommends the approval of the Members with respect to remuneration of ₹ 1,00,000/- plus applicable tax from time to time and actual out-of-pocket expenses to be payable to M/s. Dholakia & Associates LLP, to examine and conduct the secretarial audit of the Company for the financial year 2025-26 and also to give the powers to the Audit Committee/Board of Directors of the Company to alter and vary the terms and conditions of appointment including revision in the remuneration during their tenure, in such manner and to such extent as may be mutually agreed with the Auditors.

Accordingly, the Shareholders' approval for appointment of M/s. Dholakia & Associates LLP, Mumbai, Practicing Company Secretary, under Regulation 24A(1) of Listing Regulations has been sought. The Board of Directors recommends the Ordinary Resolution as set out at Item No. 9 of this Notice for Shareholders' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 9

Date: May 14, 2025
Place: Vadodara

By order of Board of Directors of
Mercury Laboratories Limited

Krishna Shah
Company Secretary & Compliance Officer

Registered Office:
CIN: L74239MH1982PLC026341
18, Shreeji Bhuvan, 51, Mangaldas Road
Princess Street, Mumbai – 400 002,
Website: www.mercurylabs.com
Telephone: 022-66732841
Email: mllbrd@mercurylabs.com,

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)

Name of the Director	Mr. Rajendra R Shah, Managing Director	Ms. Janki R Shah, Non- Executive Director	Mr. Sanjay Patel, Independent Director	Mr. Paresh J Mistry, Non- Executive Director
Date of Birth	March 02, 1952	November 21, 1982	March 23, 1952	July 20, 1969
Date of Appointment	February 16, 1982	February 05, 2020	May 14, 2025	October 01, 2017
DIN	00257253	08686344	00283429	07893654
Age	74	43	74	55
Qualification	B. Pharm	Master of Science in Pharmacology	B.Com (Hons.) F.C.A.	B.Com & Master of Business Administration
Experience in Specific functional area	Overall management more particularly in the fields of production, Quality, control, Material, Management, Marketing and overall administration of the Company.	Exports, Production, Human Resources, Business Management and Strategic Planning	Income Tax (Corporate), International Tax Laws, FEMA, Venture Capital Financing and Mergers.	Industrial Purchase and Material Management, & Export business administration
List of Companies in which outside directorship held as on March 31, 2025	Nil	Nil	Nil	Nil
Listed entities from which he/she has resigned in the past 3 (three) years	Nil	Nil	The India cement Limited	Nil
Chairmanship / Membership of Committees of other Board	Chairman of Corporate Social Responsibility Committee	Member of Nomination & Remuneration Committee	Chairman of Audit Committee & Member of Nomination & Remuneration Committee, Corporate Social Responsibility Committee & Stakeholder Relationship Committee	Chairman of Stakeholder Relationship Committee & Member of Audit Committee
Relationship with other Directors, Manager and other Key Managerial Personnel	Brother of Mr. Dilip R Shah (Non-Executive Director) Father of Ms. Janki R Shah (Non-Executive Director)	Daughter of Mr Rajendra R Shah (Managing Director) Mr. Dilip R Shah is her uncle	None	None
Terms and conditions of Appointment / Re-appointment	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.
Details of remuneration sought to be paid	As per the resolution set out in the Notice.	As a Non-Executive Non Independent Director, she will be entitled to get remuneration as approved by the members, sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees.	Sitting Fees, reimbursement of expenses for participation in the Board and its Committee meetings as approved by the Board of Directors of the Company.	As per the resolution set out in the Notice.
No. of Shares held	85,650	1,04,000	-	-

For other details such as number of meetings of the Board attended during the FY 2024-25 and remuneration last drawn in respect of the above Director, please refer to the Corporate Governance Report, which is a part of this Integrated Annual Report.

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 44th Annual Report of Mercury Laboratories Limited ('the Company') on the business and operations of the Company together with the audited financial statements for the financial year ended on March 31, 2025.

1. FINANCIAL SUMMARY

The financial performance of the Company for the financial year ended March 31, 2025 along with figures of previous financial year is summarized below:.

Particulars	(₹ in Lakhs)	
	2024-25	2023-24
Revenue from Operations	7,510.12	7,555.90
Profit before Depreciation & Amortization, Interest & Tax	808.52	1,011.88
Less: Interest	54.77	38.30
Less: Depreciation & Amortization	287.58	281.55
Profit before Exceptional Items , Extra Ordinary Items & Tax	466.17	692.03
Exceptional Items	-	-
Extra-Ordinary Item	-	-
Profit before Tax	466.17	692.03
Less: Current Tax including Income Tax of Previous Year & Deferred Tax	151.68	126.61
Profit of the year	314.49	565.42
Add: Balance brought forward from the previous year	593.13	419.71
Less: Dividend paid for the previous year	(42.00)	(42.00)
Less: Transfer to General Reserve	-	(350.00)
Balance to be carried forward	865.62	593.13
*Earning Per Share		
Basic	26.21	47.12
Diluted	26.21	47.12

*Equity Shares are at par value of ₹ 10 per share.

2. Dividend:

Your Directors have recommended Final Dividend of ₹ 3.5/- (i.e. 35%) per Equity Share of ₹ 10 each for the financial year ended on March 31, 2025. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 42.00 Lakhs. The dividend, if declared, is subject to deduction of Tax at source in accordance with applicable provisions under the Income Tax Act, 1961. The Dividend Distribution Policy of the Company is set out as **Annexure-A**. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (here in after referred to as 'SEBI Listing Regulations') is also available on the website of the Company at <https://investor.mercurylabs.com/wp-content/uploads/2022/03/DIVIDEND-DISTRIBUTION-POLICY-2.pdf>

3. Transfer to Reserves:

The Board of Directors has decided to retain the entire amount of profit for the financial year 2024-25 in the statement of profit and loss.

4. Financial Performance and Operations Review:

During the financial year under review, the Company recorded 0.61% decline in revenue as compared to the previous year. The company registered ₹ 7,510.12 Lakhs revenue from operations compared to ₹ 7,555.90 Lakhs in the previous year. This reduction in revenue was primarily attributed to a slowdown in the domestic business which impacted overall sales performance. Despite the overall drop in turnover, the export business demonstrated strong growth, registering 11.39% increase over the previous year. However, the overall profitability was adversely affected. Net profit after tax (before OCI) also decreased by 44.38% as compared to previous year. The Company registered a net profit after tax (before OCI) of ₹ 314.49 Lakhs as compared to net profit of ₹ 565.42 Lakhs for the previous year ended March 31, 2024. The drop in profitability was due to the combined impact of stagnant revenue and notable increase in employee costs, other selling expenses and partial cost passthrough.

5. Future Prospects:

The global economy is forecast to grow at a moderate pace, with the IMF projecting global GDP growth of 3.2% in 2025, stabilizing after post-pandemic volatility. Advanced economies are expected to grow at around 1.8%, while emerging markets are projected to expand by 4.2%. Healthcare remains a strategic growth sector, with global healthcare expenditure expected to grow at a CAGR of 5.4% from 2024 to 2028, driven by aging populations and rising chronic disease burden.

The global pharmaceutical market is projected to reach USD 1.9 trillion by 2028, growing at a CAGR of 5.8%. Growth will be underpinned by increasing demand for innovative therapies, specialty drugs, and biologics. Biopharmaceuticals are set to grow even faster, with a projected CAGR of over 9%, especially in oncology, immunology, and rare disease segments.

Emerging markets, particularly in Asia-Pacific and Latin America, are expected to see double-digit pharma growth, offering significant long-term opportunities for global players. Governments are boosting healthcare investment post-COVID, with many nations allocating 7–10% of GDP to healthcare annually. This structural support benefits the entire pharma ecosystem.

While challenges persist—including inflationary pressures, regulatory tightening, and geopolitical tensions—the medium- to long-term outlook remains strong. In summary, the pharmaceutical sector is well-positioned to grow in step with the global economy, with innovation, market expansion, and public health priorities shaping a resilient and dynamic future.

MANAGEMENT DISCUSSIONS AND ANALYSIS

As stipulated by regulation 34(3) read with Schedule V(B) of the SEBI Listing Regulations, Management Discussion and Analysis forms parts of this report.

a) Industry Structure and Development

The global pharmaceutical industry continues to evolve with a clear shift toward personalized and biologic therapies, driving growth in formulation manufacturing. The global drug formulation market is expected to reach USD 456 billion by 2026, growing at a CAGR of 5.4%. Increased demand for generic and specialty drugs, alongside advancements in drug delivery technologies, are key growth drivers.

During FY 2024–25, the industry witnessed significant developments:

1. Increased focus on innovation with growing investments in R&D, particularly in biologics, biosimilars, and novel drug delivery systems.
2. Expansion of digital health technologies, including telemedicine, AI in drug discovery, and automation in manufacturing processes.
3. Policy support from governments across geographies. In India, schemes such as the Production Linked Incentive (PLI) and Bulk Drug Parks have been key enablers for capacity building and import Substitution.
4. Geopolitical shifts and supply chain diversification have also led companies to reassess their sourcing strategies and strengthen local manufacturing ecosystems

b) Outlook, Risks and Concerns

The pharmaceutical industry's outlook remains cautiously optimistic despite heightened geopolitical tensions, including ongoing conflicts and uncertainty in key regions. Global healthcare demand continues to rise, driven by aging populations and chronic diseases, but the sector faces significant risks from geopolitical instability.

Geopolitical tensions and the threat of war pose risks to global supply chains, particularly for raw materials and Active Pharmaceutical Ingredients (APIs). The U.S.-China trade tensions, in particular, could disrupt pharmaceutical imports and exports, creating potential shortages and driving up costs. Companies may also face higher tariffs, especially under new U.S. tariff policies, impacting pricing and margins.

Additionally, political uncertainty could delay regulatory approvals and complicate market access in emerging regions. Another concern is the increased regulatory scrutiny in response to geopolitical concerns, which could lead to more stringent compliance standards, adding pressure to manufacturing costs and timelines.

Despite these challenges, the pharmaceutical sector continues to be an essential part of the global economy. By investing in resilient supply chains, adapting to evolving regulatory landscapes, and focusing on innovation, companies can navigate these uncertainties and maintain long-term growth.

c) Economic overview & Global pharma landscape

The global economy in FY 2024–25 exhibited mixed trends amid ongoing geopolitical uncertainty, inflationary pressures, and shifting monetary policies. While advanced economies, particularly the United States and the Eurozone, experienced moderate recovery following 2023's monetary tightening cycles, emerging markets faced a more uneven path due to currency volatility, elevated debt levels, and climate-related disruptions. The global pharmaceutical industry is navigating a period of transformation, with innovation, shifting market dynamics, and evolving consumer needs shaping its future. As of 2025, the global pharmaceutical market is valued at approximately USD 1.4 trillion and is expected to reach USD 1.9 trillion by 2028, growing at a CAGR of 5.4%.

One of the most significant trends in the pharmaceutical industry is the shift toward biologics and personalized medicine. The biopharmaceutical market is set to dominate, with a CAGR of 7.2%, as advancements in gene therapies, immunotherapies, and targeted treatments continue to redefine how diseases are treated. The rise of precision medicine is enabling more effective treatments tailored to individual genetic profiles, opening new therapeutic areas and improving patient outcomes. The obesity is considered as chronic disease in the present world. Some of the pharma companies globally and Indian pharma companies are working for obesity particularly reduction of weight and diabetes. This trend will continue to grow in faster speed of 10%. By addressing obesity, disease pattern will change in different are of diseases. Hence, pharmaceutical landscape will change in developed and under developed countries.

India is emerging as one of the largest economy and senior citizens with available disposable health equipment 2.0 billion at present will increase to 12.0 billion by USD 2030. The senior citizens population will also increase and there is a high risk of acquiring non-communicable / chronic disease. By 2047, in every 5 Indians, one will be senior citizen and this will open another business opportunity for Geriatric.

Emerging markets are leading the way in pharmaceutical demand, particularly in Asia-Pacific, Latin America, and Africa, where increased access to healthcare is driving consumption. By 2028, emerging markets are expected to account for over 40% of global pharmaceutical spending. These regions will benefit from rising disposable incomes, better healthcare infrastructure, and the growing burden of both chronic and infectious Diseases.

Sustainability has become a focal point, with the pharmaceutical sector investing in greener manufacturing processes, reducing carbon footprints, and ensuring sustainable sourcing of raw materials. In alignment with broader ESG (Environmental, Social, and Governance) principles, pharmaceutical companies are increasingly being evaluated on their sustainability practices, from product lifecycle to corporate governance. Regulatory bodies and investors are placing more pressure on companies to meet sustainability targets while ensuring patient accessibility to medications.

d) Financial Performance and Operation Review

During Financial Year 2024-25, revenue of the Company was ₹ 7,510.12 Lakhs as compared to ₹ 7,555.90 Lakhs for the previous year ended March 31, 2024 (Marginal reduction in revenue by 0.61% from the previous year). The Company registered a net profit (before OCI) of ₹ 314.49 Lakhs as compared to net profit of ₹ 565.42 Lakhs for the previous year ended March 31, 2024. Return on Net Worth has been decreased to 11.12% from 12.98% and Operating profit margin has been decreased to 10.77% from 13.39%. Deterioration in ratio is mainly due to revenue remained stagnant during the year coupled with increase in employee cost and other cost.

(₹ in Lakhs)

Break-up of Sales	2024-25	2023-24	Growth / (Degrowth) In terms of %
Domestic	5,425.83	5,684.81	(4.56)
Direct Exports	2,084.29	1,871.09	11.39
Total	7,510.12	7,555.90	(0.61)

Details of significant changes in key Financial ratios are given at Note No. 62 of the Notes to financial statements with the details of significant changes and reason

e) Internal Control System and its adequacy

The Company has adopted policies and procedures covering all financial, operating and compliance functions. Mercury Laboratories believes that internal control is a prerequisite for governance and that business plans should be exercised within a framework of checks and balances. The Company has adequate internal control system including suitable monitoring procedures commensurate with its size and the nature of the business.

The internal control system provides for all documented policies, guidelines, authorization and approval procedures. The Company has an internal audit department which carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit Committee of the Board. Further the Company has in place adequate Internal Financial Controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

f) Human Resources

The Company values its employees as the most important asset and integral to its growth and competitive position. We promote a conducive, productive and harmonious work environment. We also motivate employees with recognition and rewards and support them through various training programs to enhance their skills and competencies. The company has built a competent team to handle challenging assignments. The Company's employee strength stood at 503 as on March 31, 2025

g) Threats

Drug Price Control:

The Health Ministry keeps on revising the list of Drugs under price control. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

Generics:

The Government of India is continuously bringing in policies to shift the market towards generic products. The implementation of this process requires action by all stakeholders. This may have impact on future business strategies of the Company.

Manufacturing & Supplying Risk:

Although a major portion of the Company's finished formulations and injectable are being manufactured at in-house facilities, the Company also depends on its suppliers for sourcing of its raw materials. Any significant disruption at in-house facilities or any of its suppliers' locations due to economic, geo political & social factors or any other event may impair the Company's ability to meet the markets demand on a timely basis. In addition, the Company's manufacturing capabilities could be impacted by quality deficiencies in the products, which its suppliers provide, leading to impact on its financial performance.

Currency fluctuation risks:

Foreign currency risks arise out of overseas operations and financing activities. Exchange rate volatility significantly impacts earnings and net equity because of invoicing in foreign currencies, expenditure in foreign currencies and foreign currency borrowings. The Company has a defined foreign exchange risk management framework to manage these risks excluding translation risks.

International Taxation:

As the Company has potential tax exposure resulting from application of varying laws and interpretations, which include intercompany transactions with related parties in relation to various aspects of business. Although the Company believes, its cross border transactions between affiliates are based on internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction resulting into increase in tax liability including interest and penalties causing the tax expenses to increase.

h) Formulation and Developments

The Company always works on quality and cost reduction by developing in house and re-engineering formulations. Company always consider Formulation and Development as crucial for sustain growth of the Company and tries to introduce newer and newer delivery systems for products available with regard to time by enhancing therapeutic values. To achieve this objective, we have experienced and qualified pharmacists whose activity is to maintain and find out newer and newer delivery system. This will help to the company to maintain its material consumption ratio.

l) Cautionary Statement

Certain statements in the above Report may be forward looking and are stated as required by the legislations in force. The actual results may be affected by many factors that may be different from what is envisaged in terms of future performance and the outlook presented above.

6. Directors' Responsibility Statement

As required by Section 134(3) of the Act, your Directors, to the best of their knowledge and belief, confirm that

- a. In the preparation of annual accounts for the year ended March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. Your 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 at March 31, 2025 and of the Profit of the Company for the year ended on that date;
- c. Your 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;
- d. Your Directors have prepared the annual accounts on a "going concern" basis;
- e. Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. Your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Directors

As on March 31, 2025, the Board comprised One Executive Directors, Two Non-Executive Independent Directors and Three Non-Executive Non- Independent Directors.

During the year under review, following changes occurred in the position of Directors of the Company:

- Mr. Divyakant Zaveri (DIN: 01382184) completed his second term as an Independent Director and ceased to be Director effective close of business hours on July 25, 2024 and Chairperson of the Board effective close of business hours on July 23, 2024. Mr. Bharat Mehta (DIN: 07180906), Independent Director was appointed as the Chairperson of the Board with effect from July 24, 2024.
- Mr. Jayantilal Raval (DIN: 10662609) was appointed as an Independent Director of the Company for a period of five (5) years from July 24, 2024. His appointment was approved by the shareholders at the 43rd AGM held on September 27, 2024
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Janki R Shah (DIN: 08686344), Non- Executive Director of the Company is liable to retire by rotation at the ensuing 44th Annual General Meeting and being eligible, offered herself for reappointment. The retirement of director by rotation at the ensuing Annual General Meeting is determined in accordance with the provisions of the Companies Act, 2013.
- The second term of Mr. Bharat Mehta (DIN: 07180906) second term as an Independent Director would be completed on May 14, 2025 and he would ceased to be Director and Chairperson of the Board effective close of business hours on May 14, 2025. Mr. Sanjay Patel (DIN: 00283429) was appointed as an Additional Non-Executive Independent Director with effect from May 14, 2025 and was also appointed as a Chairperson of the Board with effect from May 15, 2025. He is also appointed as Chairperson of the Audit Committee effective from May 15, 2025. The said appointment is subject to approval of the shareholders at the ensuing 44th Annual General Meeting ('AGM').

- There were no changes in Chief Financial Officer and Company Secretary of the Company during the year under review.

The Board and Management express their deepest gratitude to Mr. Divyakant Zaveri and Mr. Bharat Mehta for their guidance, consistent value creation, and direction to the Company during their association with the Company.

Necessary resolutions for appointment and re-appointment of the aforesaid directors and their detailed profiles as required under Regulation 36(3) of the SEBI Listing Regulations and SS - 2 (Secretarial Standards on General Meetings) have been included in the notice convening the ensuing AGM and details of proposal for appointment / reappointment are mentioned in the explanatory statement of the notice. Your directors commend their re-appointment.

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures to this effect as required under Companies Act, 2013.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company except Mr. Paresh J Mistry & Ms. Janaki R Shah, Director of the Company who are being paid for holding the position of Purchase Manager and Head of Export respectively in the Company.

Key Managerial Personnel as at March 31, 2025 are as under:

1. Mr. Rajendra R Shah, Managing Director
2. Mr. Ashish Vasavada, Chief Financial Officer
3. Ms. Krishna Shah, Company Secretary

8. Number of Meetings of the Board and Committees

Four Meetings of the Board were held during the year on May 28, 2024, July 24, 2024, November 14, 2024 & February 12, 2025. For details of the meetings of the Board and Committees, please refer to the Corporate Governance Report, which forms part of this report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and Listing Regulations.

9. Nomination Remuneration Policy

The Policy on appointment and remuneration of directors, key managerial persons (KMP) and senior management including criteria for determining qualifications, positive attributes and director's independence as required under Section 178(3) of the Act, and Regulation 19 read with Schedule II Part D of SEBI Listing Regulations has been formulated by the Company. Policy on Nomination and Remuneration of Directors, Key / Senior Managerial Personnel may be accessed on the Company's website at: <https://investor.mercurylabs.com/wp-content/uploads/2019/11/NOMINATION-AND-REMUNERATION-POLICY.pdf>

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the SEBI Listing Regulations. Further details on the same are given in the Corporate Governance Report which forms part of this Annual Report.

10. Board Evaluation

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, Information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

11. Internal Financial Control Systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

12. Audit Committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

13. Share Capital

The paid-up Equity Share Capital of the Company as at March 31, 2025 is ₹ 120 Lakhs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

14. Risk Management

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks is getting managed within a unitary framework. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The Audit Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

15. Safety, Environment and Health

The Company considers safety, environment and health as the management responsibility. Regular employee training programs are carried out in the manufacturing facilities on safety, environment and health.

16. Particulars of Loans, Guarantees or Investments

The Company has not provided any loans and guarantees and no investments made pursuant to Section 186 of the Companies Act, 2013 during the year ended on March 31, 2025. Details of loans, guarantees and investments covered under section 186 of the Act are given in the notes to the Financial Statements.

17. Particulars of contracts or arrangements with related parties:

There are no materially significant transactions made by the Company with related parties which may have potential conflict of interest with the Company at large. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification in prescribed Form AOC-2 is furnished as '**Annexure-B**' to this report.

As a matter of policy, your Company carries out transactions with related parties on an arms' length basis. Statement of these transactions is given at Note No. 48 of the Notes to financial statements.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <https://investor.mercurylabs.com/wp-content/uploads/2023/02/Related-Party-Transaction-Policy.pdf>

18. Corporate Social Responsibility (CSR)

Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act.

A brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in '**Annexure-C**' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

This Policy is available on the Company's website at <https://investor.mercurylabs.com/wp-content/uploads/2024/06/Corporate-Social-Responsibility-Policy-2-1.pdf>. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

19. Policy on prevention, prohibition and Redressal of sexual harassment at workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee. The Committee has not received any complaint of sexual harassment during the financial year 2024-25. The policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at work place is placed on website of the Company <https://investor.mercurylabs.com/wp-content/uploads/2019/11/Policy-on-Prevention-of-Sexual-Harassment-at-Work-Place.pdf>

20. Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is posted on the website of the Company https://investor.mercurylabs.com/wp-content/uploads/2022/03/Whistle_Blower_Policy_MLL-1.pdf

21. Significant and material orders passed by the regulators or courts.

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

22. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134 (3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed as 'Annexure-D'.

23. Particulars of Employees and Remuneration

The information under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name of Director & KMP	Designation	Remuneration (₹ in Lakhs)	Ratio to Median Remuneration	Percentage increase/ decrease in the remuneration
Mr. Rajendra R Shah ²	Managing Director	20.96	9.19	10.97
Mr. Dilip R Shah	Non-Executive Director	---	---	---
Mr. Bharat Mehta	Independent Director	---	---	---
Mr. Paresh Mistry	Non-Executive Director	14.86	6.52	5.65
Ms. Janki R Shah ³	Non-Executive Director	18.22	7.99	---
Mr. Jayanti Raval	Independent Director	---	---	---
Mr. Ashish Vasavada	Chief Financial Officers	15.74	6.90	9.15
Ms. Krishna Shah	Company Secretary	6.61	2.90	39.03

Notes:

- There was no change in the criteria for payment of remuneration to Managing Director. The variation reflected in column "% increase/(decrease) in remuneration in FY 2024-25" is due to change in amount of perquisites and other benefits. Basic salary was remaining same.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- Ms. Janki R Shah, Non-Executive Director w.e.f. February 05, 2020. Further, by way of Special Resolution passed at 42nd Annual General Meeting of the Company held on September 27, 2023, the shareholders of the Company approved payment of remuneration not exceeding ₹ 62 Lakhs to Ms. Janki R Shah as Non-Executive Director of the Company for the period of 3 years from April 01, 2024.

i. The percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of employees in the financial year was 10.53%.

ii. The number of permanent employees on the rolls of the Company: 503

- iii. **Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year ending March 31, 2025 was approximately 5.67% and the average increase in the managerial personnel remuneration was 1.89%

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

The Company affirms that the remuneration paid are as per the remuneration policy of the Company.

- B. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary, where upon a copy would be sent through email only.

24. Auditors & Their Reports

(1) Statutory Auditors:

M/s. Naresh & Co., Chartered Accountants were appointed as Statutory Auditors of your Company for a period of Five (5) years, commencing from the conclusion of the 41st AGM held in the year 2022, until the conclusion of the 46th AGM to be held in the year 2027.

The Statutory Auditors have confirmed their eligibility and submitted a certificate in affirming that they are not disqualified for holding the office of the Statutory Auditor. The report given by the Statutory Auditor on the financial statements of the Company forms part of the Annual Report. There was no instance of fraud during the year under review, which required the statutory auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act, and the rules made thereunder. No fraud has been reported by the Auditors to the Audit Committee or the Board. The Notes on accounts, referred to in the Auditor's Report, are self-explanatory and therefore do not call for any further comments.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Dholakia & Associates LLP, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Report on the Secretarial Audit carried out by the Secretarial Auditor i.e. M/s. Dholakia & Associates LLP, Practicing Company Secretary during the Financial Year 2024-25 is annexed herewith as '**Annexure-E**'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, as per Regulation 24A(1) of the Listing Regulations, the Company may appoint an individual for not more than one term of five consecutive years and a Secretarial Audit Firm for not more than two terms of five consecutive years as Secretarial Auditors of the Company with the approval of its shareholders in its Annual General Meeting. In view of the same, your Directors, on the recommendation of the Audit Committee appointed M/s. Dholakia & Associates LLP, Mumbai, Practicing Company Secretary, for the first term of five consecutive years to carry out the Secretarial Audit of the Company from financial year 2025-26 upto financial year 2029-30 and to fix their remuneration.

Members' approval for appointment of M/s. Dholakia & Associates LLP, Mumbai, Practicing Company Secretary, under Regulation 24A(1) of the Listing Regulations has been sought in the Notice convening the 44th Annual General Meeting of the Company.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2024-25 for all the applicable compliances as per Listing Regulations and Circulars/Guidelines issued by SEBI from time to time. The Annual Secretarial Compliance Report for aforesaid financial year shall be submitted to the stock exchanges within prescribed time limit as per Listing Regulations.

(3) Cost Auditors:

Pursuant to the provisions of Section 148 read with Companies (Cost Records and Audit) Amendment Rules, 2014 and as recommended by the Audit Committee, the Board had appointed M/s. V.M. Patel & Associates, Practicing Cost Accountants, who have given their consent to act as Cost Auditors and laid on the table the consent letter received from them & confirmed that his appointment met the requirements of Section 141(3)(g) of the Act for the year 2025-26 and that he was free from disqualification as specified under section 141 read with Section 148 of the Act.

In terms of Rule 14 of the Companies (Audit and Auditors) Rule, 2014, remuneration payable to the cost auditors is required to be ratified by members. Accordingly, an ordinary resolution will be passed by members at the 44th Annual General Meeting approving the remuneration payable to M/s. V.M. Patel & Associates.

(4) Internal Auditors

The Board of Directors appointed M/s. K R & Associates, Chartered Accountant as Internal Auditors of the Company for financial year 2025-26.

25. Secretarial Standards:

The Company has complied with the all Secretarial Standards issued by the Institute of Company Secretaries of India and adopted under the Act

26. Deposits:

The Company has no unpaid and / or unclaimed deposit. The Company has accepted deposit from the Shareholders and has complied with all applicable provisions of the Companies Act relating to acceptance and renewal of deposits.

The details relating to deposits, covered under Chapter V of the Act are as under:

Particulars	Amt (₹ in Lakhs)
Accepted during the year from the Directors and Members	217.07
Remained unpaid or unclaimed as at the end of the year	None
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved (i) at the beginning of the year; (ii) maximum during the year; and (iii) at the end of the year;	None

27. Extract of Annual Return

A copy of Annual Return as required in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, has been placed on Company's website at <http://investor.mercurylabs.com/miscellaneous-shareholder-details/>

28. Material Change & Commitments, if any

There is no material changes and commitments, that would affect financial position of the company from the end of the financial year of the company to which the financial statements relate and the date of signing of the Board's Report

29. Corporate Governance Report

As stipulated by Regulation 34(3) read with Schedule V(C) of the Listing Regulations, Corporate Governance Report forms part of this Annual Report Annexed to the said report is the Auditor's Certificate as prescribed under Schedule V(E) of the Listing Regulations certifying compliance with conditions of corporate governance. A detailed report on Corporate Governance is annexed as "Annexure-F" to this Report alongwith the Auditors' Certificate on its compliance by the Company.

30. Independent Directors

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board of Directors of your company confirms that the Independent Directors fulfill the conditions specified in Section 149 (6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

31. Unclaimed Dividend Amounts and Transfer to IEPF

The Company has transferred dividend amounts which remained unpaid or unclaimed for a period of seven years from the date of their transfer to unpaid dividend account, from time to time, on due dates to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on March 31, 2025 on the website of the Company.

During the year under review, the Company has transferred 3400 equity shares of ₹ 10/- (Rupees Ten only) each of 11 members whose dividend has remained unclaimed / unpaid for a consecutive period of 7 (seven) years to the demat account of IEPF after giving notice to the members and advertisement in newspaper to claim their shares and the Company has credited unclaimed dividend of ₹ 1,43,106 to the Investor Education and Protection Fund (IEPF) pursuant to Section 125(1) of the Act, pertaining to FY 2016-17. Details of shares transferred to IEPF Authority during financial year 2024-25 are also available on the website of the Company <http://investor.mercurylabs.com/details-of-shares-to-iepf/>

32. Familiarisation Program for Independent Directors

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the training and familiarisation program are provided in the Corporate Governance Report and is also available on the website of the Company at https://investor.mercurylabs.com/wp-content/uploads/2023/06/Director-Familiarization-Programme_05.05.2023.pdf

33. Prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") as amended, the Company has framed a Code of Conduct to regulate, monitor and report trading by all the employees, directors, designated persons and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the UPSI relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company. Company also maintains the structured digital database as mandated in the PIT Regulations.

34. Other Disclosures

- i. During the year under review, there was no change in Company's nature of business
- ii. The Company has not failed to implement any corporate action during the year under review;
- iii. The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of Public issue, rights issue, preferential issue, etc. is not applicable to the Company;
- iv. Company does not have any subsidiary, associate or joint venture Companies within the meaning of the Companies Act, 2013.
- v. No application was made nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- vi. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- vii. No settlements have been done with banks or financial institutions.
- Viii. The Company doesn't fulfill the criteria provided under Regulation 34(2)(f) of the SEBI Listing Regulations 2015, therefore Business Responsibility & Sustainability Report is not applicable to the Company

35. Acknowledgment

The Board of Directors wish to place on record their appreciation for the continued support extended by the Bankers, Business Associates, clients, vendors and suppliers, Government Authorities, Employees at all levels and Stakeholders, in furthering the interest of the Company.

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
Managing Director
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

ANNEXURE-A TO THE BOARDS' REPORT

DIVIDEND DISTRIBUTION POLICY

OBJECTIVE

The objective of this policy is to establish the principles and criteria to be considered by the Board of Directors prior to recommending dividend to the Equity Shareholder of Mercury Laboratories Limited.

The policy is framed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a consistent dividend policy and has endeavored to judiciously balance rewarding shareholder through dividends whilst supporting future growth and long-term interests of the Company and its stakeholders.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors shall inter alia consider the following parameters before recommending dividend:

Statutory and Regulatory Parameters

The Company shall declare dividend only after ensuring compliance with requisite regulations and provisions of the Companies Act, 2013 and rules made there under, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and any other regulations as may be applicable from time to time.

The Board will consider various parameters as mentioned below before arriving at a decision on declaration of dividend:

Financial Parameters

- | | |
|--|---|
| ☞ Profits earned during the financial year | ☞ Accumulated reserves |
| ☞ Funding and liquidity considerations | ☞ Profitability outlook for the next two/three years |
| ☞ Leverage ratios | ☞ Other factors and/or material events which the Board may consider |

External Factors

- ☞ Shareholder expectations, including individual shareholders
- ☞ Taxation provisions
- ☞ Macro and Micro Economic conditions
- ☞ Government policies
- ☞ Any other factors and / or material events which the board may consider

UTILISATION OF RETAINED EARNINGS

Retained earnings shall be utilized in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board. The Company shall endeavor to utilize retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

DIVIDEND AND CLASSES OF SHARES

The Board may declare interim or recommend final and/or special dividend as may be permitted under the Companies Act, 2013 or any amendment, modification, variation or re-enactment thereof.

Currently, the Company does not have any other class of shares (including shares with differential voting rights) other than equity shares.

DIVIDEND PAYOUT RATIO

The Company has followed a stable dividend policy in the past and strives to maintain a consistent dividend payout ratio.

CONFLICT IN POLICY

In the event of a conflict between this policy and the then existing regulations, the regulations shall prevail.

AMENDMENTS

To the extent any change/amendment is required in terms of applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be suitably modified to make it consistent with the law. Such amended policy shall be placed before the Board for noting and necessary ratification.

REVIEW OF POLICY

The Board shall review the Dividend Distribution Policy of the Company periodically.

DISCLOSURE OF POLICY

The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website <https://investor.mercurylabs.com/wp-content/uploads/2022/03/DIVIDEND-DISTRIBUTION-POICY-2.pdf>

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
Managing Director
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

ANNEXURE - B TO THE BOARD'S REPORT

FORM NO. AOC – 2

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

Form for disclosure of particulars of contracts/arrangement entered into 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 transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or Arrangement or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as require under first proviso to section 188
NIL							

Details of material contracts or arrangement or transactions at arm's length basis:

There were no material contracts or arrangements, or transactions entered into during the year ended March 31, 2025.

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or Arrangement or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
NIL					

All related party transactions are at arm's length basis and are approved by Audit Committee of the Company.

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
Managing Director
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

ANNEXURE – C TO THE BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR ENDED ON MARCH 31, 2025

1. Brief outline on CSR Policy of the Company:

The Company's philosophy towards Corporate Social Responsibility (CSR) is conducting business by integrating its economic, environmental and social objectives in such a way that it will contribute for the social good together with its operational growth. The Company believes that CSR is a process by which an organization thinks about its relationship with its stakeholders for the common good and demonstrates its commitment to the same. The Company intends to undertake multiple initiatives like promoting education, Health care and other development activities under its CSR policy.

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and can be accessed on the Company's website at <https://investor.mercurylabs.com/wp-content/uploads/2024/06/Corporate-Social-Responsibility-Policy-2-1.pdf>

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajendra Shah	Chairman, Managing Director	3	3
2.	Mr. Bharat Mehta	Independent Director	3	3
3.	Mr. Divyakant Zaveri (upto 24.07.2024)	Independent Director	2	2
4.	Mr. Jayanti Raval (w.e.f 25.07.2024)	Independent Director	1	1
5.	Mr. Dilip Shah	Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

CSR Committee- investor.mercurylabs.com/wp-content/uploads/2022/03/Composition-of-Various-Committee.pdf,

CSR Policy- <https://investor.mercurylabs.com/wp-content/uploads/2024/06/Corporate-Social-Responsibility-Policy-2-1.pdf>

CSR projects approved by the board- https://investor.mercurylabs.com/wp-content/uploads/2024/07/CSR-Action-plan_24-25.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not applicable

5. (a) Average net profit of the company as per section 135(5): ₹ 643.54 Lakhs
 (b) Two percent of average net profit of the company as per section 135(5): ₹ 12.87 Lakhs
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 (d) Amount required to be set off for the financial year, if any: Nil
 (e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 12.87 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 13.13 Lakhs
 (b) Amount spent in Administrative Overheads: NIL
 (c) Amount spent on Impact Assessment, if applicable: NIL
 (d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 13.13 Lakhs

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 13.13 Lakhs			NIL		

(f) Excess amount for set off, if any

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	12.87 Lakhs
(ii)	Total amount spent for the Financial Year	13.13 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.26 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.26 Lakhs

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: No

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

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
MD & Chairman of CSR committee
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

ANNEXURE-D TO THE BOARD'S REPORT

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) rules, 2014]

1. CONSERVATION OF ENERGY

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

- Regular energy audits to identify inefficiencies in processes, equipment, and systems.
- Daily planning for HVAC systems to operate only in occupied or critical areas.
- Use Variable speed drives for motor and pumps to optimize their operation, reduce energy consumption during periods of lower demand
- Awareness programs for staff to promote responsible energy use
- Suggestion schemes where employees can recommend energy-saving ideas
- Training sessions on operating equipment efficiently.
- Recycling and reuse of water in garden and cleaning operations.
- Schedule and execute the preventive maintenance of the equipment's in facility to reduce the energy uses.
- Maintain the power factor to reduce energy losses.
- Replace older, energy-inefficient equipment with newer models, like LED lighting and energy saving motors.

(ii) **The Steps taken by the Company for utilizing alternate source of energy**

- Installed solar roof-top at our Jarod plant in the year 2020-21

(iii) **The capital investment on energy conservation equipment's: Nil**

2. TECHNOLOGY ABSORPTION

(i) **The efforts made towards technology absorption;**

- Used UF technology in STP plant for better quality of water for gardening.
- Used new pipeline in ETP plant in collection tank, coagulation tank and flocculation tank for sludge collection and transfer to sludge bed due to water quality is improve.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution;-** Quality Improvements and enhancement of product life.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-** Nil

(iv) **The expenditure incurred on Research and Development: Nil**

3. FOREIGN EXCHANGE EARNING & OUT GO:

Sr. No	Particulars	(₹ in Lakhs)	
		2024-25	2023-24
a.	Foreign Exchange Earnings	2,084.29	1871.09
b.	Foreign Exchange outgo towards	55.39	31.11

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
Managing Director
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

ANNXURE – E TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

[Issued in Pursuance to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Mercury Laboratories Limited.
1st Floor 18, Shreeji Bhuwan,
51, Mangaldas Road, Princess Street,
Mumbai 400002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mercury Laboratories Limited (CIN L74239MH1982PLC026341)** (hereinafter called 'the Company') for the financial year ended 31st March, 2025. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion, it must be noted that-

- i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation pertaining to compliance of laws, rules and regulations and happening of events etc.
- v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
- vi. 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.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments only. There is no External Commercial Borrowings made by the Company;

- V. A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - V. B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit: -
 - a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - b. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. —Check last year it was shown as applicable—Why?
 - d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
 - VI. The following Acts and Rules made thereunder pertaining to drugs and pharmaceuticals business, as applicable to the Company:
 - (a) The Drugs and Cosmetics Act, 1940 and the rules made thereunder
 - (b) Drugs and Price Control Order, 2013
 - (c) The Narcotics, Drugs & Psychotropics Substances Act, 1985
 - D. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.
- E. We further report that—
 - I. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013;
 - II. Adequate notice was given to all directors to schedule the Board Meetings, Committee Meetings and the agenda and detailed notes on the agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
 - III. The majority decisions are carried through and there was no instance of any director expressing any dissenting views.
 - F. We further report that there are reasonable systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and the Company is in the process of strengthening the same.
 - G. We further report that during the audit period the Company has sought the approval of Members by passing the Special resolutions at the Annual General Meeting held on 27th September, 2024 with respect to –
 - (a) Payment of remuneration to a Non-Executive Director exceeding 50 (fifty) percent of total remuneration payable to all the Non-Executive Directors.
 - (b) Acceptance/ Renewal of Deposits under Section 73 of the Act from Members up to an amount of Rs 5 Crore; being 9.84% aggregate of paid-up capital, free reserves and securities premium account as per the latest audited balance sheet of the Company.

H. During the audit period none of the following events have taken place:

- I. Public/Rights/Preferential Issue of Shares/Debentures etc.
- II. Redemption/buy-back of securities.
- III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
- IV. Merger/Amalgamation/Reconstruction, etc.
- V. Foreign Technical Collaborations.

ICSI Unique Code: P2014MH034700
Peer Review Certificate No: 2404/2022
UDIN: F010032G000339977
Place: Mumbai
Date: May 14, 2025

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

CS Nrupang B. Dholakia
Managing Partner
FCS-10032 CP No. 12884

ANNEXURE-F TO THE BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. STATEMENT ON COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE

MLL's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems delegation, across all facets of its operations. The Companies Corporate Governance philosophy has been further strengthened through its code of conduct, code of conduct for prevention of insider trading as also the code of Corporate Disclosure Practices leading to sharply focused and operationally efficient growth. The business operations are conducted to benefit it's all stakeholders, Including shareholders, employees, customers, suppliers and statutory authority.

2. BOARD OF DIRECTORS

Composition of Director

As on March 31, 2025, the Board of Directors is consisting of 6 (Six) Directors with a one Managing Director, Two Independent Non-Executive Directors, One Woman Non-Executive Director and Two Non Independent Non-Executive Director. The Composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the BSE Limited.

None of the Directors on the Company's Board is holding office of the Director in more than 20 (twenty) Companies including 10 (ten) Public Companies, 7 Listed Companies. Independent Directors are also not member in more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the companies in he acts as Director. Necessary, disclosures regarding committee positions in other public companies as on March 31, 2025 have been made by directors.

Independent directors are non-executive directors as defined under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have given declaration confirming that they meet the criteria as mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

The terms and conditions of appointment of the independent directors are disclosed on website of the Company.

Changes in the Board of Directors

The following changes have taken place in the composition of the Board of Directors, during the year under review and up to the date of this report.

Mr. Divyakant Zaveri (DIN: 01382184) completed his second term as an Independent Director and ceased to be Director effective close of business hours on July 25, 2024 and Chairperson of the Board, effective close of business hours on July 23, 2024. Mr. Bharat Mehta (DIN: 07180906), Independent Director was appointed as the Chairperson of the Board with effect from July 24, 2024.

Mr. Jayantilal Raval (DIN: 10662609) was appointed as an Independent Director of the Company for a period of five (5) years from July 24, 2024. His appointment was approved by the shareholders at the 43rd AGM held on September 27, 2024

The second term of Mr. Bharat Mehta (DIN: 07180906) second term as an Independent Director would be completed on May 14, 2025 and he would ceased to be Director and Chairperson of the Board effective close of business hours on May 14, 2025. Mr. Sanjay Patel (DIN: 00283429) was appointed as an Additional Non-Executive Independent Director with effect from May 14, 2025 and was also appointed as a Chairperson of the Board with effect from May 15, 2025. He is also appointed as Chairperson of the Audit Committee effective from May 15, 2025. The said appointment is subject to approval of the shareholders at the ensuing 44th Annual General Meeting ('AGM').

A brief resume of the director being re-appointed at the Annual General Meeting, the nature of their expertise in specific functional areas and names of companies in which he/she holds directorship and membership of the committees of the Board, is annexed to the Notice convening Annual General Meeting and also available on website of Company.

The names and categories of the Directors, their attendance at the Board Meeting and Annual General Meeting, No. of Directorship and committee position held in other Companies are given below.

Composition, attendance at the Board Meetings during FY 2024-25 and the last Annual General Meeting, outside directorship and Membership / Chairmanship of Board Committees of other Companies for the year ended / as at March 31, 2025

Name of Directors	Category of Directors	Directorships in other listed entities [#] , Chairmanship and Memberships in Committees			No. of shares held as at March 31, 2025
		Names of other listed entities along with the category	Chairman ^{\$}	Member ^{\$}	
Mr. Rajendra R. Shah DIN: 00257253	Promoter Executive Director (MD)	-	None	None	85,650
Mr. Dilip R. Shah DIN: 00257242	Promoter Non - Executive Director	-	None	None	84,850
Mr. Divyakant R. Zaveri DIN: 01382184	Chairman (upto July 23, 2024) & Non - Executive Independent Director (Upto July 25, 2024)	-Gujarat Containers Limited (Independent Non - Executive Director) -Saptrishi Agro Industries Limited (Independent Non - Executive Director) -Krishna Defence and Allied Industries Limited (Independent Non-Executive Director)	4	7	-
Mr. Bharat D. Mehta DIN 07180906	Chairman (w.e.f July 24, 2024) , Independent & Non-Executive	Swastika Castal Ltd. (Independent Non-Executive Director)	1*	2	-
Mr. Paresh J Mistry DIN: 07893654	Non Independent & Non-Executive	-	1	2	-
Ms. Janki R Shah DIN: 08686344	Non Independent & Non-Executive	-	None	None	1,04,000
Mr. Jayanti Raval DIN: 10662609	Independent & Non-Executive (w.e.f July 24, 2024)	-	None	2	-

* Chairman of Audit committee w.e.f July 25, 2024 in Mercury Laboratories Limited

This excludes directorship in private company, overseas companies and partnership in LLPs.

\$ No of Chairmanship & Membership in Audit Committee & Stakeholders Relationship Committee includes Chairmanship & Membership in Mercury Laboratories Limited.

Board Meetings and Attendance

4 (Four) meetings of Board of Directors, were held during the year and the gap between two Meetings did not exceed one hundred twenty days. The details of Board meetings and attendance of Directors at these meetings and at last Annual General Meeting (AGM) are given below

Name of Directors	Last AGM held on September 27, 2024	Board Meetings held on				% Attendance of Director
		May 28, 2024	July 24, 2024	November 14, 2024	February 12, 2025	
Mr. Rajendra R. Shah	Yes	Yes	Yes	Yes	Yes	100
Mr. Dilip R. Shah	Yes	Yes	Yes	Yes	Yes	100
Mr. Divyakant R. Zaveri (upto July 25, 2024)	NA	Yes	Yes	NA	NA	100
Mr. Bharat D. Mehta	Yes	Yes	Yes	Yes	Yes	100
Mr. Paresh J Mistry	Yes	Yes	Yes	Yes	Yes	100
Ms. Janki R Shah	Yes	Yes	No	Yes	Yes	75
Mr. Jayanti Raval	Yes	NA	Yes	Yes	Yes	100

Usually, meetings of the Board are held in Vadodara, Gujarat. Video conferencing facilities are used to enable the Directors to participate in the meeting should they need to attend the meetings virtually. The necessary quorum was present for all the meetings. The notice, agenda and supplementary documents are circulated well in advance before each meeting, to all Directors, for facilitating effective discussion and decision making. Considerable time is spent by the Directors on discussions and deliberations at the Board meetings.

During the year under review, the Board had approved and passed one resolution by circulation on December 19, 2024

The Minutes of the proceedings of each Board Meeting is recorded and the same is sent to all Directors for their comments, if any. The said minutes are taken for approval at the next Board Meeting and the same are signed by The Chairman in the manner as prescribed under the Companies Act, 2013 & Rules made thereunder and as per the Secretarial Standards.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

Disclosure of Relationships inter se:

Mr. Rajendra Shah and Mr. Dilip R Shah are brothers and Ms. Janki Shah is Daughter of Mr. Rajendra Shah except that none of the directors are related to each other.

Disclosure regarding Directors retiring by rotation and being re-appointed

Ms. Janki R Shah (DIN: 08686344), Non-Executive Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. A brief profile of Ms. Janki R Shah is given in the notice of Annual General Meeting, annexed to this Annual Report.

Familiarization Program for Independent Directors-

The Company through its Managing Director / Key Managerial Personnel conducts programs/presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

Such programs/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The programs/presentations also familiarise the Independent Directors with their roles, rights and responsibilities.

When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities. Details of familiarization programs is available on http://investor.mercurylabs.com/wp-content/uploads/2023/06/Director-Familiarization-Programme_05.05.2023.pdf

Matrix highlighting core skills/expertise/competencies of the Board of Directors

Sr. No.	Names of Director	Pharmaceuticals and Public Health	Finance, Economic, Banking, Financial Services, Risk and Governance	Business Leadership	Entrepreneurship including Strategy and Public Policy	General Corporate Management including Human Resources
1	Mr. Rajendra R. Shah	✓	✓	✓	✓	✓
2	Mr. Dilip R. Shah	✓	✓	✓	✓	✓
3	Mr. Bharat D. Mehta		✓	✓	✓	✓
4	Mr. Pares J Mistry		✓	✓	✓	✓
5	Ms. Janki R. Shah	✓	✓	✓	✓	✓
6	Mr. Jayanti Raval	✓	✓	✓		✓

Above skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills / experience listed therein. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

We confirm that in the opinion of the board, the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. None of the Director of the Company had resigned during the year before the expiry of his tenure.

Role of Independent Directors

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective.

The Company benefits immensely from their inputs in achieving its strategic direction.

An Independent Director is the Chairman of the Audit Committee, Nomination & Remuneration Committee, as at March 31, 2025.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act, the Listing Regulations and are independent of the Management

Meetings of Independent Directors

The Company's Independent Directors met on February 12, 2024 in absence of Non-Independent Directors and Members of Management. Mr. Divyakant Zaveri chaired the meeting. At this meeting the Independent Directors reviewed the following:

- 1) Performance of the Chairman;
- 2) Performance of the Independent and Non Independent Directors;
- 3) Performance of the Board as a whole and its Non Administrative Committees.

They also assessed the quality, quantity and timeliness of flow of information between the Management and the Board. The Chairman of the meeting of the Independent Directors presented views of the Independent Directors to the Chairman of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has carried out the Annual Performance Evaluation of its own performance, the Directors Individually as well as the evaluation of working of its various committees. A separate exercise was carried out to evaluate the performance of Individual Directors including Chairman of the Board who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding interest of the Company and its minority shareholders. The performance evaluation of the Chairman and the Non Independent Director was carried out by the Independent Director including overall performance of the Board as whole at the meeting of Independent Directors held during the year under review and by Board as whole.

3. Committees of the Board:

AUDIT COMMITTEE

The composition and the Terms of Reference of the Audit Committee meet with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the audit committee and the details of meetings attended by its members for the year ended on March 31, 2025 are given below. The Company Secretary act as secretary to Audit Committee.

Name	Category of Director	Number of Meetings during the Year 2024-25	
		Held	Attended
Mr. Divyakant R. Zaveri (upto July 24, 2024)	Chairman, Independent & Non-Executive	2	2
Mr. Bharat D. Mehta*	Chairman, Independent & Non-Executive	4	4
Mr. Paresh Mistry	Member, Non Independent & Non-Executive	4	4
Mr. Jayanti Raval (w.e.f July 25, 2024)	Member, Independent & Non-Executive	2	2

*Mr. Bharat Dhirajlal Mehta (DIN: 07180906) has been appointed as chairperson of the Audit committee w.e.f July 25, 2024 earlier he was member of the Audit committee since May 14, 2015.

During the financial year, four meetings of Audit Committee were held i.e. on May 28, 2024, July 24, 2024, November 14, 2024 & February 12, 2025. The necessary quorum was present at the meeting.

The CFO as an invitee attends the meeting of Audit committee regularly.

All the members of the Audit Committee possess requisite qualifications.

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (as Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015). Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

The brief description of the Powers of Audit Committee is as under:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

Terms of Reference of Audit Committee

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. 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 subsection 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operation effectively;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
24. The audit committee shall mandatorily review the following information:
 - a management discussion and analysis of financial condition and results of operations;
 - b management letters / letters of internal control weaknesses issued by the statutory auditors;
 - c internal audit reports relating to internal control weaknesses; and
 - d the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - e statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Previous Annual General Meeting (AGM) of the company was held on September 27, 2024.

NOMINATION AND REMUNERATION COMMITTEE

The company has a Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a duly constituted Nomination and Remuneration Committee of directors during the year ended on March 31, 2025. During the financial year, there were Two meeting of Nomination & Remuneration Committee held on May 28, 2024 and July 24, 2024. The necessary quorum was present at the meeting.

Details of the committee composition and attendance of director is as under

Name	Category of Director	Number of Meetings during the Year 2024-25	
		Held	Attended
Mr. Bharat D. Mehta*	Independent & Non-Executive	2	2
Mr. Divyakant R. Zaveri (upto July 24, 2024)	Member, Independent & Non-Executive	2	2
Ms. Janki Shah	Member, Non Independent & Non-Executive	2	1
Mr. Jayanti Raval (w.e.f July 25, 2024)	Chairman, Independent & Non-Executive	-	-

*Mr. Bharat Dhirajlal Mehta (DIN: 07180906) ceased to be a chairperson of the Nomination and Remuneration committee w.e.f July 24, 2024 after closure of business hours and continued as a member of the Nomination and Remuneration Committee w.e.f July 25, 2024

The main term of reference of Nomination and Remuneration Committee is to review and recommend the revision in remuneration of managerial personnel to the Board of Directors. The Nomination and Remuneration Committee while reviewing the remuneration considers the industry remuneration standards, educational qualification, relevant experience and performance of the concerned managerial personnel vis-à-vis the company requirements. The Role of the Committee is in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 read with Part D of Schedule II of SEBI (as Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015).

The Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of Independent Directors which includes parameters like knowledge and skills, professional conduct, duties, role and functions, independence, etc.

The broad terms of reference of the Nomination and Remuneration committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration of the Directors, Key managerial Personnel and other employee.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of Independent Directors

Nomination and Remuneration Policy:

Nomination and Remuneration policy of the company is directed towards rewarding performance, based on the review of achievements. Nomination and Remuneration policy is in consonance with the existing industry practice. The criteria of making payments to the Non-Executive Directors are disclosed in the Policy and the same is available on <https://investor.mercurylabs.com/wp-content/uploads/2019/11/NOMINATION-AND-REMUNERATION-POLICY.pdf>

The salient features of the NRC Policy are as under:

1. Setting out the objectives of the Policy
2. Definitions for the purposes of the Policy
3. Policy for appointment and removal of Director, KMP and Senior Management
4. Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees
5. Remuneration to Non-Executive/Independent Director

The Board of Directors formed a Nomination and Remuneration Committee to review and recommend the remuneration package of the whole time director based on performance and defined criteria.

Remuneration of Directors

The remuneration paid to Executive Director of the company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The company's remuneration strategy is market driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance based on review of achievements on periodical basis.

For the year ended on March 31, 2025 Remuneration was paid to Mr. Rajendra R Shah, Managing Director, of ₹ 13.04 Lakhs and perquisite of ₹ 7.92 Lakhs aggregate value thereof was ₹ 20.96 Lakhs with approval of shareholders. In 41st AGM, Mr. Rajendra R Shah has been reappointed as Managing Director for Three Years w.e.f April 01, 2023 which can be terminated by either party giving three months' notice in writing.

Details of sitting fees paid to Non-Executive Directors during the year 2024-25 are as under.

Name of Director	Sitting Fees Paid (₹ in Lakhs)
Mr. Divyakant R. Zaveri	0.23
Mr. Bharat D. Mehta	0.39
Mr. Paresh J Mistry	0.30
Mr Dilip Shah	0.27
Ms Janki Shah	0.19
Mr. Jayanti Raval	0.21

The Independent Directors & Non Executive Directors were paid per meeting sitting fees @ ₹ 5000 for Board Meeting and @ ₹ 1500 for each committee meeting during the year under review. For Annual Board Meeting, sitting fees is ₹7500 per meeting.

Mr. Divyakant Zaveri who is Independent Director (upto July 25, 2024) of the Company, and holding a degree of chartered accountant, being paid of ₹ 0.63 Lakhs as a professional fees during the year under review.

Mr. Paresh J Mistry, Non Independent Non-Executive Director was paid remuneration of ₹ 14.86 Lakhs for the year ended on March 31, 2025 for holding and working as Manager Purchase of the Company.

Ms. Janki R Shah, Non Independent Non-Executive Director was paid remuneration of ₹ 18.22 Lakhs for the year ended on March 31, 2025 for holding and working as head of export business of the Company.

As of now, the Company does not have any employee stock option plan. The company has not granted any stock option to any of its directors.

During the year, the non-executive directors of the Company had no pecuniary relationship or transaction with its Non-Executive Directors and Independent Directors other than payment of sitting fees for attending Board and Committee meetings with the Company except Mr. Paresh J Mistry & Ms. Janaki R Shah, Director of the Company who is being paid of holding position of Purchase Manager and Head of Export respectively in the Company.

STAKEHOLDER RELATIONSHIP COMMITTEE

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations, 2015.

Terms of reference

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Carry out any other function as may be referred by the Board from time to time or endorsed by any statutory notification / amendment or modifications as may be applicable.

During the financial year, one meeting of Stakeholders Relationship Committee were held i.e. on May 28, 2024. The necessary quorum was present at the meeting.

Name	Category of Director	Number of Meetings during the year 2024-25	
		Held	Attended
Mr. Paresh Mistry	Chairman, Non Independent & Non-Executive	1	1
Mr. Divyakant R. Zaveri (upto July 24, 2024)	Independent & Non-Executive	1	1
Mr. Bharat D. Mehta	Independent & Non-Executive	1	1
Mr. Jayanti Raval (w.e.f July 25, 2024)	Independent & Non-Executive	-	-

Ms. Krishna Shah, Company Secretary of the Company acts as the Secretary and Compliance Officer to the meetings of the Stakeholders Relationship Committee.

The Chairman of the Committee attended the 43rd Annual General Meeting of the Company held on September 27, 2024.

Redressal of Investor Grievance

The Company as well as its Registrar & Transfer Agent addresses all complaints, suggestions, and grievances.

During the year, two complaints were received. All complaints received during the year were resolved to the satisfaction of the complainants and no investor complaint was pending at the beginning or at the end of the year.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted CSR Committee as per the provisions of Section 135 of Companies Act, 2013 and rules framed thereunder.

During the financial year, four meetings of CSR Committee were held i.e. on May 28, 2024, July 24, 2024 and November 14, 2024. The necessary quorum was present at the meeting.

Name	Category of Director	Number of Meetings during the year 2024-25	
		Held	Attended
Mr. Rajendra Shah	Chairman, Managing Director	3	3
Mr. Bharat Mehta	Independent & Non-Executive	3	3
Mr. Divyakant Zaveri (upto July 24, 2024)	Independent & Non-Executive	2	2
Mr. Dilip Shah	Non Independent & Non - Executive	3	3
Mr. Jayanti Raval (w.e.f July 25, 2024)	Independent & Non - Executive	1	1

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include:

1. Formulate, review, amend and recommend CSR Policy to the Board for approval.
2. Review the Annual CSR action plan and the CSR budget and give recommendations to the Board for its Approvals.
3. Monitor the CSR programs from time to time as per CSR Policy, provide update to the Board to help Board in monitoring the implementation of CSR programs.
4. Review the impact assessments on CSR programs and provide update to the Board as part of the CSR Report.

The Company has been pursuing CSR Activities in accordance with requirements of the Companies Act, 2013. The data is provided in the Annexure-c to the Board Report.

The CSR policy of the Company is placed on the website of the Company <https://investor.mercurylabs.Com/wp-content/uploads/2024/06/Corporate-Social-Responsibility-Policy-2-1.pdf>

4. General Body Meeting

Particulars of AGM / EGM for the last three years:

The details of the last three Annual / Extraordinary General Meeting are as follows:

AGM for the financial year ended	Day Date & Time of AGM	Place of AGM	Special Resolutions passed
March 31, 2024	September 27, 2024 at 11:30 AM	Through Video Conferencing (deemed venue Registered Office of the Company)	1. Payment of Remuneration to Ms. Janki R Shah, (DIN: 08686344) Non-Executive Director exceeding fifty percent (50%) of total remuneration payable to all Non-Executive Directors 2. Revision in Managerial Remuneration of Mr. Rajendra R Shah (DIN: 00257253), Managing Director of the company w.e.f October 01, 2024. 3. Appointment of Mr. Jayantilal Raval (DIN: 10662609) as an Independent Director of the Company 4. Acceptance/Renewal of Deposit from Members under Section 73 of the Companies Act, 2013
March 31, 2023	September 27, 2023 at 11:30 AM	Through Video Conferencing (deemed venue Registered Office of the Company)	1. Payment of of Remuneration to Mr. Paresh J Mistry, (DIN: 07893654) Non- Executive Directors exceeding fifty percent (50%) of total remuneration payable to all Non-Executive Directors 2. Revision in remuneration being paid to Mr. Saurabh Mittal, Marketing Manager 3. Payment of Remuneration to Ms. Janki R Shah(DIN:08686344) , Non-Executive Director of the Company
March 31, 2022	September 27, 2022 at 11:30 AM	Through Video Conferencing (deemed venue Registered Office of the Company)	1. Re-appointment of Mr. Rajendra R Shah (DIN: 00257253) as Managing Director of the Company for the further period of 3 (Three) years effective from April 01, 2023. 2. Payment of Remuneration to Non-Executive Directors 3. To approve payment of remuneration to Mr. Divyakant Zaveri, (DIN: 01382184) an Independent Non-Executive Chairman of the Company 4. Continuation of Mr. Rajendra R Shah (DIN: 00257253) as a Managing Director of the Company

Postal Ballot

During the year under review, no resolutions were passed through Postal Ballot process.

Special resolutions proposed to be conducted through Postal Ballot

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution by way of e-voting. Any Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

Procedure for Postal Ballot

The Postal Ballot shall be carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder and MCA Circulars.

5. Disclosure**Related Party Transactions:**

During the year under review, all related party transactions entered into by the Company were approved by the Audit Committee and were in the ordinary course of business and at arm's length basis. Prior approval is obtained for unforeseen related party transactions which would be on an arm's length basis. Also, the Company did not enter into any material related party transactions. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. The Policy dealing with Related party transaction as approved by the Board may be accessed on the Company's website at the link: <https://investor.mercurylabs.com/wp-content/uploads/2023/02/Related-Party-Transaction-Policy.pdf>

Details of Non Compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India or any Statutory authority on any matter related to capital markets, during the last three year

No penalties or strictures were imposed by SEBI, Stock Exchanges or any Statutory Authorities for any matter relating to Capital Market during last three years.

Disclosure Of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Indian Accounting Standard notified by the Ministry of Corporate Affairs. The significant accounting policies applied in preparation and presentation of financial statements has been set out in the Notes to Financial Statements.

Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy is posted on the website of the Company http://investor.mercurylabs.com/wp-content/uploads/2022/03/Whistle_Blower_Policy_MLL-1.pdf

Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The members of the Board and senior management personnel have affirmed the compliance with the code applicable to them during the year ended on March 31, 2025. The Annual Report of the Company contains a certificate by the Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on Compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

In accordance with requirement of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declarations of independence in the first Board Meeting of the current financial year.

The Code has been displayed on the Company's website at <http://investor.mercurylabs.com/wp-content/uploads/2020/09/Code-of-Conduct-for-BOD-SrMgt-as-per-revised-CI49.pdf>

Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued / paid up capital is in agreement with the total number of share in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Means of Communication-Website & News Paper Published

The Quarterly, Half yearly and Annual results of the company are normally published in Active Times & business standards in English and in Nav Shakti & Lakshdeep in Marathi News Papers having wide circulation. The Financial results are also displayed on the Company's website <http://investor.mercurylabs.com/financial-report/> and posted on the BSE Corporate Compliance & Listing Centre. Official news releases and presentations made to institutional investors and analysts are posted on the Company's website.

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website at <http://investor.mercurylabs.com/disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> There is a separate section on 'Investor Relations' on the website of the Company containing details relating to the financial results declared by the Company, annual reports, presentations made by the Company to investors, shareholding patterns and such other material information which is relevant to shareholders.

The Company has designated the email ID secretarial@mercurylabs.com to enable stakeholders to email their queries/grievances.

Auditors Certificate on Corporate Governance

Certificate from the Auditors of the Company, M/s. Naresh & Co, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached to the Directors' Report forming part of the Annual Report.

Disclosures with respect to Suspense Escrow Demat Account

As per the Circulars/guidelines issued by SEBI, after due verification of the investor service requests received from the Shareholders/Claimants, 'Letters of Confirmation (LOC)' are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is one hundred twenty (120) days from the date of issuance, within which the Shareholder/Claimant is required to make a request to the Depository Participant (DP) for dematerializing the shares covered by the LOC. In case the demat request is not submitted within the aforesaid timeline of one hundred twenty (120) days, the Companies are required to transfer such shares to Suspense Escrow Demat Account (SEDA) of the Company opened for this purpose. Shareholders/Claimants can claim back their shares from SEDA by submitting the required documents to RTA as per SEBI Advisory dated 30th December, 2022. Details of shares transferred to / released from SEDA during the FY 2024-25 are as under:

Particulars	No of Shares
Shares lying in SEDA as on April 01, 2024	0
Shares transferred to SEDA during FY 2024-25	0
Shares lying in SEDA as on March 31, 2025	0

Particulars of senior management of the Company:

Name of Senior Management Personnel	Category
Mr. Saurabh Mittal	Chief Operating Officer
Mr. Ashish Vasavada	Chief Financial Officer
Ms. Shilpi Bhatnagar	Quality Assurance head
Mr. Mahendra Patel (resigned w.e.f April 08, 2024)	Plant head- Injection
Mr. Jagdish Patil (Appointed w.e.f June 14, 2024 & Resigned w.e.f April 16, 2025)	Plant head- Injection
Mr. Sandip Patel	Plant Head- Liquid & Tablet
Mr. Mukesh Shrivastava	Vice President-Marketing & Sales
Ms. Krishna Shah	Company Secretary
Mr. Kinjal Upadhyay (resigned w.e.f February 24, 2025)	HR Manager

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting date, time and venue:

Day, Date & Time	Wednesday, August 13, 2025 @ 11.30 AM(IST)
Venue	Through Video Conferencing / OAVM

Financial Calendar

Financial Year: April 1 to March 31

For the financial year 2024-25, the results were announced as per the following details:

1 st Quarter ended on June 30, 2024	July 24, 2024
2 nd Quarter ended on September 30, 2024	November 14, 2024
3 rd Quarter ended on December 31, 2024	February 12, 2025
Audited Financial Result for the year ended on March 31, 2025	May 14, 2025

For the financial year 2025-26, financial results will be announced as per the following tentative schedule

1 st Quarter ended on June 30, 2025	Second week of August, 2025
2 nd Quarter ended on September 30, 2025	Second week of November, 2025
3 rd Quarter ended on December 31, 2025	Second week of February, 2026
Audited Financial Result for the year ended on March 31, 2026	Last week of May, 2026

Dividend Payment Date : on or after August 13, 2025

Date of Book Closure : From August 7, 2025 to August 13, 2025

Listing on Stock Exchange : **BSE Limited.**
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai, Maharashtra-400 001.

The Company has paid the listing fees to this Stock Exchange for the year 2024-25.

Stock Code on BSE Ltd. : 538964

ISIN Code in NSDL & CDSL for Equity Shares : INE947G01011

Corporate identity number (CIN) of the Company : L74239MH1982PLC026341

Ethics/Governance Policies

The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out our duties in an ethical manner. Apart from the policies/codes specified in the report elsewhere, the Company has also adopted following:

1. Material Subsidiary Policy
2. Related Party Transaction Policy
3. Dividend Distribution Policy
4. Policy on Determination of Materiality for Disclosures
5. Policy on Archival and Preservation of Documents

The Policies mentioned above are available on the website of the Company at: <https://investor.mercury labs.com/policies/>

Disclosures under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2025 are given in the Board's Report.

A	Number of complaints filed during the financial year	Nil
B	Number of complaints disposed off during the financial year	Nil
C	Number of complaints pending as on end of the financial year	Nil

Credit Ratings for Fixed Deposits:

CRISIL Rating has reaffirmed credit rating to 'BB+/Stable' on Fixed Deposits of ₹ 3 Cr. during the financial year 2024-25

Registrar and Share Transfer Agent:

MUFG Intime India Private Limited (Formerly Link Intime India Pvt Ltd)

Geetakunj, 1, Bhakti Nagar Society, Behind ABS Tower,

Old Padra Road, Vadodara, Gujarat-390015

Tel: +91 265 3566768

E-mail: vadodara@in.mpms.mufig.com Website: www.in.mpms.mufig.com

Share transfer system:

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

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

The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Categories of Shareholding and Dematerialization of Shares as on March 31, 2025.

Category	Numbers of shares in physical form	Number of shares in dematerialized form	Number of total shares	Percentage of aggregate holding to total share capital
Promoters	0	883900	883900	73.66%
Foreign Institutional investors	0	0	0	0.00%
Public financial institutions	0	0	0	0.00%
Mutual funds	0	0	0	0.00%
Nationalized banks and other banks	0	0	0	0.00%
NRI's and OCB's	11200	14736	25936	2.16%
Body Corporate (includes Other Bodies Corporate)	800	7485	8285	0.69%
Others (includes HUF, IEPF)	43900	237979	281879	23.49%
TOTAL	55900	1144100	1200000	100.00%
Percentage	4.66	95.34	100	

Distribution of Share Holding as on March 31, 2025

No. of Shares	Number of shareholders	Percentage of Total	Number of shares for the range	Percentage of total shares
1 to 500	1362	95.58	93560	7.80
501 to 1000	22	1.54	16745	1.40
1001 to 2000	12	0.84	19594	1.63
2001 to 3000	6	0.42	15274	1.27
3001 to 4000	3	0.21	10985	0.92
4001 to 5000	3	0.21	13559	1.13
5001 to 10000	1	0.07	5806	0.48
10001 and above	16	1.12	1024477	85.37
Total	1425	100.00	1200000	100.00

The Company has not issued any GDRs / ADRs or any convertible instrument.

Plant locations: Unit 1: At 2/13-14 B IDC, Gorwa Industrial Estate, Baroda
Unit 2: At Jarod, Dist. Vadodara

Address for Correspondence for Settlement of shares related:

MUFG Intime India Private Limited (Formerly Link Intime India Pvt Ltd)
Geetakunj, 1, Bhakti Nagar Society, Behind ABS Tower,
Old Padra Road, Vadodara, Gujarat-390015
Tel: +91 265 3566768
E-mail: vadodara@in.mpms.mufig.com Website: www.in.mpms.mufig.com

Company Secretary & Compliance Officer

Mercury Laboratories Limited
2/13-14, Gorwa Industrial Estate,
Gorwa Road, Vadodara – 390 016
Phone No: 0265-2477952
Email: secretarial@mercurylabs.com, Website: www.mercurylabs.com

Registered Office & Address for correspondence:

Registered Office Address: 18, Shreeji Bhuvan, 51, Mangaldas Road, Princess Street, Mumbai – 400 002,
Telephone: 022-66372841

Corporate Office: 2/13-14, Gorwa Industrial Estate, Gorwa Road, Vadodara – 390 016
Email: secretarial@mercurylabs.com | **Website:** www.mercurylabs.com | **Phone No:** 0265-2477952

Certificate from Practicing Company Secretaries:

The Company has received a certificate from M/s. Dholakia & Associates LLP., Practicing Company Secretaries confirming that none of the Directors on the Board of the Company 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/Reserve Bank of India or any such statutory authority.

CEO / CFO Certificate

The Managing Director and the Chief Financial Officer of the Company have furnished the requisite certificate to the Board of Directors under Regulation 17(8) of Listing Regulations. The said certificate is a part of the Annual Report.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

Mandatory requirements:

The Company complies with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

Non-Mandatory requirements:

- a) **Office for non-executive Chairman at company's expense:** Not Applicable
- b) **Half-yearly declaration of financial performance to each household of shareholders:** The half-yearly financial results are published in the newspapers as mentioned above and they are also displayed under the Investor Relations section on the Company's website <https://investor.mercurylabs.com/financial-report/> Therefore, the results were not separately circulated to all shareholders.
- c) **Modified opinion(s) in Audit Report:** The Company has its financial statements for the financial year ended March 31, 2025 with unmodified audit opinion.
- d) **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** Complied
- e) **Reporting of Internal Auditors directly to Audit Committee:** Complied

Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

No loans and advances in the nature of loans to firms/companies in which directors are interested has been given by the Company and its subsidiaries.

Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The Company does not have any material subsidiary as per the SEBI Listing Regulations, 2015.

Total fees paid to M/s. Naresh & Co, Statutory Auditors:

The total fees for all services paid by the Company on a consolidated basis, to M/s. Naresh & Co, the Statutory Auditors of the Company is mentioned at Note No. 47 of Notes to Financial Statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

Discretionary requirements

The auditors' report on financial statements of the Company are unmodified. Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.

Information flow to the Board Members:

As required under Regulation 17(7), Part A of Schedule II of SEBI Listing Regulations, 2015, information is provided to the Board members for their information, review, inputs and approval from time to time.

Code of Conduct for Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendments thereof, the Company has adopted a comprehensive Code of Conduct for Prohibition of Insider Trading and procedures for fair disclosure of Unpublished Price Sensitive Information. The Company also maintains the structured digital database as mandated in the PIT Regulations. The same is available on the website of the Company on the following link <https://investor.mercurylabs.com/wp-content/uploads/2019/11/Code-of-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information.pdf> & <https://investor.mercurylabs.com/wp-content/uploads/2022/05/Code-of-conduct-to-regulate-Monitor-and-report-trading-by-Insider.pdf>

Disclosure of the compliance with corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015:

The Company has complied with the requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI Listing Regulations, 2015

Disclosure of commodity price risks and commodity hedging activities: Not Applicable

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations, 2015: Not Applicable

Instances of not accepting any recommendation of the Committee by the Board:

There was no such instance where Board had not accepted any recommendation of any committee of the Board, whether mandatorily required or not, in the relevant financial year.

Disclosure of certain type of agreements binding listed entities

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company

The securities of the Company were not suspended from trading at any time during the year.

Date: May 14, 2025
Place: Vadodara

On behalf of the Board of Directors,
Mercury Laboratories Limited

Rajendra R. Shah
Managing Director
DIN: 00257253

Janki R Shah
Director
DIN: 08686344

**No Disqualification Certificate from Company Secretary in Practice
(Pursuant to Regulation 34(3) read with Schedule V Para – C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To
The Members,
Mercury Laboratories Limited
1st Floor 18, Shreeji Bhuwan,
51, Mangaldas Road, Princess Street,
Mumbai 400002.

1. We have been engaged to issue certificate that none of the Directors on the Board of the **Mercury Laboratories Limited** ("Company") having **CIN L74239MH1982PLC026341** have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI) /Ministry of Corporate Affairs or any such statutory authority in terms of Para C Clause 10 (i) of Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations):
2. Pursuant to the aforesaid Listing Regulations we have examined the following records:
 - a. The declaration pursuant to Section 184 of the Companies Act, 2013 ("the Act") given by each of the Directors of the Company with respect to his/her interest in other entities as Director or otherwise along with his/her relatives in Form MBP-1 and taken on record by the Company,
 - b. The declaration pursuant to Section 164 of the Act, given by the each of the Directors of the Company confirming that he/she is not disqualified to hold the Office of Director as on 31st March, 2025 in Form No DIR-8 and taken on record by the Company,
 - c. The particulars of Directors of the Company as displayed on the web portal of the Ministry of Corporate Affairs; and
 - d. General Search on the website of the Securities and Exchange Board of India ("SEBI").
2. Based on the above verification, and to the best of our information and according to the explanations provided to us, we are of the opinion that none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority as on 31st March, 2025.

Sr No	Name of the Director	Designation/Category	Director Identification Number
1.	Mr. Rajendra Ramanlal Shah	Executive Director, Managing Director	00257253
2.	Mr. Dilip Ramanlal Shah	Non-Executive/Non--Independent Director	00257242
3.	Mr. Bharat Dhirajlal Mehta	Non-Executive/Independent Director, Chairperson	07180906
4.	Mr. Paresh Jagdishbhai Mistry	Non-Executive/Non--Independent Director	07893654
5.	Mrs. Janki Rajendra Shah	Non-Executive/Non--Independent Director	08686344
6.	Mr. Jayantilal Raval	Non-Executive/Independent Director	10662609

4. It should be noted that our responsibility is to express a reasonable assurance in the form of an opinion as to the qualification/eligibility of each of the Directors of the Company to hold the office as Director in the Companies in accordance with the generally accepted procedure and the process of due-diligence followed based on the available information on best efforts basis as on 31st March, 2025 and it is neither an audit nor an expression of opinion on the personal credentials of the Directors of the Company.
5. This certificate is issued to the Company solely for the purpose of complying with the aforesaid Listing Regulations and may not be used for any other purpose.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

ICSI Unique Code: P2014MH034700
Peer Review Certificate No: 2404/2022
Place: Mumbai
Date: May 14, 2025
UDIN: F010032G000340076

CS Nrupang B. Dholakia
Managing Partner
FCS-10032 CP No. 12884

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Members of
Mercury Laboratories Limited

1. This Certificate is issued in accordance with the terms of our engagement and at the request of the Company.
2. We have examined the compliance of conditions of Corporate Governance by Mercury Laboratories Limited ('the Company'), for the year ended on March 31, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (l) and (t) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2025.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Naresh & Co.
Chartered Accountants
FRN:106928W

CA Abhijeet Dandekar
Partner
M.No:108377
Place: Vadodara
Date: May 14, 2025
UDIN: 25108377BMINEY9779

DECLARATION

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees, all members of the Board of Directors (including Independent Directors), which is also available on the Company's Website.

I confirm that the Company has in respect of the year ended March 31, 2025 received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with code the code of conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Accountant and other employees in the Executive Cadre as on March 31, 2025.

Date: May 14, 2025
Place: Vadodara

Rajendra R Shah
Managing Director
DIN:00257253

CEO and CFO Certification

To,
The Board of Directors,
Mercury Laboratories Limited.
1st Floor 18, Shreeji Bhuvan,
51, Mangaldas Road, Princess Street,
Mumbai 400002.

We Rajendra R Shah, Managing Director, Ashish Vasavada, Chief Financial Officer of the Company certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - (i) There has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) there are no instances during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Vadodara
Date: May 14, 2025

Rajendra R Shah
Managing Director
DIN: 00257253

Ashish Vasavada
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Mercury Laboratories Limited
Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of **MERCURY LABORATORIES LIMITED ("the Company")** which comprise the Balance sheet as at **31st March, 2025**, the Statement of Profit & Loss (Including the Statement of Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Disposal of Expired Goods The pharmaceutical industry involves inventory with limited shelf life, and the disposal of expired goods significantly impacts the financial results and internal controls. There is a risk that expired goods may not be appropriately identified, recorded, or disposed of, and related expenses or write-downs may not be accurately accounted for.	Our audit included, but was not limited to, the following procedures: a) Understanding the controls implemented by the company for identifying and segregating expired goods, including inspection of the inventory management system; b) Reviewing the policies on shelf life and expiry norms, and their application to different product categories; c) Testing on a sample basis the physical verification process for identifying expired goods and observing disposal procedures followed at different locations; d) Examining records such as disposal logs, regulatory approvals (if applicable), and destruction certificates to ensure proper documentation and compliance with applicable laws; e) Assessing the accounting treatment of write-offs of expired inventory and ensuring they were properly recorded in the books in accordance with Ind AS 2 – Inventories; f) Evaluating the adequacy of disclosures in the financial statements regarding the company's policy and practice related to inventory obsolescence and expiry. We found the company's procedures around identification and disposal of expired goods to be reasonable and the accounting treatment to be appropriate.

Key audit matter	How our audit addressed the key audit matter
Litigations, Provisions and Contingent Liabilities- Refer to Note 21 and Note 42 of the Standalone financial statements: The Company has several litigations which also include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.	Our audit included, but was not limited to, the following procedures: As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations. We also performed the following audit procedures: a) Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; b) Discussed with Company's Management for sufficient understanding of on-going and potential legal matters impacting the Company; c) We also involved our internal tax experts to evaluate the management's underlying judgements in making their estimates with regard to such matters; d) Assessed the completeness of disclosures and evaluated whether provisions were appropriately recognized in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets; e) Evaluated the adequacy of disclosures in the financial statements in respect of contingent liabilities to ensure transparency regarding potential future outflows. Based on the evidence obtained, we considered the management's judgements and disclosures in relation to litigation, provisions, and contingent liabilities to be appropriate.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, Shareholder's Information and Other Information included in the Company's Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

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

We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our Audit;

- b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the said books;
- c) The Balance Sheet, Statement of Profit & Loss including Other Comprehensive Income, statement of Changes in Equity and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
- d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors, as on 31st March, 2025, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2025 from being appointed as a director of the Company in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in Annexure – B attached herewith.
- g) With respect to the matter to be included in the Auditors Report u/s. 197(16) of the Act, in our opinion and according to information and explanations given to us, the remuneration paid by company to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V in terms of requisite approvals obtained as mandated therein and is not in excess of the limits specified therein.
- h) With respect to the other matters to be included in our Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The details of pending litigations are as given in note 42 of notes forming part of the financial statements.
 - (ii) There are no long-term contracts for which there were material foreseeable losses for which provision is required
 - (iii) There has been no delay in transferring amounts required to be transferred to the Investor Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations undersub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (v) The Dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Naresh & Co.
Chartered Accountants
(F.R.N. 106928W)

Place: VADODARA
Date: May 14, 2025
UDIN: 25108377BMINFA6054

CA Abhijeet Dandekar
Partner
(M. R. N. 108377)

“ANNEXURE – A” TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement's' section of our report of even date for the year ended 31st March 2025 of Mercury Laboratories Limited)

- (i) (a) (A) The Company has maintained proper records of Property Plant & Equipments purchases. However, as informed to us the Company is in the process of updating its old records and Property Plant & Equipments Register showing full particulars including quantitative details and the situation of Property Plant & Equipments.

(B) The Company has maintained proper records showing full particulars of the Intangible Assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which the Property, Plant and Equipment are verified in phased manner over a period of time. In accordance with its program, certain Property, Plant and Equipment were verified during the year and as informed to us, no material discrepancies were noticed on such verification. In our opinion, the program of verification is reasonable having regard to the size of the Company and the nature its Assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The physical verification of inventories has been conducted at reasonable intervals by the Management of the Company and in our opinion, and to the best of our knowledge and belief, the coverage and procedure for such verification by the management is appropriate. On the basis of our examination of the records of physical verification of inventory, we are of the opinion that no discrepancies of 10% or more in aggregate for each class of inventory were noticed. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (b) The Company has been obtained sanction of working capital limits in excess of Rs. 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets, at any point of time of the year. The quarterly returns / statements filed by the Company are in agreement with the books of accounts of the Company.
- (iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other Parties during the year under report. Consequently, no comments are necessary on Para (iii) (a) (b) (c) (d) (e) & (f) of the Order
- (iv) Since the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other Parties, the provisions of sections 185 are not applicable and no compliance is required u/s 186.
- (v) The Company has accepted deposits from members / directors and the same is in compliance with the provisions of Sections 73 to 76 of the Companies Act 2013. No order has been passed by the Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- (vi) We have broadly reviewed the cost records maintained by the company for its products pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of these records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to the Company were outstanding, as at 31st March, 2025 for a period of more than six months from the date they became payable.

- (b) According to the records of the company, there are no dues of Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it which have not been deposited on account of any dispute.
- (viii) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence no further comments are required under Para 3(viii) of the Order.
- (ix) (a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any lender.
- (b) The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has taken a term loan for Solar Plant during the year. In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) On overall examination of the financial statements of the Company the 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 the financial statements of the Company, the Company does not own any subsidiaries, associates or joint ventures and hence, reporting under clause (ix) (e) & (f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) There has been no fraud by the Company or any fraud on the Company that has been noticed or Reported during the year.
- (b) No report under Sub-section (12) of S. 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 12 of the Companies (Audit and Auditors) Rule, 2014 with the Central Government.
- (c) As per the information and explanation given to us, no whistle-blower complaints, were received by the Company during the year.
- (xii) The Company is not a "Nidhi" Company. Hence, Para (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- (xiv) (a) The Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (b) The Reports of the Internal Auditor for the period under Audit were considered by the Statutory Auditors.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, Paragraph 3 (xv) of the Order is not applicable.
- (xvi) (a) As per information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year.
- (c) The Company or any member Company of the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, no comments are required on Paragraph (xvi) (c) & (d) of the Order.

- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3.
- (xxi) (a) of the Order is not applicable for the year.
(b) There are no ongoing projects. Accordingly, reporting under clause 3 (xx) (b) of the Order is not applicable for the year.
- (xxii) These being standalone financial statements, no comments are required under Paragraph (xxi) of the Order since the same is related to Consolidate Financial Statements.

For Naresh & Co.
Chartered Accountants
(F.R.N. 106928W)

Place: VADODARA
Date: May 14, 2025
UDIN: 25108377BMINFA6054

CAAbhijeet Dandekar
Partner
(M. R. N. 108377)

“Annexure – B” to the Independent Auditor's Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the
Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **MERCURY LABORATORIES LIMITED** (“the Company”), as on **31st March, 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 Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, 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 ICAI.

For Naresh & Co.
Chartered Accountants
(F.R.N. 106928W)

Place: VADODARA
Date: May 14, 2025
UDIN: 25108377BMINFA6054

CAAbhijeet Dandekar
Partner
(M. R. N. 108377)

BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in Lakhs)

Particulars		Note No.	As at 31.03.2025	As at 31.03.2024
I. ASSETS				
(1) Non - current assets				
(a) Property, Plant and Equipment		4	2,332.39	2,395.06
(b) Intangible assets		5	2.63	2.54
(c) Capital Work In Progress		6	931.88	381.72
(d) Right of use assets		7	129.12	5.57
(e) Financial assets				
(i) Investments		8	0.63	0.63
(f) Other non - current assets		9	18.90	26.52
(2) Current assets				
(a) Inventories		10	720.67	620.66
(b) Financial assets				
(i) Investments		8	-	-
(ii) Trade receivables		11	2,574.07	2,185.10
(iii) Cash and cash equivalents		12	33.18	329.38
(iv) Bank balances other than cash and cash equivalents		13	186.14	493.27
(v) Others		14	21.97	21.59
(c) Other current assets		15	471.94	333.70
Total Assets			7,423.52	6,795.74
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital		16	120.00	120.00
(b) Other equity		17	5,236.92	4,963.85
Liabilities				
(2) Non - current liabilities				
(a) Financial liabilities				
(i) Long Term Borrowings		18	304.22	286.43
(ii) Lease Liabilities		19	74.11	5.26
(iii) Other Financial Liabilities		20	-	-
(b) Provisions		21	38.01	31.02
(c) Deferred Tax Liability (net)		22	142.66	125.82
(3) Current liabilities				
(a) Financial liabilities				
(i) Short Term Borrowings		23	105.14	263.13
(ii) Lease Liabilities		19	61.61	0.54
(iii) Trade payables		24		
a) Total outstanding dues of micro enterprises and small enterprises			102.36	95.41
b) Total outstanding dues of creditors others than micro enterprises and small enterprises			880.28	422.74
(iv) Other financial liabilities		20	306.25	330.42
(b) Provisions		21	3.36	2.16
(c) Other current liabilities		25	40.28	86.28
(d) Current tax liabilities (net)		26	8.32	62.68
Total Equity and Liabilities			7,423.52	6,795.74
The accompanying notes 1 to 63 are an integral part of the financial statement.				
As per our report of even date attached.				

For Naresh & Co.
Chartered Accountants
FRN: 106928W

CA Abhijeet Dandekar
M. No. 108377
Partner

Place: Vadodara
Date: 14 May, 2025
UDIN:25108377BMINFA6054

For and on behalf of the Board of Directors
Mercury Laboratories Limited

Rajendra R Shah
Managing Director
DIN : 00257253
Place: Vadodara

Janki R Shah
Director
DIN: 08686344
Place: Vadodara

Ashish Vasavada
Chief Financial Officer
Place: Vadodara

Krishna Shah
Company Secretary
Place: Vadodara

Dated: 14 May, 2025

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

	Particulars	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
I.	Revenue from operations	27	7,510.12	7,555.90
II.	Other income	28	106.87	108.85
III.	Total Income (I+II)		7,616.99	7,664.75
IV.	Expenses:			
	Cost of materials consumed	29	2,745.30	2,809.11
	Purchase of Traded Goods	30	220.55	235.96
	Changes in inventories of finished goods, by-products and work in progress	31	(74.27)	(14.76)
	Employee benefits expense	32	1,684.13	1,450.14
	Finance costs	33	54.77	38.30
	Depreciation and amortization expense	34	287.58	281.55
	Other expenses	35	2,232.76	2,172.42
	Total expenses (IV)		7,150.82	6,972.72
V.	Profit before Tax (III-IV)		466.17	692.03
VI.	Tax expense :			
	Current tax		131.00	193.30
	Deferred tax		16.84	(63.37)
	Income Tax relating to Earlier Years		3.84	(3.32)
VII	Profit for the year		314.49	565.42
VIII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss remeasurement of the net defined benefit liability/ assets	36	0.78	(3.28)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	36	(0.20)	0.83
	Total other comprehensive income, net of tax		0.58	(2.45)
IX	Total comprehensive income for the year		315.07	562.97
X	Earnings per equity share (Nominal value per share Rs. 10/-)			
	- Basic (Rs.)		26.21	47.12
	- Diluted (Rs.)		26.21	47.12
	The accompanying notes 1 to 63 are an integral part of the financial statement.			
As per our report of even date attached.				

For Naresh & Co.
Chartered Accountants
FRN: 106928W

CA Abhijeet Dandekar
M. No. 108377
Partner

Place: Vadodara
Date: 14 May, 2025
UDIN:25108377BMINFA6054

For and on behalf of the Board of Directors
Mercury Laboratories Limited

Rajendra R Shah
Managing Director
DIN : 00257253
Place: Vadodara

Janki R Shah
Director
DIN: 08686344
Place: Vadodara

Ashish Vasavada
Chief Financial Officer
Place: Vadodara

Krishna Shah
Company Secretary
Place: Vadodara

Dated: 14 May, 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Sr.	Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
A.	Cash flow from Operating Activities :		
	Net Profit before Tax & Extra Ordinary Items	466.17	692.03
	Adjustment for :		
	Depreciation & Write-offs	287.58	281.55
	Loss / (Profit) on Sale of Investments / Assets	5.29	-
	Bad Debts	-	-
	Finance Charges ROU	16.84	2.64
	Interest Expense	37.93	35.66
	Operating Profit before Working Capital Changes	813.81	1,011.88
	Adjustments for :		
	(Increase) / Decrease in Trade Receivables	(388.97)	(48.58)
	(Increase) / Decrease in Inventories	(100.02)	69.52
	(Increase) / Decrease in Loans & Advances	-	-
	(Increase) / Decrease in other current assets	(88.03)	19.03
	Increase / (Decrease) in Trade Payable	464.49	(120.10)
	Increase / (Decrease) in Other Current Liabilities	(70.17)	15.56
	Increase / (Decrease) in Long term provisions	8.19	0.86
	Cash Generated from Operations	639.30	948.17
	Interest Paid	-	-
	Direct Taxes Paid (Net of Refund)	(239.19)	(125.66)
	Cash Flow before Extra Ordinary Items	400.11	822.51
	Prior Period Items (being cash items)	-	-
	Net Cash Flow from Operating Activities	400.11	822.51
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(903.99)	(627.17)
	Net Proceeds from Sale of Fixed Assets	-	-
	Dividend Received	-	-
	Investments	-	-
	Net Cash used in Investment Activities	(903.99)	(627.17)
C.	Cash Flow from Financing Activities		
	Interest Paid	(37.93)	(35.66)
	Finance Charges ROU	(16.84)	(2.64)
	(Increase) / Decrease in Other Non current Assets	7.62	4.16
	Increase / (Decrease) in Short Term Borrowings	(158.01)	(31.22)
	Increase / (Decrease) in Lease Liabilities	129.92	(41.20)
	Increase / (Decrease) in Long Term Borrowings	17.79	44.36
	Dividend Paid	(42.00)	(42.00)
	Net Cash used in Financing Activities	(99.45)	(104.20)
D.	Net Increase / (Decrease) in Cash and Cash Equivalents	(603.33)	91.14
	Cash and Cash Equivalents at beginning of the year (Note no 60)	822.65	731.51
	Cash & Bank balances at the end of the year (Note no 60)	219.32	822.65

For Naresh & Co.
Chartered Accountants
FRN: 106928W

CA Abhijeet Dandekar
M. No. 108377
Partner

Place: Vadodara
Date: 14 May, 2025
UDIN:25108377BMINFA6054

For and on behalf of the Board of Directors
Mercury Laboratories Limited

Rajendra R Shah
Managing Director
DIN : 00257253
Place: Vadodara

Janki R Shah
Director
DIN: 08686344
Place: Vadodara

Ashish Vasavada
Chief Financial Officer
Place: Vadodara

Krishna Shah
Company Secretary
Place: Vadodara

Dated: 14 May, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

a. Equity Share Capital :

(₹ in Lakhs)

As at 31st March, 2023	120.00
Changes in equity share capital during the year	-
As at 31st March, 2024	120.00
Changes in equity share capital during the year	-
As at 31st March, 2025	120.00

B. Other Equity :

(₹ in Lakhs)

	Reserves and Surplus			Other Comprehensive Income	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at 1st April, 2023	3,941.34	36.00	419.71	45.84	4,442.89
Profit for the year	-	-	565.42	-	565.42
Other Comprehensive Income (net of tax)	-	-	-	(2.45)	(2.45)
Dividends paid including dividend tax thereon	-	-	(42.00)	-	(42.00)
Transfer to General Reserve	350.00	-	(350.00)	-	-
Balance as at 31st March, 2024	4,291.34	36.00	593.13	43.39	4,963.86
Balance as on 1st April, 2024	4,291.34	36.00	593.13	43.39	4,963.86
Profit for the year	-	-	314.49	-	314.49
Other Comprehensive Income (net of tax)	-	-	-	0.58	0.58
Dividends paid including dividend tax thereon	-	-	(42.00)	-	(42.00)
Transfer to General Reserve	-	-	-	-	-
Balance as at 31st March, 2025	4,291.34	36.00	865.62	43.98	5,236.93

Description of nature and purpose of each reserve -

a) General Reserve :

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income

b) Securities Premium Reserve

Securities premium account represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes Forming Part of the Balance Sheet and Statement of Profit and Loss annexed thereto for the year ended 31st March 2025;

1. General Information of the Company:

Mercury Pharmaceutical Industry, a registered partnership firm, was established in the year 1962. Subsequently it was converted into Private Limited Company registered under companies act 1956, in the year 1982. Later it was converted into Limited Company in the year 1992. The company has obtained ISO 9001:2008 registrations.

The company is engaged into the manufacturing and export of wide range of Pharmaceutical items. The products of the company are in the segment of gynae and pediatrics. The financial statements of the company for the year ended 31st March 2025 were authorized for issue in accordance with a resolution of the Board of directors on 14th May, 2025.

2. Basis of Preparation:

a. Statement of Compliance

These financial statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting standards referred to as "IndAS") as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendments rules issued thereafter.

b. Basis of Measurement

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS at the end of each reporting period as set out in the accounting policies below.

These Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency and all amounts are rounded off to the nearest lakhs (upto two decimals) except when otherwise stated.

c. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, Estimates and assumptions that affect application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other factors, including futuristic information, that may have a financial impact on the Company. However, these may change due to market changes or circumstances arising that are beyond the control of the company. Any change in these estimates and assumptions will generally be reflected in the financial statements of the period in which such changes arise or prospectively unless they are required to be treated retrospectively under the relevant Ind-AS.

d. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

i. Taxes

The tax expense for the year under report includes provision for current tax as well as provision for deferred Tax.

Provision for Current tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee Benefit Plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. Property, Plant and Equipment

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

e. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. Based on the nature of products, the Company has identified twelve months as its operating cycle.

An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be 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 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.

f. Application of New Ind AS and List of Standards issue but not made effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Significant Accounting Policies:

3.1 Property, Plant & Equipments

Recognition and initial measurement

Property, Plant & Equipment are initially recognized at their cost of acquisition.

The cost of acquisition includes freight, installation cost, duties & taxes (other than those subsequently recoverable from taxing authorities such as the Goods and Services Tax for which Input Tax Credit is availed by the Company) including borrowing costs for qualifying assets, if capitalization criteria are met, and other incidental expenses, identifiable with the asset, incurred during the installation / construction stage in order to bring the assets to their working condition for intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Cost incurred subsequent to putting an item of PPE into operation such as repair and maintenance costs are usually recognized in statement of profit or loss as incurred. 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.

Subsequent measurement (depreciation and useful lives)

Property, Plant and Equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Freehold Land, if any, is not depreciated.

Depreciation is recognized so as to write-off the cost of assets less their residual values over their useful lives. Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management's assessment of useful economic lives of the asset.

Following are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

Building	30 Years
Plant & Machinery / ETP Plant	15 Years
Air Condition	15 Years
Air + Chiller Plant	15 Years
Laboratory Instruments	10 Years
Furniture & Fixture	10 Years
Computers	3 Years
Electrical Installation	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Solar Panel	15 Years

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

Derecognition

An item of property, plant and equipment and any significant part initially recognized is de- recognized 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 recognized in the statement of profit and loss, when the asset is de-recognized.

3.2 Capital Work-in-Progress (CWIP)

Costs incurred for PPE not ready for use or in the course of construction of being ready for intended use as at the reporting date are disclosed as capital work-in progress. At the point when an item is started to be operated for its intended use, the accumulated costs are transferred to the appropriate category of PPE and depreciation is commenced.

3.3 Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent to initial recognition, Investment Properties are measured in accordance with Ind AS 16. 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 repairs and maintenance costs are expensed when incurred.

An Investment Property is de-recognized 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 recognized in the statement of profit and loss, upon de-recognition.

3.4 Intangible assets

Recognition and Measurement

Intangible assets are recognized when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Intangible assets acquired by the company that have finite useful lives are measured at cost.

Expenditure on research activities is recognized in the statement of profit and loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Subsequent Measurement

Intangible assets are stated at their cost less accumulated amortization and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Software – 3 years

3.5 Leases

The Company determines whether an arrangement contains a lease at the inception of the Contract by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- ▶ the Contract involves use of an identified asset
- ▶ the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- ▶ the Company has the right to direct the use of the asset.

The Company as lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any indirect costs less any lease incentives.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the company recognizes in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

Right of use asst and Lease Liability are presented separately in the Balance Sheet and lease payments are classified as Financing Cash Flows.

The Company follows the above accounting policies where it is a lessee for all leases except where the term is twelve months or less or the leases are of very low value. For these short term or low value leases, the Company recognizes the lease payments as on operating expense on a straight-line basis over the term of the lease.

The Company as lessor

Operating lease:

Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

Finance lease:

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

3.6 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Provisions, Contingent Liabilities And Contingent Assets

Provisions

Provisions, which required a substantial degree of estimation, are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is recognized in the Statement of Profit & Loss

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the notes. Contingent liabilities are disclosed for possible obligations which will be confirmed only by the future event not wholly within the control of the Company or present obligations arising from the past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are neither recognized nor disclosed in the financial statements.

3.8 Income Tax

Income Tax Expenses comprise the sum of Current Tax (including past year tax difference) and Deferred Tax.

Current Tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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 OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

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.

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

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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.9 Employee Benefits

Short-term Employee Benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve 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 an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans since eligible employees are entitled to get benefits and both the Company and eligible employees make monthly contributions towards the same. The contribution paid / payable by the Company under the schemes is recognized during the period in which the employees render the related services.

Defined Benefit Plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. The Company recognizes the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost is determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognized in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

Other Long Term Employee Benefits:

Other Long Term Employee Benefits such as long term compensated absences are measured at present value of estimated future cash flows to be made by the company and is measured, recognized and presented in the same manner as the defined benefit gratuity plant narrated above.

3.10 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or Liability
- ▶ The principal or the most advantageous market must be accessible to/ by the Company.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained Above.

3.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are measured in their entirety at either amortised cost or fair value depending on classification of the Financial Asset :

► Financial Assets at Amortised Cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised Cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization and losses arising from impairment are recognized in the Statement of Profit & Loss. The amortized cost of the financial asset is also adjusted for loss allowance, if any

► Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable taxes.

► Financial Assets at Fair Value through Profit and Loss (FVTPL)

FVTPL is a residual category for Financial Assets.

Any Financial Asset, which does not meet the criteria for categorization as at Amortized Cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a Financial Asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- ▶ Financial assets that are debt instruments, and are measured at amortised cost e. g. Loans and trade Receivables.
- ▶ The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement:

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.12 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.13 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost / deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition other than duties and taxes which are subsequently recoverable from taxing authorities in form of Input Tax Credit or otherwise. Net realisable value is the price at which the inventories can be realised in the normal course of business, and in in case of Semi Finished and Finished Goods, after allowing for the cost of conversion from their existing state, and for the cost of marketing, selling and distribution.

Raw Materials are valued at Cost ascertained on a weighted average basis or Net Realised Value whichever is lower. Finished goods produced by the company are valued at lower of cost or net realizable value. Semi-Finished goods have been valued at lower of Raw Material cost, Direct Labour and appropriate proportion of variable and fixed overheads, latter being allocated based on normal operating capacity or net realizable value.

Stock of goods purchased for resale purposes are valued at their acquisition cost inclusive of all duties and taxes or Net Realizable Value whichever is lower.

Provisions and / or write-offs are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis and market conditions.

3.15 Foreign Currency

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.16 Forward Contracts

The Company is exposed to foreign currency fluctuations on foreign currency assets and forecasted cash flows denominated in foreign currency. The Company tries to limit the effects of foreign exchange rate fluctuations by following risk management policies including use of derivatives. For this the Company enters into forward exchange contracts, where the counter-party is a Bank. These forward contracts are not used for trading or speculation purpose.

In case, of forward contracts the gain or loss arising on exercise of option or settlement or cancellation are recognized in the Statement of Profit & Loss for the period.

The forwards contracts outstanding as at the end of the reporting period are recognized / restated at forward contract rates for the end date of the contract for a period equivalent to the balance maturity period of the contract as at the end of the reporting period and corresponding exchange gain or loss arising on the same is recognized in the Statement of Profit & Loss for the period.

3.17 Revenue Recognition

Revenue from Sale of Products is recognised when control of the products or significant risks and rewards of ownership are transferred to the buyer for a consideration. This usually occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Domestic Sales are recognized at the transaction price of the consideration receivable net of Sales Returns and excluding the Goods and Service Tax (GST) element as well as net of expected volume discounts. Export Sales are recognized at their CIF Value charged to the Customers in Invoices.

Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Any obligation to provide a refund is recognised as a provision.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sale of Scrap

Revenue from sale of scrap, if any, is recognized as and when scrap is sold.

Other income

Interest Income is recognized on a time proportionate basis including interest accrued based on the amount outstanding and rate applicable and shown under "Other Income". Interest income from Financial Assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption. The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and Export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits are included under the head 'Export Incentives.'

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Items of Income

Other items such as Insurance Claims, Commission, Misc. Incomes etc. are accounted on accrual basis (depending on certainty of realization) and disclosed separately as Operational or Non-Operational Income under Other Income.

3.18 Earnings Per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.19 Dividends

Any dividend declared by Mercury Laboratories Limited is based on the profits available for distribution as reported in the statutory financial statements of Mercury Laboratories Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Mercury Laboratories Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014.

3.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.21 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.22 Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

3.23 Segment Reporting

With respect (Ind AS - 108 Segment Reporting), the Management of the Company is of the view that the products offered by the Company are in the nature of Pharmaceuticals and its related products, having the same risks and returns, same type and class of customers and regulatory environment. Hence, the business of production and sale of pharmaceuticals and its related products belong to one business segment only.

3.24 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received.

Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

3.25 Good and Services Tax

GST is a destination-based tax and is levied at the point of supply. It is collected on sale of goods and services on behalf of Government and is remitted by way of payment or adjustment of credit on input goods or services. GST input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services.

GST Accounts are created under Balance Sheet Groupings for liability towards GST collected on Sales / Other Revenue and asset towards GST paid on purchases or other expenditure for which credit is available. For Each month the GST liability is worked out after offsetting the credit available against the GST collected. The Net GST Account appears in the Balance Sheet as a Liability, if any amount is payable as at the year-end after offsetting the available credit and as an Asset if credits remain unutilized after adjusting the amount payable.

The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilizable is charged to the statement profit and Loss for the year.

Note No : 4
Property, Plant & Equipment

Particulars	Land	Building	Plant & Machinery	ETP-Plant	Air Condition	AC+Chiller Plant	Laboratory Instruments	Furniture & Fixtures	Computers	Electrical Installation	Vehicle	Office Equipment	Solar Panel	Total
Gross carrying amount	67.36	1,616.04	1,092.24	15.72	231.35	377.38	212.04	140.15	95.93	176.49	278.06	10.19	145.26	4,458.21
Opening Balance As at 1 st April, 2023	67.36	1,592.43	1,041.20	15.72	231.35	377.38	207.33	134.42	87.91	153.27	177.99	9.39	145.26	4,241.00
Additions	-	23.61	64.37	-	-	-	4.72	5.73	8.05	23.21	100.06	0.81	-	230.56
Deductions/ Adjustments	-	-	13.33	-	-	-	-	-	0.03	-	-	-	-	13.36
Transfer from Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening Balance As at 1 st April, 2024	67.36	1,616.04	1,092.24	15.72	231.35	377.38	212.04	140.15	95.93	176.49	278.06	10.19	145.26	4,458.20
Additions	-	-	58.78	-	6.82	-	81.78	10.38	5.21	0.29	-	4.27	-	167.53
Deductions/ Adjustments	-	-	1.15	-	0.04	-	-	-	-	-	21.13	-	-	22.32
Transfer from Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance As at 31 st March, 2025	67.36	1,616.04	1,149.87	15.72	238.13	377.38	293.82	150.53	101.14	176.78	256.93	14.46	145.26	4,603.41
Accumulated Depreciation:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening Balance As at 1 st April, 2023	-	486.42	473.22	7.85	126.78	225.12	118.86	90.46	82.34	133.44	91.25	6.94	20.84	1,863.51
Additions	-	51.02	59.81	1.25	8.93	26.60	11.70	7.60	5.00	5.88	24.17	0.73	9.21	211.68
Deductions/ Adjustments	-	-	12.05	-	-	-	-	-	-	-	-	-	-	12.05
Opening Balance As at 1 st April, 2024	-	537.44	520.97	9.10	135.71	251.71	130.56	98.06	87.34	139.12	115.41	7.66	30.06	2,063.14
Additions	-	51.23	62.43	1.25	10.98	26.61	15.43	7.87	5.76	4.43	28.26	1.10	9.21	224.56
Deductions/ Adjustments	-	-	1.04	-	-	-	-	-	-	-	15.64	-	-	16.68
Balance As at 31 st March, 2025	-	588.67	582.36	10.35	146.69	278.33	145.99	105.93	93.10	143.55	128.03	8.76	39.27	2,271.02
Net carrying amount:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance As at 31 st March, 2025	67.36	1,027.37	567.51	5.37	91.44	99.05	147.83	44.60	8.04	33.23	128.90	5.70	105.99	2,332.39
Balance As at 31 st March, 2024	67.36	1,076.60	571.26	6.63	95.64	125.67	81.48	42.09	8.59	37.37	162.64	2.53	115.20	2,395.06

Note No : 5
Other Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software
Gross carrying amount	
Opening Balance As at 1 st April, 2023	36.05
Additions	0.50
Disposals	-
Opening Balance As at 1 st April, 2024	36.55
Additions	1.04
Disposals	-
Balance As at 31 st March, 2025	37.59
Accumulated Depreciation:	
Opening Balance As at 1 st April, 2023	31.97
Charge for the period	2.04
Other Adjustments	-
Opening Balance As at 1 st April, 2024	34.01
Charge for the period	0.95
Other Adjustments	-
Balance As at 31 st March, 2025	34.96
Net carrying amount:	
Balance As at 31 st March, 2025	2.63
Balance As at 31 st March, 2024	2.54

Note No : 6
Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Projects Work In Progress		
Opening Balance	381.72	13.00
Add: Addition	550.16	368.72
Less: Capitalised During the year	-	
Closing Balance	931.88	381.72
Projects Temporarily Suspended		
- less than 6 months	-	-
- 1 year to 2 years	-	-
- 2 year to 3 years	-	-
- More than 3 years	-	-
Total	-	-

Note No : 7
Right of Use Asset

(₹ in Lakhs)

Particulars	Land
Gross carrying amount	
Opening Balance As at 1st April, 2023	119.17
Additions	73.39
Deductions/ Adjustments	119.17
Opening Balance As at 1st April, 2024	73.39
Additions	185.62
Deductions/ Adjustments	67.63
Balance As at 31st March, 2025	191.38
Accumulated Depreciation:	
Opening Balance As at 1st April, 2023	74.49
Additions	67.83
Deductions/ Adjustments	74.49
Opening Balance As at 1st April, 2024	67.83
Additions	62.07
Deductions/ Adjustments	67.64
Balance As at 31st March, 2025	62.26
Net carrying amount:	
Balance As at 31st March, 2025	129.12
Balance As at 31st March, 2024	5.57

1. Note-4 to Schedule II specifies that the useful life specified in Part C of the Schedule is for whole of the asset. Where Cost of a Part of the Asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part should be determined separately. As per the Management of the Company and considering the nature of Fixed Assets lying in the Block of Assets of the Company, particularly the Plant and Machineries lying in the Block, there are no such major parts whose useful life is different from the useful life of the remaining asset and hence the Company has considered the useful life of the said parts equivalent to the useful life of the Asset only.

Note No : 8

Investment

(₹ in Lakhs)

Particulars	Face Value	As at 31.03.2025		As at 31.03.2024	
		Units	Amount (₹ in Lakhs)	Units	Amount (₹ in Lakhs)
Non-Current Investment in Equity Instruments (At Cost) (Non Trade investment - Unquoted) BIDC	1,000	63.00	0.63	63.00	0.63
Total (A)			0.63		0.63
Current		-	-		
Total (B)			-		-
Total (A + B)			0.63		0.63

Note No : 9
**Other non-current assets
(Unsecured, considered good)**

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Employee Gratuity Scheme	18.90	26.52
Total	18.90	26.52

Note No : 10
Inventories

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Raw materials	226.05	183.66
Packing Material	116.41	133.05
Work-in-progress	96.01	113.59
Finished goods	282.20	190.36
Total	720.67	620.66
(At lower of cost and net realizable value, unless stated otherwise)		

Note No : 11
Trade receivables - Current

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
<u>Unsecured, considered good</u>		
Due from related parties	128.64	64.32
Due from others	2,748.54	2,409.50
Less: Allowances for Expected Credit Loss	303.11	288.72
Total Trade Receivables	2,574.07	2,185.10

Trade Receivable aging schedule as at 31st March, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) Undisputed Trade Receivables, considered good	2,322.30	105.60	178.18	13.61	257.49	2,877.18
(ii) Undisputed Trade Receivables, which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables, credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables, considered good	-	-	-	-	-	-
"(v) Disputed Trade Receivables, which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade Receivables, credit impaired	-	-	-	-	-	-
Total	2,322.30	105.60	178.18	13.61	257.49	2,877.18
Less: Allowances for Expected Credit Loss						303.11
Total Receivables						2,574.07

Trade Receivable aging schedule as at 31st March, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) Undisputed Trade Receivables, considered good	1,639.99	244.88	75.94	13.01	500.00	2,473.82
(ii) Undisputed Trade Receivables, which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables, credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables, considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables, which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables, credit impaired	-	-	-	-	-	-
Total	1,639.99	244.88	75.94	13.01	500.00	2,473.82
Less: Allowances for Expected Credit Loss						288.72
Total Receivables						2,185.10

Note No : 12
Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Balances with banks		
- In current accounts	32.84	328.29
Cash on hand	0.34	1.09
Total	33.18	329.38

Note No : 13
Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Other Bank Balances		
(a) Deposits held as Margin Money	54.63	5.59
(b) Other Fixed Deposits with Bank (Less than 12 Months)	122.44	480.00
(c) Balances held in unpaid dividend accounts	9.07	7.68
Total	186.14	493.27

Note No : 14
Other - Current

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Earnest Money Deposit and Others	16.31	13.31
Accrued Interest Income	5.66	8.28
Total	21.97	21.59

Note No : 15
Other current assets

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
(Unsecured, considered good)		
(a) Advances to other than capital advances	108.37	45.34
(b) Prepaid expenses	11.59	9.96
(c) Balances with government authorities	222.14	199.24
(d) Other Advances	78.17	78.26
(e) Advance Income taxes and refunds receivable	50.59	-
(f) Advances to Staff	1.08	0.49
(G) Foreign Exchange Forward Contract (FVTPL)	-	0.41
Total	471.94	333.70

Note No : 16
Equity Share capital

Particulars		As at 31.03.2025		As at 31.03.2024	
		No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
(a) Authorised					
	Equity shares of par value Rs 10/- each	12,00,000	120.00	12,00,000	120.00
	Cumulative Redeemable Convertible Preference Share of Rs 10/- each	13,00,000	130.00	13,00,000	130.00
	Total	25,00,000	250.00	25,00,000	250.00
(b) Issued, subscribed and fully paid up					
	Equity shares of par value Rs 10/- each at the beginning of the year	12,00,000	120.00	12,00,000	120.00
	Changes during the year	-	-	-	-
	At the end of the year	12,00,000	120.00	12,00,000	120.00

Particulars		As at 31.03.2025		As at 31.03.2024	
		No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
(c) Reconciliation of Number of Shares					
	Shares at the beginning of the year	12,00,000	120.00	12,00,000	120.00
	Add: Shares issued during the year	-	-	-	-
	Shares at the close of the year	12,00,000	120.00	12,00,000	120.00

(d) Rights, Preferences and restrictions attached to Shares	
	The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

(e) Shares held by Holding Company and Subsidiaries of Holding Company in aggregate As at 31st March
Company does not have holding and subsidiary company during the FY 24-25 and FY 23-24

(₹ in Lakhs)

(f)	DETAILS OF SHARES HELD BY PROMOTERS AND OTHERS (OTHERS BEING SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY)				
	Name of shareholder	As at 31.03.2025		As at 31.03.2024	
		No. of shares held	% of holding	No. of shares held	% of holding
	Promoters' Group:				
	Dilipbhai Ramanlal Shah (HUF)	3,10,600	25.88	3,10,600	25.88
	Shah Rajendra Ramanlal (HUF)	2,09,050	17.42	2,09,050	17.42
	Janki Rajendra Shah	1,04,000	8.67	1,04,000	8.67
	Rajendra Ramanlal Shah	85,650	7.14	85,650	7.14
	Dilipbhai Ramanlal Shah	84,850	7.07	84,850	7.07
	Pareesh Ramanlal Shah	23,650	1.97	23,650	1.97
	Kaumudini Rajendra Shah	21,150	1.76	21,150	1.76
	Adit Dilipbhai Shah	15,450	1.29	15,450	1.29
	Bimal Ramanlal Shah	14,000	1.17	14,000	1.17
	Parulben Kiranbhai Laliwala	12,200	1.01	12,200	1.01
	Kishoriben Dilip Shah	3,300	0.28	3,300	0.28
	Other than Promoters				
	(Shareholders holding more than 5%)	-	-	-	-
(g)	During the previous five year period ended 31 st March 2025, there was no buy back of shares or issue of shares pursuant to contract without payment being received in cash or issue of bonus shares.				

Note No : 17

Other equity

(₹ in Lakhs)

Particulars		As at 31.03.2025		As at 31.03.2024	
(a)	General Reserve				
	Balance as per Last Account	4,291.34		3,941.34	
	Add : Additions during the year			350.00	
	Balance at the end of the year		4,291.34		4,291.34
(b)	Securities Premium Reserve				
	Balance as per last account	36.00		36.00	
	Add: Securities Premium received during the year	-		-	
	Balance at the end of the year		36.00		36.00
(c)	Retained earnings				
	Balance as per Last Account	593.13		419.71	
	Add : Surplus as per Statement of Profit and Loss	314.49		565.42	
	Amount available for appropriation	907.62		985.13	
	Less : Appropriations:				
	Dividend on equity shares	42.00		42.00	
	Transfer to general reserve	-		350.00	
	Balance at the end of the year		865.62		593.13
(d)	Other Comprehensive Income (OCI)				
	Balance as per Last Account	43.38	-	45.84	-
	Add: Other comprehensive income for the year	0.58		(2.45)	
	Less: Transfer to retained earnings	-			
	Balance at the end of the year		43.96		43.38
	Total other equity		5,236.92		4,963.85

Note No : 18

Non-Current Financial Liability

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Long Term Borrowings		
Secured Loans		
Solar Loan	37.00	-
Vehicle Loan	25.15	44.36
Total (A)	62.15	44.36
Unsecured Loans		
Fixed Deposits From Members	217.07	217.07
Loan from Directors	25.00	25.00
Total (B)	242.07	242.07
Total (A + B)	304.22	286.43

Note No : 19

Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
NON CURRENT		
Lease Liability Payable beyond 12 months	74.11	5.26
Total Non Current Lease Liabilities (A)	74.11	5.26
CURRENT		
Lease Liability Payable within 12 months	61.61	0.54
Total Current Lease Liabilities (B)	61.61	0.54
Total Lease Liabilities (A+B)	135.72	5.80

Note No : 20

Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
NON CURRENT	-	-
Total Non Current Other Financial Liabilities (A)	-	-
CURRENT		
Unpaid Dividends	8.93	7.68
Security Deposits	92.68	92.68
Other Expenses Payable	204.64	230.06
Total Current Other Financial Liabilities (B)	306.25	330.42
Total (A + B)	306.25	330.42

Note No : 21
Provisions

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
NON CURRENT		
- Provision for Leave Encashment	38.01	31.02
Total Non Current Provisions (A)	38.01	31.02
CURRENT		
Provision for Employee Benefits:		
- Provision for Leave Encashment	3.36	2.16
Total Current Provisions (B)	3.36	2.16
Total (A + B)	41.37	33.18

Notes:

The Company has a defined benefit gratuity plan. Every employee who has completed five or more years of service is eligible for gratuity @ 15 days salary (last drawn) for every completed year of service with a overall ceiling of 20 lakhs. The Company has taken a Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India (a qualifying policy) and makes annual contributions to the same to create a fund to meet this defined benefit gratuity obligation.

Method Used

Projected Unit Credit Method

Actuarial Assumptions Used

Mortality Rate
Discount Rate
Expected Return on Plan Assets
Salary Escalation Rate

Indian Assured Lives Mortality (2012-14)
7.40%
7.40%
7.00%

Major Categories of Plan Assets

Insurer Managed Funds – 100%

(₹ in Lakhs)

Change in Present Value of Defined Benefit Obligation	As at 31.03.2025	As at 31.03.2024
Present Value of Obligations as at the beginning of the Year	123.26	116.09
Interest Cost	8.67	8.26
Current Service Cost	15.88	15.92
Benefits Paid	(14.41)	(18.34)
Actuarial (gains) / losses on obligation	(2.39)	1.33
Present Value of Obligations as at the end of the Year	131.01	123.26
Change in Fair Value of Plan Assets		
Fair Value of Plan Assets as at the beginning of the Year	149.78	146.77
Expected Return on Plan Assets	9.71	9.16
Contributions	0.36	4.46
Benefits Paid	(9.94)	(10.61)
Actuarial (gains) / losses on Plan Assets	NIL	NIL
Fair Value of Plan Assets as at the end of the Year	149.91	149.78

Contd... Change in Present Value of Defined Benefit Obligation
(₹ in Lakhs)

Change in Present Value of Defined Benefit Obligation	As at 31.03.2025	As at 31.03.2024
Defined Benefit Obligation as recognized in Balance Sheet		
Present Value of Obligations as at the Year end	131.01	123.26
Unrecognised Past Service Cost	-	-
Fair Value of Plan Assets as at the Year end	149.91	149.78
Net (Asset) / Liability recognized in Balance Sheet	(18.90)	(26.52)
Net Gratuity Benefit Expenditure Recognised in P&L Account		
Current Service Cost	15.88	15.92
Interest Cost	8.67	8.26
Expected Return on Plan Assets	(11.32)	(15.58)
Net Actuarial (Gain) / Loss Recognised in the Year	(0.78)	3.28
Net Expense Recognised in Statement of Profit & loss	13.23	8.60

The estimates of rate escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2024-25.

The plan typically expose the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

Interest Rate Risk:

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of Rs. 10,00,000)

Note No : 22
Deferred tax assets / liability (net)
(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Deferred Tax Asset	83.63	85.20
Deferred Tax Liabilities	226.30	211.02
Total	142.66	125.82

Deferred tax (asset) / liabilities in relation to:
(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Opening balance		
Loss allowances on trade receivables (Expected Credit Loss)	(72.66)	(32.28)
Non deductible expenses for tax purpose	(30.15)	(8.14)
Property, plant and equipment	228.64	229.61
Total	125.83	189.19
Recognised in Profit or loss		
Loss allowances on trade receivables (Expected Credit Loss)	(3.63)	(40.38)
Non deductible expenses for tax purpose	22.80	(22.02)
Property, plant and equipment	(2.34)	(0.97)
Total	16.84	(63.37)
Recognised in Other comprehensive income		
Total	-	-
Closing balance		
Loss allowances on trade receivables (Expected Credit Loss)	(76.29)	(72.66)
Non deductible expenses for tax purpose	(7.35)	(30.15)
Property, plant and equipment	226.30	228.64
Total	142.65	125.83

Note No : 23
Short - Term Borrowings
(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
SECURED		
Cash Credit Facility	65.55	245.62
Vehicle Loan	19.48	17.51
Solar Loan	20.11	0.00
Total	105.14	263.13

HDFC Bank has sanctioned various credit facilities as working capital finance & Export Credit facility which is secured by way of Hypothecation charged over book debts and inventory. Further, equitable mortgage is also created on company property situated at Gorwa. Personal Guarantee of Director Rajendra Shah is also given to the Bank. The rate of Interest for Working Capital finance is 9.84 % p.a.

Vehicle Loan taken from HDFC Bank at the interest rate of 8.50% p.a

Note No : 24
Trade Payables - Current

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Total outstanding dues of creditors		
a) Total outstanding dues of micro enterprises and small enterprises	102.36	95.41
b) Total outstanding dues of creditors others than micro enterprises and small enterprises	880.28	422.74
Total	982.64	518.15
Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.		
Trade Payables Ageng Schedule (Outstanding for following periods from due date of payment)		
Micro and small enterprises		
- less than 1 year	102.36	95.41
- 1 year to 2 years	-	-
- 2 year to 3 years	-	-
- More than 3 years	-	-
Total	102.36	95.41
OTHERS		
- less than 1 year	867.04	422.35
- 1 year to 2 years	11.49	0.35
- 2 year to 3 years	0.97	0.05
- More than 3 years	0.78	-
Total	880.28	422.74

NOTE: Refer Note No.51 for Dues to Micro and Small Enterprises

Dues to Micro and Small Enterprises :

With reference to amounts shown as payable to Micro, Small and Medium Enterprises, the information has been compiled in respect of parties to the extent they could be identified as Micro, Small and Medium Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors. The Company deals with various Micro Small and Medium Enterprises on mutually accepted terms and conditions.

Note No : 25
Other current liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Advance's from Customers	28.26	57.21
Statutory Liabilities	11.62	10.58
Others Current Liability	0.40	18.49
Total	40.28	86.28

Note No : 26
Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for Current Taxation	8.32	62.68
Total	8.32	62.68

Note No : 27
Revenue From Operations

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Sale Of Goods		
Domestic Sales	5,425.83	5,684.81
Export Sales	2,084.29	1,871.09
Total	7,510.12	7,555.90

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Good Transferred at a point in time	7,510.12	7,555.90
Services Transferred at a point in time	-	-
Total Revenue from Operations	7,510.12	7,555.90

Note No : 28
Other Income

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
<u>Interest Income</u>		
Fixed Deposits With Banks	9.44	11.99
Duty Drawback /RodTEP	33.93	32.92
Other Non- Operating Income		
Profit on sale of assets	5.29	6.76
Miscellaneous Income	13.65	21.71
Exchange rate difference	44.57	35.47
Total	106.87	108.85

Note No : 29
Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Raw Material		
Balance as per last account	183.66	278.54
Add: Purchases during the year	1,687.05	1,716.66
Less: Balance at the end of the year	226.05	183.66
TOTAL (A)	1,644.67	1,811.54
Packing Material Consumed	-	-
Balance as per last account	133.05	122.45
Add: Purchases during the year	1,037.98	965.05
Less: Balance at the end of the year	116.41	133.05
TOTAL (B)	1,054.61	954.45
Consumable Stores and Spares Consumed (C)	46.01	43.12
Total Consumption (A+B+C)	2,745.30	2,809.11

Note No : 30
Purchase Of Traded Goods

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Purchases	220.55	235.96
Total	220.55	235.96

Note No : 31
Changes in Inventory of Finished goods, Work in Porgress & Stock-in-Trade

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(Increase)/ Decrease in Stocks		
Stock at the end of the Year:		
Finished Goods	282.20	190.36
Work In Progress	96.02	113.59
Total (A)	378.22	303.95
Less: Stock at the Beginning of the year:		
Finished Goods	190.36	198.56
Work In Progress	113.59	90.63
Total (B)	303.95	289.18
Total (B-A)	(74.27)	(14.76)

Note No : 32
Employee Benefit expenses

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Salaries, Wages and Bonus & other allowances	1,582.07	1,345.79
Contributions to Provident Fund and Other Funds	74.28	79.27
Gratuity Expenses	13.23	8.60
Staff Welfare Expenses	14.55	16.48
Total	1,684.13	1,450.14

Note No : 33
Finance Costs

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Interest Expenses on Borrowings	4.75	3.82
Bank charges & Others	33.18	31.84
Finance Charges on Lease Liability	16.84	2.64
Total	54.77	38.30

Note No : 34
Depreciation and amortization expense

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Depreciation on:		
- Property, Plant and Equipment	224.56	211.68
- Right of use assets	62.07	67.83
Amortisation of intangible assets	0.95	2.04
Total	287.58	281.55

Note No : 35
Other Expenses

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Power and Fuel	191.15	186.71
Analytical & Testing Expense	47.66	45.76
Miscellaneous Exp	240.93	234.42
Repairs & Maintenance	147.46	212.41
Rent, Rates and Taxes	65.91	32.45
Legal and Professional Fees	125.25	136.71
Allowances for Expected Credit Loss	14.39	80.78
Auditor Remuneration	3.50	2.50
Travelling, Conveyance & Vehicle Expenses	466.18	492.20
Commission & Brokerage	127.72	138.23
Bad Debts and Advances Written off	327.34	144.57
Selling Exp	189.16	217.18
Packing & Forwarding Exp	272.96	234.77
CSR Activity	13.13	13.73
Total	2,232.76	2,172.42

Note No : 36
Other comprehensive income

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(i) Items that will not be reclassified to profit or loss remeasurement of the net defined benefit liability/ assets - Defined Benefit Plan on Gratuity	0.78	(3.28)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.20)	0.83
Total	0.58	(2.45)

Notes Forming part of Financial Statements (Contd.)

Note No 37 :
C.I. F. value of imports

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Raw Materials	-	-
Total	-	-

Note No 38 :
Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Travelling Expense	17.87	19.83
Registration / Inspection Fees	37.53	11.28
Total	55.39	31.11

Note No 39 :

Sundry Creditors and Sundry Debtors are as per books and have not been corroborated by circulation / confirmation of balances / reconciliation of accounts. Confirmations of parties concerned, for the amount receivable / due to them as per accounts of the company, are under process of reconciliation and adjustments required, if any, will be made as and when the accounts are settled.

Note No 40 :

In the opinion of the Board, the Current Assets, Loans and Advances which are considered good are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business. Further, in the opinion of the Board, provision of all known liabilities has been adequately made in the accounts.

Note No 41 :

Company has used the borrowing from Bank for the specific purpose for which it was taken at Balance sheet date.

Note No 42 :
Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Contingent Liabilities		
Claims against the Company not acknowledged as debt	-	-
Guarantees (Bank Guarantee)*	193.86	78.69
Disputed demand of GST against which the Company has preferred an appeal/ Tribunal	132.56	-
Total	326.42	78.69
Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for	187.66	584.19
Uncalled liability on shares or investments partly paid	-	-
Other Commitments		
Total	187.66	584

Guarantees:

Bank Guarantees outstanding as on 31st March, 2025, amounted to INR 193.86 Lacs (P.Y. INR 78.69 Lacs) against which the company has kept the Margin Money Deposits worth INR 36.33 Lacs (P.Y. INR 33.22 Lacs).

Note :

Dy. Registrar of Companies, Mumbai has filed the petition in Hon'ble Session (Special) Court Mumbai, against the company for alleged violation of certain provision of the Companies Act, 2013 in past years. However these violations are compoundable in nature. The company is defending matter in court. The outcome of petition is pending and as on Date liability is not ascertainable.

Note No 43 :
Earnings in Foreign Currency

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Continent wise Breakup of Export Goods		
- Asia	879.02	842.22
- America (North & South)	886.91	708.80
- Europe	93.03	194.50
- Africa	225.33	125.57
Total	2,084.29	1,871.09

Note No 44 :

Leases

"The company has leasing arrangements that have extension / termination options exercisable by either parties which may make the assessment of lease term uncertain. While determining the lease term, the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Future undiscounted lease payments for the remaining term of leases are as follows:"

(₹ in Lakhs)

Lease Commitments		
Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Not later than 1 year	61.61	0.54
Later than 1 year not later than 3 years	68.07	0.13
Later than than 3 years	6.04	5.13
Total	135.72	5.80

Note No 45 :
Particulars of Foreign Currency Exposure

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Trade Receivables	1,264.07	1,192.16
Trade Payables	-	-
Total	1,264.07	1,192.16

Note No 46 :
Director's Remuneration

Directors' remuneration paid during the year is in accordance with the approval of the Central Government sanctioned to the Company under Section 197(3) of the Companies Act, 2013 for giving the Remuneration above the limits prescribed by Section 197 read with Section I of Part-II of Schedule V of the Companies Act, 2013. The amounts paid includes the following:

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Remuneration	54.04	25.95
Performance Bonus	-	6.14
Total	54.04	32.09

Note No 47 :

Auditors Remuneration

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
As Auditors	3.50	2.50
In other capacity	3.00	2.50
Total	6.50	5.00

Note No 48 :

Related Party Transactions

The Company has identified all the related parties having transactions during the year in line with Ind AS 24 - Related Party Disclosures. Details of the same are as under:

List of Related Parties

Name of Related Party	Nature of Relationship
R .R. Shah	Managing Director
D. R. Shah	Director
Paresh Mistry	Director
Janki R Shah	Director
Mercury Antibiotics LLP. (Formerly known as Mercury Antibiotics Pvt Ltd, converted into Mercury Antibiotics LLP w.e.f 16.12.2022)	A Firm in which directors & their relatives are partners
JAS Healthcare Inc.	An enterprise in which Director & his Relatives are Director
Mercury Marketing & Consulting Services	A Concern in which Relative of Directors are Partner
Mercury Pharma Distributors	A Concern in which Directors and their Relatives are Partner
Shri Ramanbhai Bapulal Shah Education and Charitable Trust	A Concern in which Directors and Relatives are Trustee
Dr. Shrutiben Dilipbhai Shah Education and Charitable Trust	A Concern in which Directors and Relatives are Trustee
Divyakant Zaveri (upto July 25, 2024)	Independent Director
J.D. Raval (w.e.f. July 24, 2024)	Independent Director
Bharat Mehta	Independent Director
Dilip R. Shah (H.U.F.)	Relatives of Director
Kaumudiniben R. Shah	Relatives of Director
Kishoriben D. Shah	Relatives of Director
R.R. Shah(H.U.F)	Relatives of Director
Adit D. Shah	Relatives of Director
Paresh R Shah	Relatives of Director
Bimal R Shah	Relatives of Director
Parulben Kiranbhai Laliwala	Relatives of Director
Saurabh Mittal	Relatives of Director
Ashish Vasavada	Chief Financial Officer
Krishna Shah	Company Secretary

Transactions with Related Parties

(₹ in Lakhs)

Name of Related Party	Nature of Transaction	Year Ended 31.03.2025	Year Ended 31.03.2024
R .R. Shah	Remuneration	13.04	13.04
	Perquisites	7.92	5.62
	Dividend Paid	3.00	3.00
D.R. Shah	Director Fees	0.27	0.29
	Dividend Paid	2.97	2.97
Paresh Mistry	Remuneration	14.86	14.02
	Director Fees	0.30	0.35
Janki R shah	Director Fees	0.19	0.27
	Interest on Deposit	1.11	1.11
	Interest on Loan	2.00	2.00
	Dividend Paid	3.64	3.64
	Remuneration	18.22	-
	Deposit Repaid	0.01	-
	Deposit Renewed	13.87	-
Divyakant Zaveri	Director Fees	0.23	0.47
	Professional Fees	0.63	2.50
J.D. Raval	Director Fees	0.21	-
Bharat Mehta	Director Fees	0.39	0.47
Mercury Antibiotics LLP	Lease Rent	72.00	72.00
Mercury Pharma Distributors	Lease Rent	0.60	0.30
JAS Healthcare Inc.	Sales	399.83	222.58
Mercury Marketing & Consulting Services	Consultancy Services	30.00	30.00
Shri Ramanbhai Bapulal Shah Education and Charitable Trust	CSR Contribution	1.00	3.80
Dr. Shrutiben Dilipbhai Shah Education and Charitable Trust	CSR Contribution	-	3.50
Kaumudiniben R. Shah	Interest on Deposit	4.00	4.01
	Dividend Paid	0.74	0.74
	Deposit Renewed	50.00	-
R.R. Shah(H.U.F)	Interest on Deposit	3.40	3.41
	Dividend Paid	7.32	7.32
	Deposit Renewed	42.50	-
D.R. Shah(H.U.F)	Interest on Deposit	8.00	8.02
	Dividend Paid	10.87	10.87
	Deposit Renewed	100.00	-
Adit D. Shah	Interest on Deposit	0.86	0.86
	Dividend Paid	0.54	0.54
	Deposit Renewed	10.70	-
Paresh R Shah	Dividend Paid	0.83	0.83
Bimal R shah	Dividend Paid	0.49	0.49
Parulben Kiranbhai Laliwala	Dividend Paid	0.43	0.43
Kishoriben D Shah	Dividend Paid	0.12	0.12
Saurabh Mittal	Salary	36.22	36.22
Ashish Vasavada	Salary	15.95	14.30
Krishna Shah	Salary	6.61	4.03

(₹ in Lakhs)

Related Party Balance Outstanding at the end of the year	Nature of Transaction	Year Ended 31.03.2025	Year Ended 31.03.2024
Mercury Antibiotics LLP. (Formerly known as Mercury Antibiotics Pvt Ltd, converted into Mercury Antibiotics LLP w.e.f 16.12.2022)	Lease Rent	45.36	13.29
JAS Healthcare Inc.	Receivables	128.64	3.56
Mercury Pharma Distributors	Lease Rent	0.15	-
Mercury Marketing & Consulting Services	Consultancy Services	18.90	13.50
Kaumudiniben R. Shah	Fixed Deposit (Incl. Interest Payable)	50.00	50.00
R.R. Shah(H.U.F)	Fixed Deposit (Incl. Interest Payable)	42.50	42.50
D.R. Shah(H.U.F)	Fixed Deposit (Incl. Interest Payable)	100.00	100.00
Adit D. Shah	Fixed Deposit (Incl. Interest Payable)	10.70	10.70
Janki R shah	Fixed Deposit (Incl. Interest Payable)	13.88	13.88
Janki R shah	Loan from Director (Incl. Interest Payable)	25.00	25.00
Janki R shah	Salary Payable (net)	1.33	-
Saurabh Mittal	Salary Payable (net)	2.32	1.82
Ashish Vasavada	Salary Payable (net)	1.14	0.46
Krishna Shah	Salary Payable (net)	0.50	0.26
R .R. Shah	Remuneration Payable	0.93	0.88
Paresh Mistry	Salary Payable (net)	1.01	0.78
Divyakant Zaveri	Professional Fees Payable	-	0.56

Note No 49 :

Earnings per share

(₹ in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR in Lakhs)	314.49	557.88
Weighted Average number of equity shares used as denominator for calculating EPS	12,00,000	12,00,000
Basic and Diluted Earnings per share	26.21	46.49
Face Value per equity share	10	10

Note No 50:
Income Tax Expense

The major component of Income Tax expenses for the year ended 31st March, 2025 and 31st, March 2024 are as under:

(₹ in Lakhs)

Tax Expense reported in the Statement of Profit and Loss		
Particulars	Year Ended	
	31.03.2025	31.03.2024
Current income tax		
Current income tax	131.00	193.30
Adjustment for previous year taxes	3.84	(3.32)
Total current income tax	134.84	189.98
Deferred tax		
Relating to origination and reversal of temporary differences	16.84	(63.37)
Tax Expense reported in the Statement of Profit and Loss	151.68	126.61
Tax on Other Comprehensive Income		
Deferred tax related to items recognised in OCI during the year	(0.20)	0.83

(₹ in Lakhs)

Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31st March, 2025 and 31st March, 2024		
Particulars	Year Ended	
	31.03.2025	31.03.2024
Accounting profit before tax	466.17	692.03
Income tax expense @25.17%	117.33	174.17
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable	13.67	19.13
Tax Effect of Other Income	-	-
Tax Effect of Special Rate Income	-	-
Effect of origination and reversal of deferred tax	16.84	(63.37)
Income tax relating to earlier years	3.84	(3.32)
Interest on Income Tax	-	-
Rounding up	-	-
Tax expense as per Statement of Profit and Loss	151.68	126.61
Effective tax rate	32.54%	18.30%

Note No 51 :
Dues to Micro & Small Enterprises

The dues to Micro & Small Enterprises as required under the Micro, Small and Medium Enterprise Development Act, 2006 to the extent information available with the company is given below:

(₹ in Lakhs)

Dues to Micro and Small Enterprises	Year Ended 31.03.2025	Year Ended 31.03.2024
a) The principal amount remaining unpaid to any supplier at the end of the year	102.36	95.41
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of the deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	102.36	95.41

Note No 52 :
Other Statutory Information

- i. There are no immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- ii. The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- iii. The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties either severally or jointly with other persons that are repayable on demand or without specifying any terms or period of repayment.
- iv. The Capital Work-in-Progress ageing schedule for the year ended on 31st March, 2025 and 31st March, 2024 is as follows:

(₹ in Lakhs)

CWIP	As at 31.03.2025	As at 31.03.2024
Less than 1 Year	550.16	368.72
1-2 Years	368.72	13.00
2-3 Years	13.00	-
More than 3 Years		-
Total	931.88	381.72

As on date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

- v. The Company did not have and Intangible Assets under Development as at the end of the year.
- vi. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vii. The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India."
- viii. The Company had obtained sanction of working capital limits against security of current assets. However these limits were not utilised at any time during the year. Hence, as such there were no actual borrowings against current assets during the year.
- ix. The Company has entered into following transactions with Struck-off Companies :

Name of Struck Off Company	Nature of Transaction	Outstanding Amount (₹ in Lacs)	Relationship
NIL	NIL	NIL	NA

- X. The Company has not made a direct investment in Joint Venture during the year which does not have any further downstream investment. Hence, it is in compliance with the number of layers prescribed under Section 2 (87) f the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.
- xi. There was no Scheme of Arrangements during the year.
- xii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- xiii. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- xiv. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- xv. There are no transactions which are not recorded in books and have been surrendered or disclosed as income during the year in Income Tax Assessments.
- xvi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note No 53 :

Quarterly statement of current assets submitted by company with Banks are in agreement with books of accounts.

Note No 54 :

There are no amounts pending to be transferred to the Investors Education and Protection Fund as at the end of the year.

Note No 55 :

Segment Reporting:

The products offered by the Company are in the nature of Bulk Drug Intermediates and its related products, having The same risks and returns, same type and class of customers and regulatory environment Hence, the Company effectively has a single reportable business segment. Hence, segment-wise disclosure of information is not applicable.

Note No 56 :

Impairment of Assets:

During the previous year, the Company had undertaken an exercise to review Property, Plant and Equipment and in absence of any further indications, external or internal, as to any probable impairment of assets, no provision has been Made for the same.

Note No 57 :

Corporate Social Responsibility Expenses

(₹ in Lakhs)		
Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
1. Amount required to be spent by the company during the year	12.87	13.57
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	13.13	13.73
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	Promoting Education and Healthcare	
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:		
(i) Donation to * Shri Ramanbhai Bapulal Shah Education & Charitable Trust For distribution of scholarship to the students *(A Concern in which Director is Trustee)	1.00	3.80
(ii) Donation to * Shri Shrutiben Dilipbhai Shah Education & Charitable Trust For distribution of scholarship to Medical student *(A Concern in which Director is Trustee)	-	3.50

Note 58.
Fair Values

A. Classification of Financial Assets and Liabilities:

(₹ in Lakhs)

Particulars	Carrying Value as at		Fair Value as at	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Financial assets				
Financial Investments	0.63	0.63	0.63	0.63
Cash and Bank Balances	219.32	822.65	219.32	822.65
Trade Receivables	2,574.07	2,185.10	2,574.07	2,185.10
Other Financial assets	21.97	21.59	21.97	21.59
	-	-	-	-
Financial liabilities				
Trade Payables	982.64	518.16	982.64	518.16
Borrowings (Current)	105.14	263.13	105.14	263.13
Other Financial Liabilities (Current)	306.25	335.00	306.25	335.00

B. Quantitative disclosure of fair value measurement heirarchy as at 31st March, 2025:

(₹ in Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	31 st March, 2025	-	-	0.63
Cash and Bank Balances	31 st March, 2025	219.32	-	-
Trade Receivables	31 st March, 2025	-	-	2,574.07
Other Financial assets	31 st March, 2025	-	-	21.97
Financial liabilities				
Trade Payables	31 st March, 2025	-	-	982.64
Borrowings (Current)	31 st March, 2025	-	-	105.14
Other Financial Liabilities (Current)	31 st March, 2025	-	-	306.25

Quantitative disclosure of fair value measurement heirarchy as at 31st March, 2024:

(₹ in Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	31 st March, 2024	-	-	0.63
Cash and Bank Balances	31 st March, 2024	822.65	-	-
Trade Receivables	31 st March, 2024	-	-	2,185.10
Other Financial assets	31 st March, 2024	-	-	21.59
Financial liabilities				
Trade Payables	31 st March, 2024	-	-	518.16
Borrowings (Current)	31 st March, 2024	-	-	263.13
Other Financial Liabilities (Current)	31 st March, 2024	-	-	335.00

Note No 59 :
Financial risk management objectives and policies

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an internal part of how to plan and execute its business strategies. The company is exposed to market risk, credit risk and liquidity risk.

The company senior management oversees the management of these risks. The senior Professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and Audit Committee. This process provided assurance the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objectives.

In the event of crises caused due to external factors such as caused by recent pandemic “COVID 19” the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

1. Risk Management Framework

The Company's board of directors has overall responsibility for establishment and Oversight of the company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the Mechanism of property defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

2. Credit Risk

"Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The management impact analysis shows credit risk and impact assessment as low.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors of the company. Most of the Company's customers have been transacting with the company for over Five to Ten years against those customers. In monitoring customer credit risk, Customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2025:

(₹ in Lakhs)				
Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	409.36	105.14	304.22	-
Trade Payables	982.64	969.41	13.23	-
Lease Liabilities	135.72	61.61	74.11	-
Other Financial Liabilities	306.25	306.25	-	-

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2024:

(₹ in Lakhs)				
Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	549.56	263.13	286.43	-
Trade Payables	518.16	517.76	0.39	-
Lease Liabilities	5.80	0.54	5.26	-
Other Financial Liabilities	330.42	330.42	-	-

4. Market Risk

Market risk is the risk that the Fair value of future cash flow of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency rate risk, Interest Risk and equity price risk.

(i) Interest Rate Risk

"Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk. With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings.

The company has overdraft facility against fixed deposits. The rate of interest is linked with the rate of fixed deposit with a defined margin."

(ii) Foreign Currency Risk

The company operates internationally and is exposed to currency risk on account of receivables and payables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The company does not use derivative financial instruments for trading or speculative purposes.

I. Foreign Currency Exposure

(₹ in Lakhs)

Particulars	31.03.2025		
	USD	EURO	GBP
Financial Assets			
Trade and Other Receivables	1,217.18	28.52	18.37
Less: Forward Contract for selling foreign currency	-	-	-
Total	1,217.18	28.52	18.37
Financial Liabilities			
Net Exposure	1,217.18	28.52	18.37

(₹ in Lakhs)

Particulars	31.03.2024		
	USD	EURO	GBP
Financial Assets			
Trade and Other Receivables	1,163.40	27.73	1.04
Less: Forward Contract for selling foreign currency	125.69	-	-
Total	1,037.71	27.73	1.04
Financial Liabilities			
Net Exposure	1,037.71	27.73	1.04

II. Foreign Currency Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as below:

(₹ in Lakhs)

Particulars	Movement in Rate	Impact on PBT	
		31.03.2025	31.03.2024
USD	5%	74.98	51.89
USD	-5%	(74.98)	(51.89)
EURO	5%	1.43	1.39
EURO	-5%	(1.43)	(1.39)
GBP	5%	0.92	0.05
GBP	-5%	(0.92)	(0.05)

(iii) Equity Price Risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis. During the year including previous year company has not made any investment in any securities having uncertainties about future value of investments.

5. Capital Management

"The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern
- To provide adequate return to shareholders through optimisation of debt and equity balance

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunities. The Company monitors capital structure using a debt equity ratio, which is debt divided by equity."

(₹ in Lakhs)		
Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Debt	409.36	549.56
Less: Cash and bank balances	33.18	329.38
Adjusted net debt	376.18	220.18
Total equity	5,356.92	5,083.85
Adjusted net debt to total equity ratio	0.07	0.04

Note No 60 :

Components of cash and cash equivalents

(₹ in Lakhs)		
Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Cash and Cash Equivalents at beginning of the year		
Cash on hand and balances with banks	817.06	694.28
Earmarked balances with banks (Margin Money)	5.59	37.23
Total	822.65	731.51
Cash and Cash Equivalents at the end of the year		
Cash on hand and balances with banks	164.69	817.06
Earmarked balances with banks (Margin Money)	54.63	5.59
Total	219.32	822.65

Note No 61 :

Reconciliation of Liabilities from Financial Activities

(₹ in Lakhs)			
Particulars	Lease Liabilities	Long Term Borrowings	Short Term Borrowings
Opening Balance As at 1 st April, 2023	47.00	242.07	294.35
Cash inflow / (Outflow)	(41.20)	44.36	(31.22)
Non- Cash Changes	-	-	-
Opening Balance As at 1 st April, 2024	5.80	286.43	263.13
Cash inflow / (Outflow)	129.92	17.79	(157.99)
Non- Cash Changes	-	-	-
Balance As at 31st March, 2025	135.72	304.22	105.14

**Note No 62 :
Key Financial Ratios**

Ratio	Numerator	Denominator	As at 31.03.2025	As at 31.03.2024	% Variance	Reason for variance
(a) Current ratio	Total Current Assets	Total Current Liabilities	2.66	3.15	-15.69%	
(b) Debt-equity ratio	Short Term Borrowing + Long Term Borrowing	Total Equity	0.08	0.11	-29.31%	Optimisation of Working Capital borrowing has improved the ratio
(c) Debt service coverage ratio	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.87	1.23	-29.41%	Reduction in current year profit coupled with increased in finance charges for lease has deteriorated ratio
(d) Return on equity ratio	Net Profit after Tax	Total Equity	5.87%	12.98%	-55%	Revenue remained stagnant in FY 24-25 coupled with increased cost leading to lower profit
(e) Inventory turnover ratio	Net Sales	Average Inventory	11.20	11.64	-3.77%	
(f) Trade receivables turnover ratio	Net Sales	Average Trade Receivables	3.16	3.92	-19.39%	
(g) Trade payables turnover ratio	Net Purchases	Average Trade Payable	3.99	4.61	-13.52%	
(h) Net Working capital turnover ratio	Net Sales	Working Capital	2.82	2.53	11.20%	
(i) Net profit ratio	Net Profit	Sales	4.19%	7.48%	-44.04%	Revenue remained stagnant in FY 24-25 coupled with increased cost leading to lower profit
(j) Return on capital employed	Earning Before Interest and Tax	Capital Employed	9.03%	15.40%	-41.34%	Revenue remained stagnant in FY 24-25 impacted reduction in operating profit
(k) Return on investment	Profit After Tax	Total Assets	4.24%	8.32%	-49.08%	Revenue remained stagnant in FY 24-25 leading to lower profit for the year.
(L) Operating Margin ratio	Profit Before Interest, Depreciation & Amortisation and Tax	Revenue + Other Operating Income	10.77%	13.39%	-19.61%	

Note No 63 :

From the current year, the company has presented actuarial gains / losses on Defined Benefit Plans as Other Comprehensive Income with tax effect thereon. Correspondingly the figures of previous year are recast to make them comparable.

The figures in respect of previous year have been re-grouped / recast wherever necessary to confirm To the current year's classification.

For Naresh & Co.
Chartered Accountants
FRN: 106928W

CA Abhijeet Dandekar
M.R. No. 108377
Partner

Place: Vadodara
Date: 14 May, 2025
UDIN: 24108377BKBOTW7022

For and on behalf of the Board of Directors
Mercury Laboratories Limited

Rajendra R Shah
Managing Director
DIN : 00257253
Place: Vadodara

Janki R Shah
Director
DIN: 08686344
Place:Vadodara

Ashish Vasavada
Chief Financial Officer
Place: Vadodara

Krishna Shah
Company Secretary
Place: Vadodara

Dated: 14 May, 2025