



ANNUAL REPORT

2023-24 ———





CONTENTS

COMPANY OVERVIEW

| | |
|---|----|
| Message From Chairman & Managing Director | 05 |
| Corporate Information | 06 |
| Board of Directors | 07 |
| Financial Highlights (Standalone) | 08 |

STATUTORY REPORTS

| | |
|---|-----|
| Notice of 58 th Annual General Meeting | 112 |
| Directors' Report | 09 |
| Secretarial Audit Report | 20 |
| Report on Corporate Governance | 30 |

FINANCIAL STATEMENTS (STANDALONE)

| | |
|---|----|
| Independent Auditors' Report | 38 |
| Balance Sheet | 49 |
| Statement of Profit & Loss | 50 |
| Cash Flow Statement | 51 |
| Notes to the Financial Statements | 53 |

FINANCIAL STATEMENTS (CONSOLIDATED)

| | |
|---|----|
| Independent Auditors' Report | 77 |
| Balance Sheet | 84 |
| Statement of Profit & Loss | 85 |
| Cash Flow Statement | 86 |
| Notes to the Financial Statements | 88 |





MESSAGE FROM CHAIRMAN & MANAGING DIRECTOR

Dear Valued Shareowners,

First, I would like to express my gratitude to everyone who has been supporting GSEC Group's journey. I feel it is my privilege to have entered in to air cargo industry two decades ago. Our resolute approach to achieve success while nurturing values like integrity & honesty have paved way to build on to our success in many other areas. I strongly believe in hard working, delivering promised work to customer and giving preference to customer satisfaction in achieving business success.



Having laid a strong foundation, I am happy to share that we have, through our subsidiaries, have enlarged our portfolio in to allied aviation businesses as well as diverse manufacturing bases. We are, with equal zeal and vigour, are aiming to replicate this success in many more areas in coming years.

In 2022, we made a significant investment in Diamond Power Infrastructure Limited, a key player in the cable manufacturing sector. This investment has proven to be fruitful, as Diamond Power Infrastructure Limited is experiencing robust growth day by day. Their commitment to innovation and quality aligns perfectly with our vision of fostering sustainable partnerships that enhance our operational capabilities.

Furthermore, we have diversified our business portfolio by investing in Smartmeters Technologies Private Limited a joint venture with Adani Total Gas Limited, a company specializing in gas connection meters. This strategic move broadens our business positions in various sectors.

In the aviation space too, we are operating eight different domestic and international cargo complexes under one of our subsidiaries - M/s Skyhigh Airport Services Private Limited. We have also recently bagged a concession from M/s Gujarat Agro Industries Corporations Limited to manage perishable cargo center at Sardar Vallabhbhai Patel International Airport. This will enable us substantially improve our export tonnage.

GSEC Limited has been in business from 1965 & is rapidly growing, thanks to our local & global customers who have placed utmost confidence in us and our air cargo solutions. In sync with customer needs, we create solutions that are seamless, that are efficient & makes perfect business sense. We firmly believe that seamless logistics makes life easier & helps businesses grow. We make that happen with utmost professionalism, technological inputs and customer- intuitiveness.

Financial Performance:

The consolidated financial performance for the 12 months ended March 31, 2024, is as follows:

- Total income from operations at Rs. 69202.05 for the year ended March 31, 2024
- EBITDA at Rs. 3570.66 Lacs for the year ended March 31, 2024
- EBIT of Rs. 3026.22 Lacs for the year ended March 31, 2024
- PAT of Rs. 1212.81 Lacs for the year ended March 31, 2024
- EPS for the year ended March 31, 2024 was Rs. 21.74 for a face value of Rs. 10/- per share.

I am pleased to share our recent consolidated financial results, which reflect our collective efforts & strategic initiatives. This year, we achieved significant growth, with a 11.76% increase in revenue & a 61.83% rise in net profit. These results are a testament to our resilient business model and the dedication of our entire group.

I also take this opportunity to express my sincere gratitude to all Board of Directors, Airports Authority of India, Customs Department, Cantonment Board, CHA's, valued customers, IATA Agents, Industries & all other associates wholehearted support & cooperation extended.

I would like to also thank the management team for their leadership, as well as each member of the GSEC family and our stakeholders, who share our dreams and achievements. Finally, I would like to thank all our employees, and to wish them every success in driving our company towards achieving our Vision.

Sincerely,
Rakesh Shah,
Chairman & Managing Director



BOARD OF DIRECTORS

SHRI RAKESH SHAH
SHRI SAMIR MANKAD
SHRI SHAISHAV SHAH
SMT RAJI SHAH
SHRI MAHESWAR SAHU
SHRI SANDIP PARIKH

CHAIRMAN & MANAGING DIRECTOR
WHOLE-TIME DIRECTOR
JOINT MANAGING DIRECTOR
NON-EXECUTIVE DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

CHIEF FINANCIAL OFFICER

SHRI DINESH SHAH (RESIGNED W.E.F. 01.05.2024)

COMPANY SECRETARY

SHRI JAY CHAVDA (APPOINTED W.E.F. 01.04.2024)
SHRI GAURAV DIXIT (RESIGNED W.E.F. 12.03.2024)

BOARD COMMITTEES

AUDIT COMMITTEE

| | |
|--------------------|----------|
| SHRI SANDIP PARIKH | CHAIRMAN |
| SHRI SAMIR MANKAD | MEMBER |
| SHRI MAHESWAR SAHU | MEMBER |

NOMINATION & REMUNERATION COMMITTEE

| | |
|--------------------|----------|
| SHRI SANDIP PARIKH | CHAIRMAN |
| SHRI MAHESWAR SAHU | MEMBER |
| SMT RAJI SHAH | MEMBER |

SHARE TRANSFER & GRIEVANCE COMMITTEE

| | |
|--------------------|----------|
| SHRI SANDIP PARIKH | CHAIRMAN |
| SHRI RAKESH SHAH | MEMBER |
| SHRI SAMIR MANKAD | MEMBER |

STATUTORY AUDITORS

M/s. BJS & Associates
Chartered Accountants,
Ahmedabad.

INTERNAL AUDITORS

M/s. Dharmesh Parikh & Co.
Chartered Accountants,
Ahmedabad.

SECRETARIAL AUDITORS

Parikh Dave & Associates
Company Secretaries,
Ahmedabad.

BANKERS

State Bank of India

REGISTERED OFFICE

📍 Gujarat Chambers
Building, Ashram Road,
Ahmedabad-380009.
CIN: U52100GJ1965PLC001347

CORPORATE OFFICE

📍 CH-7, Inspire Business Park,
Shantigram, Near Vaishnodevi
Circle, Ahmedabad, Gujarat,
India, 382421.

CONTACT DETAILS

☎ 079-2655 4100/2657 5757
☎ 079-26584040
✉ cs@gsecl.co.in
🌐 www.gsecl.co.in

REGISTRAR & TRANSFER AGENTS

Bigshare Services Private Limited

A/802, Samudra Complex, Near Girish Cold Drink Cross Road, Off C G Road, Ahmedabad-380009.
Phone: 079- 40024135 | E Mail: bssahd@bigshareonline.com | Website: www.bigshareonline.com

BOARD OF DIRECTORS



Rakesh Shah
Chairman & Managing Director



SAMIR MANKAD
Whole Time Director



SHAISHAV SHAH
Joint Managing Director



RAJI SHAH
Non-Executive Director

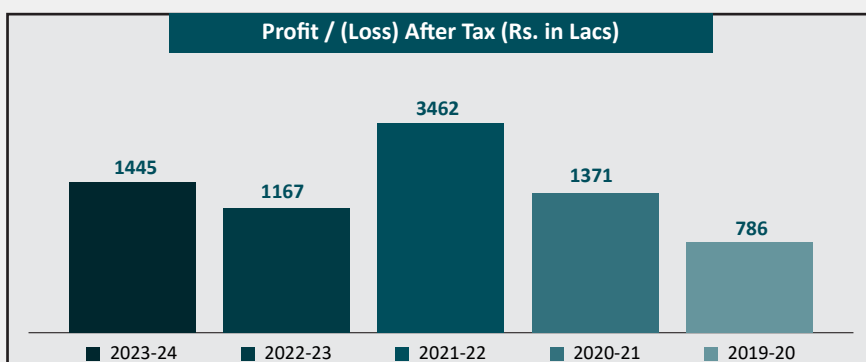
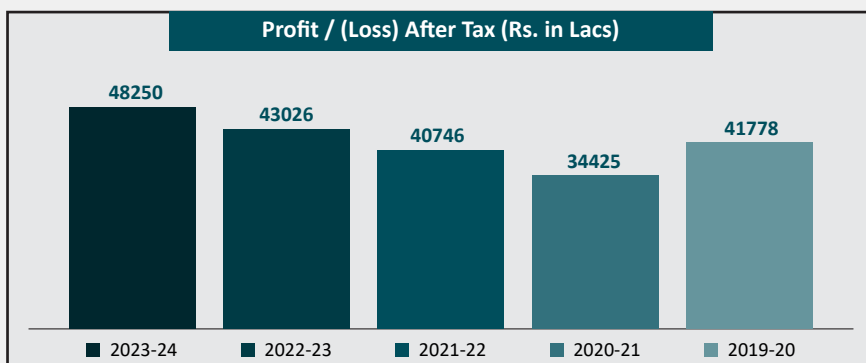
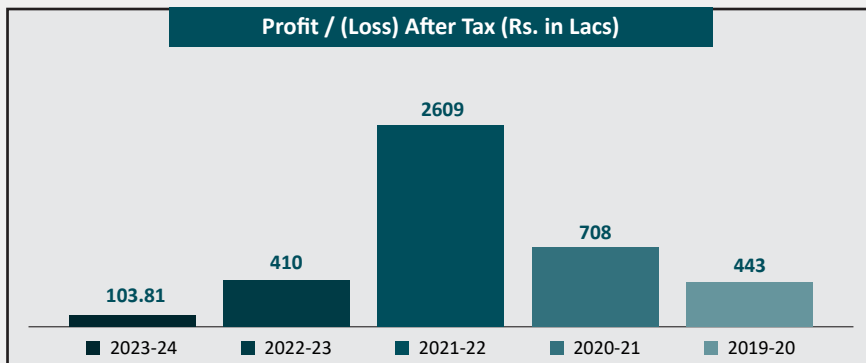
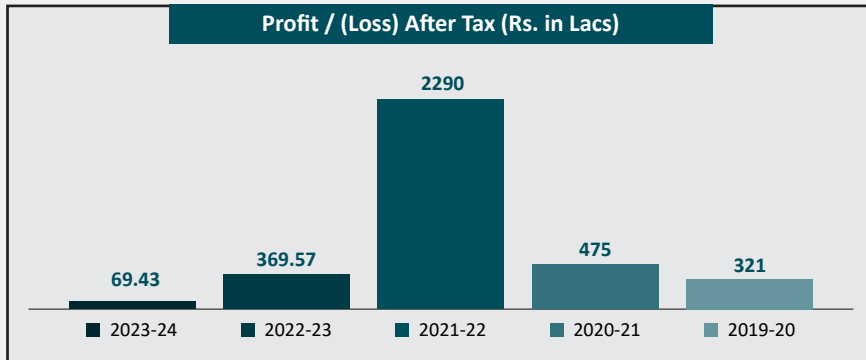


MAHESWAR SAHU
Independent Director



SANDIP PARIKH
Independent Director

FINANCIAL HIGHLIGHTS





DIRECTORS' REPORT

To,
The Members,
GSEC Limited

Your directors are pleased to present herewith the 58th Annual Report of your Company together with the Audited Financial Statement and the Auditors' Report for the financial year ended, 31st March, 2024.

1. FINANCIAL RESULTS:

The Company's standalone and Consolidated Financial performance for the Financial Year ended 31st March, 2024 is summarized below:

(Rs. in Lacs)

| Particulars | Standalone | | Consolidated | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 31.03.2024 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| Net Revenue from Operations | 47243.15 | 41789.05 | 69202.05 | 61915.93 |
| Other Operating Revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| Revenue from Operations | 47243.15 | 41789.05 | 69202.05 | 61915.93 |
| Other Income | 1006.24 | 1237.26 | 999.57 | 1221.15 |
| Total Revenue | 48249.39 | 43026.31 | 70201.62 | 63137.08 |
| Profit before financial charges, Depreciation and taxation | 1445.16 | 1166.62 | 3570.66 | 1650.49 |
| Less: Financial charges | 1061.51 | 553.71 | 1377.57 | 498.77 |
| Less: Depreciation and amortization expenses | 279.84 | 202.84 | 514.01 | 231.90 |
| Profit before exceptional and prior period items and tax | 103.81 | 410.07 | 1679.07 | 919.82 |
| Less: Exceptional items/Extraordinary items | 0.00 | 0.00 | 10.43 | 31.17 |
| Less: Prior period items | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before tax | 103.81 | 410.07 | 1668.65 | 888.65 |
| Less: Current Tax | 0.00 | 39.10 | 479.31 | 118.35 |
| Less: Deferred Tax Liability | 34.37 | 35.10 | (102.05) | 36.31 |
| Less: Provision for tax of earlier years | 0.00 | (33.71) | 78.57 | (15.45) |
| (+) Share of Profit/(loss) from Associates | - | - | 601.36 | -806.45 |
| Profit after taxation | 69.43 | 369.57 | 1212.81 | -55.49 |
| Earnings Per Equity Share (in ?) | 0.92 | 4.90 | 21.74 | (0.73) |

* Previous year figures have been regrouped & rearranged wherever consider necessary.

2. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the Company done during the year.

3. PERFORMANCE REVIEW:

During the financial year under review, your Company recorded a total revenue of Rs. 48249.39 Lacs as compared to Rs. 43026.31 Lacs during the previous financial year ended March 31, 2023. The Profit before

exceptional and prior period items and tax of your Company for the financial year ended March 31, 2024 stood at Rs. 103.81 Lacs as against the previous financial year ended March 31, 2023 was Rs. 410.07 Lacs. Accordingly, Net profit after tax stood at Rs. 69.43 Lacs as against the previous financial year ended March 31, 2023 was Rs. 369.57.

4. DIVIDEND:

In order to conserve the reserves, the Company has not recommended any dividend for the year ended March 31, 2024.

5. DETAILS OF FRAUD REPORTED BY AUDITOR'S:

As per Auditor Report, no fraud u/s. 143(12) reported by auditor. The Auditors' Report for the financial year ended, 31st March, 2024 is annexed herewith for your kind perusal and information. The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and hence do not require any further explanations.

6. BOARD'S COMMENT ON THE AUDITORS REPORT:

The Observation of the Statutory Auditor's, when read together with the relevant notes to the Accounts and accounting policies are self-explanatory and do not need any further explanations.

7. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the Company's website at www.gsecl.co.in.

8. DEPOSIT:

During the year under review the Company has not accepted and renewed any deposit from Public within the meaning of Section 73 of the Companies Act, 2013.

9. TRANSFER TO RESERVES:

The Company has not transferred any amount to the General Reserve during the financial year ended March 31, 2024.

10. SECRETARIAL STANDARDS:

The Board to the best of their knowledge confirms that the Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and made applicable by Ministry of Corporate Affairs.

11. SHARE CAPITAL:

The Authorized and Paid up Share Capital of the Company was increased during the year as under.

The authorised share capital of the Company is Rs. 15,03,00,000 (Rupees Fifteen Crores Three Lakh Only) divided into 1,00,30,000 (One Crore Thirty Thousand Only) Equity Shares of Rs. 10 (Rupees Ten) each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs. 10 (Rupees Ten) each.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- A) Issue of equity shares with differential rights
- B) Issue of sweat equity shares
- C) Issue of employee stock options
- D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.

The Board of Directors at their meeting held on 30.03.2024 has made preferential allotment of 50,00,000 -

6% Optionally Convertible Non- Cumulative Preference Shares of Rs. 10/- each at a securities premium of Rs. 90/- per share.

Post allotment, the paid-up capital of the company was increased from Rs. 7,55,00,000 to Rs. 12,55,00,000 divided in to 75,50,000 Equity shares of Rs. 10/- Each and 50,00,000 preference share of Rs. 10/- each.

12. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Subsequent to the end of the financial year on March 31, 2024 till date, there has been no material change and/or commitment which may affect the financial position of the Company.

13. COST RECORD

The Company is not required to maintain any cost records prescribed under section 148 of the Companies Act, 2013 and rules made thereunder.

14. INSOLVENCY AND BANKRUPTCY CODE:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

15. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from banks and financial institution.

16. DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL:

I. COMPOSITION OF BOARD OF DIRECTOR

The Board of Directors is duly constituted in accordance with the provisions of Companies Act, 2013 and in accordance with good corporate governance practices. The composition is described in the Corporate Governance Report attached with this Annual Report 2023-24.

II. STATEMENT OF DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(7):-

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in section 149 (6).

The Independent Directors have confirmed and declared that they are not dis-qualified to act as an Independent Director as specified under Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfils all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

III. RETIREMENT BY ROTATION.

Section 152 of the Companies Act, 2013, Mr. Samir Mankad (DIN: 00421878) in accordance with retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

IV. Changes In Directors:

Pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force and the Articles of Association of the Company, the Extraordinary General Meeting of the members of the company held on 29th March, 2024 based on the recommendation of Nomination and Remuneration Committee and approval of board of directors in the meeting held on 5th March, 2024, re-appointed Shri Samir Mankad (DIN: 00421878) as whole time Director of the Company for a period of six months commencing from 5th April, 2024 to 30th September, 2024, accordingly Mr. Shaishav Rakeshkumar Shah (DIN: 00019293) was also re-appointed in that EGM as a Managing Director for a period of three years w.e.f. 20th August, 2024.

It is proposed to reappoint Shri Samir Mankad (DIN: 00421878) as whole time Director of the Company for a period of one year from 1st October, 2024 to 30th September, 2025. Further, re-appointment of Shri Rakesh Shah (DIN: 0000421920) as Chairman and Managing Director of the Company to hold office for a term of 3 years from 1st April, 2025 to 31st March, 2028 is also proposed.

Necessary resolutions have been set out in notice convening AGM for approval of members.

17. INTERNAL FINANCIAL CONTROL SYSTEM:

The Board has laid down the Internal Control System with adequate internal financial controls, commensurate with the size, scale and complexity of operations which operates effectively. The scope and authority of the Internal Audit (IA) function is well defined.

18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, the following changes have taken place in Subsidiaries, Joint Venture and Associate Companies:-

SUBSIDIARY COMPANIES FORMED/ACQUIRED:

1. SKY HIGH AIRPORT SERVICES PRIVATE LIMITED

As on 31st March, 2024 following were the Subsidiaries/ Joint Ventures/ Associate companies:

| Sr. No. | Subsidiaries |
|---------|---|
| 1. | GSEC Logistics Limited |
| 2. | GSEC Air Services Private Limited |
| 3. | Electrify Energy Private Limited |
| 4. | Aviground Facilities Private Limited |
| 5. | Aviserve Facilities Private Limited |
| 6. | Avipark Facilities Private Limited |
| 7. | Sky High Airport Services Private Limited |

| Sr. No. | Associates |
|---------|--|
| 1. | GSEC Bird Airport Services Private Limited |
| 2. | GSEC-Indo-Thai Ground Handling Private Limited |
| 3. | Diamond Power Infrastructure Limited |

| Sr. No. | Joint Ventures / Associate LLP |
|---------|--|
| 1. | Smartmeters Technologies Private Limited |
| 2. | P C Snehal GSEC LLP |

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed there under, the Company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 which forms part of this Annual Report is annexed herewith as **Annexure - A**.

19. BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the

Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

20. INDEPENDENT DIRECTORS' MEETING

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on 22nd March, 2023, without presence of Non-Independent Directors. Such meeting was conducted to review and evaluate (a) the performance of Non-Independent Directors and the Board as a whole, (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

21. COMMITTEES OF THE BOARD:

The Board of Directors has following Committees: -

1. Audit Committee
2. Nomination and Remuneration Committee
3. Share Transfer and Grievances Committee

The details of the Committees along with their composition, number of meetings and attendance of the members at the meetings are provided in the Corporate Governance Report which is annexed to the Report.

22. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company states that:-

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for that period;
- (c) They 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) They have prepared the annual accounts on going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

23. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review all the related party transactions entered into by the Company were on arms' length basis and in ordinary course of business.

There are no materially significant related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Details of the related party transactions are provided in Form AOC – 2 under **Annexure-B**.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of the Loans and Guarantees given during the year under review falling under Section 186 of the Companies Act, 2013 is given in **Annexure-C**, which forms part of this report. The details of Investments

are as mentioned in the notes of financial statements. During the year under review, the company has not provided any security falling within in purview of Section 186.

25. PARTICULARS OF EMPLOYEES:

No employee was drawing salary in excess of the limits prescribed under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

In terms of provisions of Section 136(1) of the Act, the Annual Report excluding the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. The said information is open for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

26. AUDITORS:

Statutory Auditors:

At the 53rd Annual General Meeting held on 26th Day of September, 2019, the members approved the appointment of M/s. BJS & Associates & Co., Chartered Accountants (Registration No. 113268W), as Statutory Auditors of the Company to hold office till conclusion of the 58th Annual general Meeting to be held in the calendar year 2024.

As the tenure of statutory auditors is expiring at ensuing AGM, it is proposed to appoint M/s. NPV & Associates LLP., Chartered Accountants as statutory auditors for the term of 5 years from the conclusion of this 58th Annual General Meeting till the conclusion of the 63rd Annual General Meeting to be held in the year 2029. The Board recommends passing of necessary resolution.

▶ **STATUTORY AUDITOR REPORT**

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations on adverse remarks or disclaimers given by Statutory Auditors of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

27. SECRETARIAL AUDIT:

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 with the approval of its Board, appointed M/s. Parikh Dave & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2024.

The Secretarial Audit Report in Form MR- 3 for the financial year ended 31st March, 2024 is annexed herewith as **Annexure- "D"**. The report of the Secretarial Auditor is self-explanatory.

The Board has appointed M/s. Parikh Dave & Associates, Practicing Company Secretary as the Secretarial Auditor of your Company for the Financial Year 2023-24.

28. INTERNAL AUDIT:

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. Dharmesh Parikh & Co, Chartered Accountant, were appointed as the Internal Auditor of your Company for the financial year 2023-24. Further the Board of director of the company re-appointed as M/s. Dharmesh Parikh & Co as the Internal Auditor of your Company for the financial year 2024-25.

29. EXPLANATION OR COMMENTS ON AUDITORS' REPORT AND/OR SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditor in their Audit Reports which requires clarification from the Management of the Company.

30. RISK MANAGEMENT POLICY:

The Management regularly reviews the risk and take appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Company has setup a Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.;

In the opinion of the Board, there has been no identification of any element of risk which may threaten the existence or going concern of the Company.

31. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set-up to redress complaints received regarding sexual harassment. The Company has not received any sexual harassment complaint during the year under review.

32. SIGNIFICANT AND MATERIAL ORDERS:

There is no significant and/or material order passed by any Regulator(s) or Court(s) or Tribunal(s) during the year which would impact the going concern status of the Company and its operations.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 is given in the **Annexure-E**.

34. REMUNERATION POLICY:

The remuneration policy of the Company is annexed to the report as **Annexure - F**.

35. MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEE MEETING:

The details of the number of meetings of the Board held during the Financial Year 2023-24 forms part of the Corporate Governance Report which is annexed to the Report as **Annexure - G**.

The maximum time gap between any two Board Meetings was not more than 120 days as required under Section 173 of the Act and Secretarial Standard on Meetings of the Board of Directors

ACKNOWLEDGEMENTS:

Your Directors are thankful to the Bankers, various Government agencies, suppliers, customers, Investors and all others stakeholders for their wholehearted support during the year and look forward to their continued support in the years ahead. Your Directors further appreciate and acknowledge the contributions made by the employees at all levels and other business associates for their commitment and dedication towards the operations of the Company. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

ANNEXURE – A

Form AOC-I

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Thousand)

| SL. No. | Particulars | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---------|--|------------------------|-----------------------------------|----------------------------------|--------------------------------------|-------------------------------------|------------------------------------|--|
| | Name of the subsidiary | GSEC Logistics Limited | GSEC Air Services Private Limited | Electrify Energy Private Limited | Aviground Facilities Private Limited | Aviserve Facilities Private Limited | Avipark Facilities Private Limited | SkyHigh Airport Services Private Limited |
| 1 | The date since when subsidiary was Acquired | 07.09.2006 | 20.04.2021 | 16.09.2020 | 30.11.2021 | 30.11.2021 | 09.06.2022 | 06.06.2023 |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 31.03.2024 | 31.03.2024 | 31.03.2024 | 31.03.2024 | 31.03.2024 | 31.03.2024 | 31.03.2024 |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | INR | INR | INR | INR | INR | INR | INR |
| 4 | Share capital | 500.00 | 100.00 | 1,70,000.00 | 100.00 | 100.00 | 100.00 | 1373.18 |
| 5 | Reserves & surplus | 3187.33 | 54367.82 | 86695.28 | (121.11) | 4202.01 | 19984.46 | 76011.78 |
| 6 | Total assets | 49814.00 | 127169.57 | 1413013.48 | 11583.05 | 218370.37 | 24930.69 | 138927.58 |
| 7 | Total Liabilities | 46126.67 | 72701.75 | 1169955.90 | 11604.16 | 214068.37 | 4846.23 | 102442.62 |
| 8 | Investments | NIL | NIL | 13637.71 | NIL | NIL | NIL | 40900.00 |
| 9 | Turnover | NIL | 88266.94 | 903497.29 | NIL | 593853.71 | 53336.72 | 484992.74 |
| 10 | Profit before taxation | (337.87) | 49939.88 | 91171.67 | (124.60) | 5642.30 | 14389.60 | 50417.72 |
| 11 | Provision for taxation | NIL | 13570.44 | 16391.07 | 6.66 | 1420.05 | 373.03 | 9438.99 |
| 12 | Profit after taxation | (540.26) | 36369.45 | 67780.60 | (131.26) | 4222.24 | 14016.57 | 40978.73 |
| 13 | Proposed Divided | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 14 | % of Shareholding | 100% | 100% | 100% | 51% | 51% | 100% | 76% |

Notes:

- Names of subsidiaries which are yet to commence operations : Nil
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

Part "B": Associates & Jointly Controlled Entities

(Information in respect of each Associates & joint Controlled to be presented with amounts in Rs. Thousand)

| SL. No. | Particulars | 1 | 2 | 3 | 4 | 5 |
|---------|--|---|--|--|---------------------------------------|---|
| | Name of Associates or | Smartmeters Technologies Private Limited | GSEC Bird Airport Services Private Limited | GSEC-Indo-Thai Ground Handling Private Limited | P C Snehal GSEC LLP | Diamond Power Infrastructure Limited |
| 1. | Latest audited Balance Sheet Date | 31.03.2024 | 31.03.2024* | 31.03.2024 | 31.03.2024 | 31.03.2024 |
| 2 | Date on which the Associate or Joint Venture was associated or acquired | 20.08.2021 | 20.03.2021 | 14.01.2022 | 25.03.2021 | 17.09.2022 |
| 3 | Shares of Associate or Joint Ventures held by the company on the year end | 50% | 39% | 26% | 50% | 35.11% |
| | No.ASON 31.03.2024 | 1,28,00,000 | 39000 | 26000 | -- | 18,500,000 |
| | Amount of Investment in Associates or Joint Venture 31.03.2024 | 1,28,000.00 | 390 | 260 | 50,000 | 1,85,000 |
| | Extent of Holding (in percentage) as on 31.03.2024 | 50% | 39% | 26% | 50% | 35.11% |
| 4 | Description of how there is significant influence | Due to Percentage of stake in the Company | Due to Percentage of stake in the Company | Due to Percentage of stake in the Company | Due to Percentage of stake in the LLP | Due to Percentage of stake in the Company |
| 5 | Reason why the associate/ Joint venture is not consolidated | N.A. | N.A. | N.A. | N.A. | N.A. |
| 6 | Net worth attributable to shareholding as per latest audited Balance Sheet | 155214.00 | (782.40 lacs) | 1781.85 | 87.20 | (97,33,444) |
| 7 | Profit or Loss for the year | (100786) | (37.51 lacs) | 1088.10 | (12.80) | 1,70,250 |
| I | Considered in Consolidation | (50393) | (14.63 lacs) | 282.91 | (6.40) | 59774.78 |
| II | Not Considered in Consolidation | (50393) | (22.88 lacs) | 805.19 | (6.40) | 110475.22 |

Notes:

- Names of Associates & Jointly Controlled Entities which are yet to commence operations: Not Applicable
- Names of Associates & Jointly Controlled Entities which have been liquidated or sold during the year: Nil
- Audit of the Company yet to be done

As per our attached report of even date
For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

CA BIPIN J SHAH
Partner
Membership No. 10712

Place : Ahmedabad
Date : 05/09/2024
UDIN: 24010712BKFANS4306

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

Jay R Chavda
Company Secretary
M. No. A63127
Place : Ahmedabad
Date : 05/09/2024

SAMIR MANKAD
CEO & Whole-Time Director
DIN: 00421878

ANNEXURE – B

Form 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/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto.

- 1 Details of material contracts or arrangements or transactions not at arm's length basis:** None of the transactions with related parties fall in this category.
- 2 Details of material contracts or arrangement or transactions at arm's length basis:**

(Rs. in Lacs)

| 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 arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|---|--|--|---------------------------------|
| Priti R. Shah (Relative of Director) | Lease/Rent Agreement | As per Agreement | Rs. 13.89 | As per Note Below | As per Note Below |
| Shaishav R. Shah (Joint Managing Director) | Lease/Rent Agreement | As per Agreement | Rs. 3.04 | As per Note Below | As per Note Below |

Note: Above mentioned transaction are done at arm's length price and at prevailing market rate. Appropriate approvals whenever required have been taken for related party transactions. No amount was paid as advance.

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

ANNEXURE – C

Particulars of Loans and Guarantees

Loan and Guarantee made during the financial year 2023-24

Rs. in Lacs

| Name of Entity | Relation | Amount | Particulars | Purpose |
|--|--|---------|-------------|----------|
| GGSEC Logistics Ltd | Subsidiary Company | 1.26 | Loan | Business |
| Diamond Power Infrastructure Limited | Associate Company | 1958.60 | Loan | Business |
| Smartmeters Technologies Private Limited | Joint Venture | 422.80 | Loan | Business |
| GSEC Aviation Limited | Entity under common control or KMP or relatives of KMP exercises significant influence | 262.25 | Loan | Business |
| Avipark Facilities Private Limited | Subsidiary Company | 83.05 | Loan | Business |
| Aviground Facilities Private Limited | Subsidiary Company | 10.04 | Loan | Business |
| Electrify Energy Private Limited | Wholly-owned Subsidiary Company | 901.43 | Loan | Business |
| Aviserve Facilities Private Limited | Subsidiary Company | 1.07 | Loan | Business |

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

Annexure-D

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2024

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

To,
The Members,
GSEC LIMITED
CIN- U52100GJ1965PLC001347
Gujarat Chambers Building,
Ashram Road, Ahmedabad - 380009.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 and made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment - Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events during the financial year under review;
 - 1) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company as the Securities of the Company are not listed on any Stock Exchange during the year under review:
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the year under review;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not applicable during the year under review;

- (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable during the year under review;
- (g) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review;
- (h) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the year under review;

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if any. (Not Applicable as the securities of the Company are not listed on any Stock Exchange during the year under review)

Further, during the Audit period under review the Company has complied with all the material aspects / provisions of the applicable Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

We further report that:

Having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the Air cargo activities and Trading activities:

1. Foreign Trade Policy
2. Major Port Trusts Act, 1963
3. The Airports Economic Regulatory Authority of India Act, 2008

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Except in case of meetings convened at shorter notice, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.

All the decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance report, we are of the opinion of that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the audit period under review:

- 1) The authorised share capital of the Company is Rs. 15,03,00,000 (Rupees Fifteen Crores Three Lakh Only) divided into 1,00,30,000 (One Crore Thirty Thousand Only) Equity Shares of Rs. 10 (Rupees Ten) each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs. 10 (Rupees Ten) each.
- 2) The Board of Directors has made preferential allotment of 50,00,000 - 6% Optionally Convertible Non-Cumulative Preference Shares of Rs. 10/- each at a securities premium of Rs. 90/- per share.

Further, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity etc.;
- b) Redemption / buy-back of securities;
- c) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- d) Merger / amalgamation / reconstruction etc.;
- e) Foreign technical collaborations.

**FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES**

**UMESH PARIKH
PRACTICING COMPANY SECRETARY
PARTNER
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No.: 4152, C. P. No.: 2413
UDIN: F004152F001145391**

Place : Ahmedabad

Date : 05/09/2024

Notes:

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

Annexure A

To,
The Members,
GSEC LIMITED
CIN- U52100GJ1965PLC001347

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

1. 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.
2. We have followed the audit practices and process as were appropriate to obtain responsible assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES

UMESH PARIKH
PRACTICING COMPANY SECRETARY
PARTNER

ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No.: 4152, C. P. No.: 2413
UDIN: F004152F001145391

Place : Ahmedabad
Date : 05/09/2024

ANNEXURE - E

**Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo
(Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)
of the Companies (Accounts) Rules, 2014).**

| | | |
|--|--|--|
| (A) Conservation of energy: | | |
| (i) | the steps taken or impact on conservation of energy; | In order to conserve resources, the Company has taken measures and applied control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. On account of measures taken, it reduces the energy consumption. |
| (ii) | the steps taken by the company for utilizing alternate sources of energy; | N.A. |
| (iii) | the capital investment on energy conservation equipments | N.A. |
| (B) Technology absorption: | | |
| (i) | the efforts made towards technology absorption; | There is no technology absorption and Company not incurred any Research and development has expenditure. |
| | The benefits derived like product improvement, cost reduction, product development or import substitution | N.A. |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year:- | N.A. |
| | (a) the details of technology imported; | N.A. |
| | (b) the year of import | N.A. |
| | (c) whether the technology been fully absorbed | N.A. |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; | N.A. |
| (iv) | the expenditure incurred on Research and Development | N.A. |
| (C) Foreign Exchange Earning and Outgo: | | |
| (i) | Foreign Exchange Earning | During the year under review, earnings in Foreign Currency amounted to Nil (Previous year Rs. Nil) |
| (ii) | Foreign Exchange Outgo | During the year under review, outgo in Foreign Currency amounted to Rs. 2.01 Crores (Previous year Rs. 1.21 Crore) |

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

ANNEXURE - F

Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Senior Employees of GSEC limited.

I TERMS OF REFERENCE TO THE NOMINATION AND REMUNERATION COMMITTEE:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board their appointment and removal and shall carry out evaluation of directors performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
4. To recommend to the Board, a policy relating to the remuneration for the directors, key managerial personnel and other employees.”

II APPLICATION:

This Policy applies to the Board of Directors, Key Managerial Personnel and Senior Management Personnel of GSEC Limited ('the Company'). The policy envisages the framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel in accordance with provisions of Companies Act, 2013 ('the Act') including the rules made thereunder as may be applicable.

III OBJECTIVITY:

The Company aims to achieve balance of merits, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management Personnel.

I. DEFINITIONS:

1. "Board" means Board of Directors of the Company.
2. "Committee" means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board from time to time.
3. "Key Managerial Personnel" (KMP) means:
 - a) Chief Executive Officer or Managing Director or the Manager,
 - b) Whole-time Director
 - c) Chief Financial Officer
 - d) Company Secretary and
 - e) Such other officers as may be prescribed under the Act from time to time
4. "Senior Management Personnel" (SMP) means personnel of the Company who are members of the core management team, excluding Board of Directors and are one level below the Executive Directors including all Functional Heads.
5. "Company Policy" means the policy of Human Resource Department of the Company as laid down from time to time.

II. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SMP:

1. The Committee shall consider criteria such as qualifications, skills, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

2. The age of person to be appointed as a Non-Executive Director shall not be less than 21 years and more than 75 years. The Committee at its discretion may recommend to the Board continuation of Director for further term of appointment who has completed 75 years.
3. The age of person to be appointed as an Executive Director shall not be less than 21 years and not more than 70 years. The Committee at its discretion may recommend to the Board continuation of Director for further term of appointment who has completed 70 years.
4. The Company should ensure that the person so appointed as Director is not disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
5. The Director/ Independent Director / KMP / SMP shall be appointed as per the provisions and procedure laid down under the Companies Act, 2013 including rules made thereunder, as may be applicable or any other enactment for the time being in force.
6. The Committee may recommend to the Board for removal of a Director on account of any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground. The Committee may also recommend to the Board for removal of KMP or SMP subject to the provisions and compliance of the applicable Act, rules and regulations.
7. Term and tenure of a Director shall be in accordance with the provisions of the Companies Act, 2013 rules made thereunder as may be applicable and amended from time to time.

III. REMUNERATION OF DIRECTORS, KMP AND SMP:

A) DIRECTORS –

The Board of Directors of the Company shall decide the remuneration of Executive / Non-Executive Directors on the basis of recommendation of the Committee subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder, including any amendments, modifications and re-enactments thereto ('the Act') and in compliance with the provisions of the listing agreement as applicable from time to time.

The remuneration of Directors shall be approved by the shareholders of the Company as and when required.

(I) EXECUTIVE DIRECTORS –

The Company shall enter into a contract with every Executive Director, which will set out the terms and conditions of appointment and tenure, as recommended by the Committee and approved by the Board.

The Board may vary any terms or conditions of the contract from time to time within the tenure subject to such approvals as may be required under the Act.

The remuneration components shall include inter alia:

A. Fixed salary:

Each Executive Director shall be paid fixed salary consisting of basic salary and such allowances and perquisites as may be recommended by the Committee and decided by the Board and performance evaluation of each Executive Director from time to time, subject to overall limits as prescribed under the Act.

The salary may be reviewed;

- i) From time to time as thought fit by the Committee.

- ii) Annually within the limits as set by the Company within the overall limit as fixed by the shareholders of the Company.

B. Commission:

The Board may approve payment of commission subject to the limits provided in the Act. The eligibility and the amount of commission to be paid to each Director shall be recommended by the Committee on the basis of the performance evaluation of the Director undertaken by the Committee and the Board.

C. Separation / Retirement benefits:

Executive Director shall be eligible to the following perquisites which shall be included in the computation of the ceiling on remuneration provided in the Act:

(a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 or any amendment thereof,

(b) Gratuity payable at a rate not exceeding one month's salary for each completed year of service and

(c) Encashment of leave at the end of the tenure. In case of loss or inadequacy of profits of the Company, the aforesaid perquisites shall not be included in computation of the ceiling on remuneration provided in the Act.

D. Non-monetary Benefits:

Executive Director shall be eligible to the following non-monetary benefits which shall, subject to the terms and conditions of the appointment of Executive Director by the shareholders of the Company, not be included in the computation of the limit/ceiling on remuneration:

Executive Directors may be entitled to club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bills, fully furnished accommodation (in case of use of own residential property for accommodation) or house rent allowance in lieu thereof, soft and hard furnishings, reimbursement of house maintenance expenditure, gas, electricity bill, water and other utilities and repairs at residence, medical expenditure, including hospitalization expenses for self and family, leave travel assistance and entertainment expenses.

Executive Director may also be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance or any other benefit as per Company policy.

Executive Director may be entitled to such other additional benefits as per the Company Policy.

(II) NON-EXECUTIVE DIRECTORS –

The Company shall issue a letter of appointment to every Non-Executive Independent Director. The components of payment of remuneration to Non-Executive Directors shall include:

A. Sitting Fees:

Sitting fees shall be paid for Board Meetings and any Committee Meetings attended by the Director. Different amount of sitting fees may be paid for different types of

meetings within limits as prescribed under the Act. Committee shall include Audit Committee, Nomination and Remuneration Committee Share Transfer and Shareholders' Grievances Committee or such other Committees as may be constituted by the Board from time to time.

B. Commission:

The Board may approve payment of commission subject to the limits provided in the Act. The eligibility and the amount of commission to be paid to each director shall be recommended by the Committee on the basis of annual performance evaluation of the director.

C. Professional Fees:

Non Independent Directors may be paid fees for services of professional nature, if in the opinion of Committee, the Director possesses the requisite qualification for the practice of the profession. Such professional fees shall not be considered as remuneration for the purpose of Act.

Independent Directors may be paid the fees for providing services of professional nature on an arm's length basis, if in the opinion of Committee, the Director possesses the requisite qualification for the practice of the profession.

B) KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL –

The Company shall issue an appointment letter to every KMP and SMP. The remuneration components payable to KMP/ SMP may be:

A. Fixed Salary:

Each KMP / SMP shall be paid fixed salary consisting of basic salary and such allowances and perquisites as per service rules of the Company. The band of the salary shall be determined according to the industry standards, market conditions, scale of Company's business relating to the position, educational qualification parameters and experience in the industry as detailed in the service rules of the Company and such other factors as may be prescribed therein. The same shall be reviewed annually based on the Company's annual appraisal policy.

B. Variable Pay:

Apportion of the overall salary may be paid as variable pay to every KMP/SMP. This shall be as per the Performance Linked Pay Scheme of the Company, which is designed to bring about increase in overall organizational effectiveness through alignment of Company, Functional and Individual objectives.

C. Perquisites / Other Benefits Perquisites / Other Benefits:

These are to be benchmarked with Industry practices from time to time keeping an overall salary structure in mind. These may include petrol reimbursement, vehicle maintenance, telephone, reimbursement of mobile phone bills, leave travel assistance and reimbursement of medical expenditure for self and family and such other benefits as per the Company Policy.

KMP / SMP may be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance and such other benefits as per Company policy.

D. Annual Pay Revision / Promotion Evaluation of KMP / SMP:

This shall be based on appraisal against stated Objectives / Goals of the individual which

in turn shall be aligned to the Functional and Enterprise Score Card. Key Result Areas (KRAs) are set at the beginning of the year in consultation with the Executive Director. Pay revisions / promotions will be achievement oriented and will also have reference to Industry benchmarks, where appropriate. e. Separation / Retirement benefits Separation / retirement benefits as per Company policy which shall include contribution to provident fund, super-annuation, gratuity and leave encashment.

C) DIRECTORS AND OFFICERS LIABILITY INSURANCE-

The Company will take Directors and Officers Liability Insurance or such insurance of like nature for indemnifying any of the Directors, KMP and SMP against any liability in respect of any negligence, default, misfeasance, breach of duty or trust for which they may be guilty in relation to the Company. The premium paid on such insurance shall not be treated as part of remuneration payable to Managing Director, Whole Time Director, Chief Executive Officer, Chief Financial Officer or Company Secretary. Provided that if any such person is proved to be guilty, the premium paid shall be treated as part of the remuneration.

D) STOCK OPTIONS -

The Committee may recommend issue of stock options to Directors (other than Independent Directors and Promoter Directors), KMP / SMP, which may be granted by the Board subject to the compliance of the provisions of applicable laws.

IV CRITERIA FOR EVALUATION OF BOARD:

The evaluation of Board shall be carried out annually as per the provisions of the Companies Act, 2013 and rules made thereunder as may be applicable. Performance evaluation of each Director will be based on the criteria as laid down from time to time by the Nomination and Remuneration Committee.

Criteria for performance evaluation shall include aspects such as attendance for the meetings, participation and independence during the meetings, interaction with Management, Role and accountability to the Board, knowledge and proficiency and any other factor as may be decided by the Nomination and Remuneration Committee. Further, performance evaluation of an Executive Director will also be based on business achievements of the Company.

V AMENDMENT:

Based on the recommendation of the Committee, the Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of the Companies Act, 2013 and rules made thereunder as may be applicable.

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

ANNEXURE - G**CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies whose shares are listed on any Stock Exchange in India are required to attach the Corporate Governance Report in its Annual Report. We believe Good Corporate Governance is a sine qua non for the company and hence though the company's shares are not listed with any Stock Exchange, your directors have thought it advisable to follow certain aspects of corporate governance as per Regulation 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a good corporate practice.

1 COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate governance reflects Company's culture, policies, relationship with its stakeholders, its commitment to values and its ethical business conduct. At GSEC Limited ("the Company"), it is our firm conviction that good corporate governance emerges from the application of best management practices and compliance with the laws coupled with integrity, transparency, accountability and business ethics and hence we follow fair, transparent and ethical governance processes and practices embedded into the culture of our organisation and the GSEC Group, which ensures that the interest of all the stakeholders are considered in a balanced and transparent manner.

2 BOARD OF DIRECTORS:**Composition:-**

The Company has a fundamentally strong Board with an optimum mix of Executive and Non- Executive Directors including a Woman Director.

The Board consists of eminent individuals with considerable professional expertise and experience in finance, legal, commercial, strategy and planning, business administration and other related fields, who not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's roles, functions, responsibilities and accountability are clearly defined.

The day-to-day management of the Company is entrusted with the Senior Management Personnel of the Company and is headed by the Chairman and Managing Director who are functioning under the overall supervision, direction and control of the Board.

As on 31st March, 2024, the Board of Directors comprised of 6 (Six) Directors including One Executive Chairman cum Managing Director, Joint Managing Director, Whole-time Director, Non- Executive Director and Two Non-Executive Independent Directors. The Board of Directors believes that its current composition is appropriate to maintain independence of the Board of Directors and separate its functions of governance and management. The composition of the Board during the year under review was in conformity with the provisions of the Companies Act, 2013 and as amended from time to time (the 'Act').

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Section 149 of the Act. Further, all the Independent Directors have confirmed that their names are included in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs ("IICA") The maximum tenure of Independent Directors is determined in accordance with the Act and rules made thereunder, in this regard, from time to time.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act.

BOARD PROCEDURE:-

The Board meets at regular intervals to discuss and decide on Company / Business Policy and Strategy apart from other Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. The Board of Directors of the Company has complete access to any information within the

Company. At the Meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all other relevant details that require deliberation by the Members of the Board.

Board Meetings:-

The Board of Directors meets at least four times in a year with a maximum time gap of not more than one hundred & twenty days between two consecutive meetings. Additional meetings of the Board of Directors are held as and when deemed necessary by the Board of Directors. Board Meetings are generally held at the Registered Office of the Company.

During the year under review, the Board of Directors met 8 (Eight) times on 1) 26th June, 2023, 2) 01st September, 2023, 3) 05th October, 2023, 4) 12th January, 2024, 5) 21st February, 2024, 6) 05th March, 2024, 7) 22nd March, 2024 and 8) 30th March, 2024. The necessary quorum was present at all the meetings.

The names and category of Directors on the Board, their attendance at the Board Meetings held during the year and also at the last Annual General Meeting are given below:

| Sr. No. | Names of Directors | Category | No. of Board Meetings Attended | | | Attendance at last AGM on 29th September, 2023 | No. of Directorships in other Companies# |
|---------|---------------------------------------|--|--------------------------------|----------|----------|--|--|
| | | | Held | Eligible | Attended | | |
| 1 | Shri Rakesh Shah (DIN: 00421920) | Executive Director (Chairman & Managing Director) | 8 | 8 | 8 | Yes | 14 |
| 2 | Shri Samir Mankad (DIN: 00421878) | Executive Director (CEO & Whole-Time Director) | 8 | 8 | 8 | Yes | 10 |
| 3 | Shri Shaishav Shah (DIN: 00019293) | Executive Director (Joint Managing Director) | 8 | 8 | 8 | Yes | 18 |
| 4 | Smt. Raji Shah (DIN: 06893581) | Non-Executive Director | 8 | 8 | 8 | Yes | 04 |
| 5 | Shri Sandip Parikh (DIN: 00030990) | Non-Executive Independent Director | 8 | 8 | 7 | Yes | 05 |
| 6 | Shri Maheswar Sahu (DIN: 00034051) | Non-Executive Independent Director | 8 | 8 | 8 | Yes | 13 |

#As per the latest notices of disclosure received from the respective Directors.

The tenure of the Independent Directors of the Company is within the time limit prescribed under the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs in this regards from time to time. The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / is within the respective limits prescribed under the Act

All the Independent Directors fulfill the criteria of being independent as mentioned in Section 149(6) of the Act.

Disclosure of relationships between director's inter-se:-

List of relatives of Shri Rakesh Shah, Chairman and Managing Director (DIN: 00421920)

| Name and Designation | Relationship |
|---|-----------------|
| Shri Shaishav Shah, Joint Managing Director | Son |
| Smt. Raji Shah Non-Executive Director | Daughter In Law |

List of relatives of Shri Shaishav Shah Joint Managing Director (DIN: 00019293)

| Name and Designation | Relationship |
|--|--------------|
| Shri Rakesh Shah, Chairman and Managing Director | Father |
| Smt. Raji Shah Non-Executive Director | Spouse |

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by Section 149(8) read with Schedule IV of the Act, a separate meeting of the Independent Directors of the Company was held during the year, without the attendance of Non Independent Directors and Members of the Management, to review the performance of the Chairman, Non-Independent Directors, various Committees of the Board and the Board as a whole. The Independent Directors also reviews the quality, content and timeliness of the flow of information from the Management to the Board and its Committees which is necessary to perform reasonably and discharge their duties.

CONFIRMATION OF INDEPENDENT DIRECTORS

In the opinion of the Board, Independent Directors of the Company, fulfill the conditions specified in the Act, and are independent of the Management.

EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, performance of the Individual Directors (including Independent Director).

BOARD COMMITTEE

Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's governance role. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities.

As at 31st March, 2024, the Company has the following Committees:

1 AUDIT COMMITTEE:

Composition & Members of the Committee:-

Your Company has an Audit Committee at the Board level, which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors. The Audit Committee of the Company comprised of three members as on March 31, 2024. the Audit Committee comprised majority of the independent directors and one whole time director and was chaired by Mr. Sandip Parikh (DIN: 00030990), Independent Director Shri Maheswar Sahu (DIN: 00034051) Independent Director and Mr. Samir Mankad (DIN: 00421878) Whole time Director, all members of the committee are financially literate.

Meetings and Attendance:

During the year, two Committee Meeting was held on 01.09.2023 & 05.03.2024.

The attendance of each Committee Member is as follows:

| Sr. No. | Name of the Director / Member | Category | Meetings and attendance during the year | | |
|---------|------------------------------------|--|---|----------|----------|
| | | | Held | Eligible | Attended |
| 1 | Shri Sandip Parikh (DIN: 00030990) | Non-Executive Independent Director (Chairman of the Committee) | 2 | 2 | 2 |
| 2 | Shri Maheswar Sahu (DIN: 00034051) | Non-Executive Independent Director | 2 | 2 | 2 |
| 3 | Shri Samir Mankad (DIN: 00421878) | Executive Whole-time Director | 2 | 2 | 2 |

Representatives of Statutory Auditors & Internal Auditors and other Executives of the Company, as are considered necessary, attend these Meetings.

The Audit Committee discharges such functions and duties which are generally specified under Section 177 of the Companies Act, 2013.

Brief description of Terms of Reference:

- (i) oversee the financial reporting process
- (ii) recommend the appointment/re-appointment of auditors
- (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern,
- (iv) review the annual financial statements
- (v) review the changes in accounting policies etc
- (vi) review the adequacy of internal audit functions and discuss with them significant findings,
- (vii) review the disclosure of related party transactions,
- (viii) Compliance relating to financial statements etc.
- (ix) Scrutiny of Intercorporate Loan and Investment.

2 NOMINATION AND REMUNERATION COMMITTEE

Composition & Members of the Committee:-

The Nomination and Remuneration Committee of the Company comprise of three members as on March 31, 2024, the composition of which is furnished hereunder:

During the year, Two Committee Meeting was held on 01.09.2023 and 05.03.2024.

| Sr. No. | Name of the Director / Member | Category | Meetings and attendance during the year | | |
|---------|---------------------------------------|---|---|----------|----------|
| | | | Held | Eligible | Attended |
| 1 | Shri Sandip Parikh (DIN: 00030990) | Non-Executive Independent Director (Chairman of the Committee) | 2 | 2 | 2 |
| 2 | Shri Maheswar Sahu (DIN: 00034051) | Non-Executive Independent Director | 2 | 2 | 2 |
| 3. | Smt. Raji Shah (DIN: 06893581) | Non-Executive Director | 2 | 2 | 2 |

The terms of reference of the Nomination and Remuneration Committee are as outlined in the Companies Act, 2013 which inter alia includes following:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.
2. To recommend to the Board their appointment and removal and shall carry out evaluation of directors' performance.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
4. To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

Note: The Company Secretary of the Company acts as the Secretary for the Committee.

Performance Evaluation of Independent Directors:

The Performance of the Independent Director is evaluated based on the criteria such as his knowledge, experience, integrity, expertise in any area, number of Board/ Committee meetings attended, time devoted to the Company, his participation in the Board/ Committee meetings etc. The Performance evaluation of the Independent Directors was carried out by the Board and while evaluating the performance of the Independent Directors, the Director who was subject to the evaluation did not participate.

Details of remuneration paid to the executive and non-executive directors for the year ended 31.03.2024 are as below:

| Name | Position held During the period | Total Remuneration including perks and benefits (Rs. in Lacs) |
|-----------------------|---------------------------------|---|
| Shri Rakesh R. Shah | Chairman & Managing Director | 72.00 |
| Shri Samir H. Mankad | Whole-Time Director | 29.40 |
| Shri Shaishav R. Shah | Joint Managing Director | 22.85 |
| Smt. Raji S. Shah | Non-Executive Director | Nil |

The Company has paid following sitting fees to the Non-executive Directors during the year under review.

| Name of Director | Sitting fees paid (In Rs.) | No. of Shares held |
|---------------------|----------------------------|--------------------|
| Shri Sandip Parikh | 66,666/- | Nil |
| Shri Maheshwar Sahu | 75,000/- | Nil |

A Non-Executive Independent Director shall be entitled to receive sitting fees for each meeting of the Board/ Committee attended by him, for which such sum is payable which is within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Besides above, the Company does not pay any other commission or remuneration to its Non-Executive Directors.

The Company did not have any other pecuniary relationship or transactions with the Non-Executive Independent Directors during the period under review.

INDEPENDENT DIRECTORS:

As per the provisions of the Schedule IV of the Companies Act, 2013 the Independent Directors of the Company shall hold at least one meeting in the year without attendance of the Non-Independent Directors. The Independent Directors at their meeting held on 22nd March, 2024 has reviewed the performance of the Non-Independent Directors (Including the Chairperson) and assessed the quality, quantity and timeliness of the flow of information between the Company and the Management.

The Independent Directors were satisfied with the performance of the Executive Directors of the Company and with the flow of information between the Company and the Management.

3 SHARE TRANSFER AND GRIEVANCES COMMITTEE:

Composition & Members of the Committee:-

The Board of Directors of the Company has constituted Share Transfer and Grievances Committee which looks in to the matters relating to transfer of shares and other related matter.

The Share Transfer and Grievances Committee of the Company comprised of three members as on March 31, 2024 the composition of which is furnished hereunder.

During the year, No Committee Meeting was held.

| Sr. No. | Name of the Director / Member | Category | Meetings and attendance during the year |
|---------|---|------------------------------------|---|
| 1 | Shri Sandip Parikh (Chairman of the Committee) | Non-Executive Independent Director | – |
| 2 | Shri Rakesh Shah | Executive Managing Director | – |
| 3 | Shri Samir Mankad | Executive Whole-Time Director | – |

As a measure of good corporate governance and to focus on the Shareholders' request as to the transfer of shares, the committee deals with issue of approval of transfer/ transmission of shares, deletion / transposition of names in the shares, matters relating to splitting, sub-division, consolidation of shares and to issue fresh share certificate etc. The Committee also deals with the matter relating to investor / shareholders grievances.

No complaints have been received during the year under review.

4 GENERAL BODY MEETINGS:

Annual General Meetings:-

Date, Time and venue of the General Meetings held during the last 3 years.

| Financial year ended | Date | Time | Venue |
|----------------------|------------|------------|--|
| 31.03.2023 | 29.09.2023 | 11.00 a.m. | held through VC / OAVM as the place of meeting as 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad-380009 |
| 31.03.2022 | 15.12.2022 | 11.00 a.m. | held through VC / OAVM as the place of meeting as 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad-380009 |
| 31.03.2021 | 30.11.2021 | 11.00 a.m. | held through VC / OAVM as the place of meeting as 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad-380009 |

Details of Special Resolutions passed in the previous three Annual General Meetings:

| Date of the AGM | Subject Matter of the Special Resolution |
|-----------------|--|
| 29.09.2023 | 1) Re-appointment of Mr. Samir Hanskumar Mankad (DIN: 00421878) as a Whole-Time Director of the Company. |
| 15.12.2022 | 1) Re-appointment of Mr. Rakesh Shah (DIN: 00421920), as Chairman and Managing Director of the Company |
| | 2) Approval of granting of Loans, Guarantee or Security Under Section 185 of Companies Act, 2013 |
| 30.11.2021 | 1) Appointment of Shri Sandip Parikh (Din: 00030990) as an Independent Director of the Company. |

Extra Ordinary General Meeting(s):- One Extra-ordinary General meeting of the members of the Company were held as on 29th Day of March 2024.

Postal Ballot:- During the year under review, no approval of the Members was sought through postal ballot. None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

5 DISCLOSURES:

In preparation of financial statements, the Company has followed the Accounting Standards as applicable to the Company. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts. Apart from Accounting Standards we have also initiated a good corporate and compliance practice of following certain Secretarial Standard(s) issued by the Institute of Company Secretaries of India.

Related Party Transactions during the year have been disclosed as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. Details of related party transactions were periodically placed before the Board. These transactions are not likely to have any conflict with the Company's interest.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risk.

6 GENERAL SHAREHOLDER INFORMATION:

| | |
|------------------------------------|---|
| Date, time and venue of AGM | Friday, the 27th day of September, 2024 at 12.00 noon through Video Conferencing or other audio-visual means at 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad-380009 through VC |
| Record Date | 20th day of September, 2024. |
| Listing on Stock Exchanges | N.A. |
| Listing Fees | N.A. |
| ISIN NO. | INE825P01010 |
| Stock Exchange's Script Code | N.A. |

7 DEMATERIALIZATION OF SHARES, REGISTRAR & TRANSFER AGENT & SHARE TRANSFER SYSTEM:

(a) Registrar and Share Transfer Agent:-

| | |
|-----------------|---|
| Name | M/s. Bigshare Services Private Limited |
| Address | A/802 Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink Cross Road, Off C G Road, Ahmedabad-380009. |
| Contact Details | Phone: 079 - 40024135 |
| E mail | bssahd@bigshareonline.com |

(b) Share Transfer System:-

Transfer of shares in physical form has been delegated by the Board to the Registrar and Share Transfer Agent, to facilitate speedy service to the shareholders. Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 20 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. It may be noted that vide MCA Notification dated 10.09.2018, transfer of shares in physical mode has been stopped w.e.f. 02.10.2018.

(c) Dematerialisation of shares:-

All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depository i.e. National Securities Depository Ltd (NSDL) within 15 days.

(d) Secretarial Audit for Reconciliation of Capital:-

As stipulated under the Companies Act, Practicing Company Secretaries carry out Secretarial Audit to reconcile the total paid up capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical capital. This audit is carried out every half-year. The audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

8 INVESTORS CORRESPONDENCE:

For any queries, requests and other correspondence, the Shareholders are requested to contact:-

| Registered Office: | Registrar and Share Transfer Agent: |
|---|---|
| <p>GSEC Limited, 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009. Phone: 079 - 26575757, 079 - 26585757 Fax: 079-26584040 E Mail: info@gsecl.co.in</p> | <p>Bigshare Services Private Limited A/802 Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink Cross Road, Off C G Road, Ahmedabad - 380009. Phone: 079 - 40024135 E Mail: bssahd@bigshareonline.com</p> |

Complaints/grievances may also be addressed to - cs@gsecl.co.in

Place : Ahmedabad
Date : 05th September, 2024

For and on behalf of the Board of Directors,

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920

INDEPENDENT AUDITOR'S REPORT

To the Members of GSEC Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GSEC Limited ('the Company'), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024 and its profit 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 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 Standalone Financial Statements:

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the financial statements:

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) As detailed in Note 22(iv) of the notes to the standalone financial statements, the Company has disclosed the impact of pending litigation on its financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d)
 - (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has also represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

and 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 under sub-clause d(i) and d(ii), contain any material misstatement.

- e) The Company has not declared or paid any dividend during the year in contravention of the provisions of the section 123 of companies Act, 2013
- f) 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.

**For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W**

**CA BIPIN SHAH
Partner
Membership Number: 10712
UDIN : 24010712BKFANS4306**

**Place : Ahmedabad
Date : 05/09/2024**

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In respect of its Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets on the basis of available information.
 - (B) The Company does not have Intangible Assets, therefore reporting under this clause is not applicable.
 - (b) During the period, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us, title deeds in respect of immovable properties disclosed as Property, Plant & Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) in the financial statements are in the name of the Company as at the balance sheet date.
 - (d) According to information and explanations given to us and books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. The Company does not have Intangible Assets during the year.
 - (e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
 - (ii) (a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories has been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits of eight crore rupees, from SBI AHMEDABAD - MID CORPRATE (60438) on the basis of security of current assets. In our opinion and according to the information and explanations given to us, monthly returns and statements, comprising stock statements, book debt statements, Trade payable and statements on ageing analysis of the debtors/other receivables filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company and no Significant Discrepancies were observed except disclosed in notes to accounts.
- (iii) With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties: -

(A) Details of loans :**(Amount in Lakhs)**

| Parties | Aggregate during the year (incl of interest receivable) | Closing balance |
|-------------------------------------|--|----------------------------|
| Subsidiary/JV/Associates | 4033.56 | 6520.40 |
| Other than Subsidiary/JV/Associates | 398.74 | 2056.68 |
| Total (i+ii) | 4432.30 | 8577.08 |

(B) Details of guarantee:

- (a) Company has provided Corporate Guarantee of Rs. 80 crores on behalf of Joint Venture company Smartmeter Technologies Private Ltd to State Bank of India against credit facilities taken over from Bank of Maharashtra of Rs. 80 crores and Balance outstanding of Guarantee as on 31 March,2024 is Rs. 80 crores.
- (b) Company has provided Corporate Guarantee of Rs. 45.30 crores on behalf of Subsidiary company Electrify Energy Private Ltd to State Bank of India against new credit facilities sanctioned of Rs. 45.30 crores and Balance outstanding of Guarantee as on 31 March,2024 is Rs. 45.30 crores.
- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- (c) schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
- (d) According to the information and explanation given to us, no amount is overdue in this respect;
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

| The aggregate amount | Percentage thereof to the total loans granted | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 |
|-----------------------------|--|--|
| 9506.90 Lakhs | 82.56% | 8577.08 |

- (iv) Based on information and explanation given to us Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act and accordingly the compliance under Section 185 is not applicable to the company and Section 186 of the Act is applicable and all the conditions under the section are complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amount which are deemed to be deposit from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the clause 3 (v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Therefore, the clause 3 (v) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues:

(a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it. Disputed dues which are not deposited in full are disclosed below:

| Statute | Nature of Dues | Forum where dispute is pending | Period to which the amount relates | Amount Involved (Rs. In Lacs) |
|---------------------------|------------------------------------|--------------------------------|------------------------------------|-------------------------------|
| VAT Tax Act, Gujarat | Value Added Tax | Tribunal | 2007-08 and 2008-09 | 862.39 |
| Income Tax | Income Tax (Assessment) | CIT (Appeals) | 2009-10 | 1.62 |
| Income Tax | Income Tax | CIT (Appeals) (Assessment) | 2011-12 | 14.21 |
| Goods and Service Tax Act | Goods and Service Tax (Assessment) | Commissioner of SGST (Appeal) | 2017-18 | 37.84 |
| Goods and Service Tax Act | Goods and Service Tax (Assessment) | Commissioner of SGST (Appeal) | 2018-19 | 91.36 |
| Goods and Service Tax Act | Goods and Service Tax (Assessment) | Appeal pending to be filed | 2019-20 | 1.56 |

(viii) According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (c) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to the lender.

(d) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(e) In our opinion, and according to the information and explanations given and records examined by us, the company has not borrowed any term loans during the year. Therefore, the clause 3 (ix) (c) of the Order is not applicable to the Company.

- (f) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at year end i.e., March 31, 2024, we report that no short-term funds have been used for long-term purposes.
- (g) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
- (h) According to the information and explanations given to us and procedures performed by us, we report the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Order is not applicable to the Company.
- (b) In our opinion, and according to the information and explanations given to us, the company has made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. And requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section 12 of section 143 of the Act has been submitted filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and accordingly, provisions of clause 3(xi) c of the order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Indian accounting standards.
- (xiv) (a) In our opinion, and according to the information and explanations given to us, internal audit system commensurate with the size and nature of the business is statutorily required.
- (b) As the internal audit system is applicable internal audit report is regularly being issued.
- (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 under section 192 of the Act.
- (xvi) (a) In our Opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) and 3(vi)(d) of the Order are not applicable
- (xvii) In our opinion, and according to the information and explanations provided to us, 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 auditors during the year. Therefore, provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management business plans, promoters undertaking to infuse funds, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) According to the information and explanations given to us, CSR provisions under Section 135 are not applicable to the company.

**For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W**

**CA BIPIN SHAH
Partner
Membership Number: 10712
UDIN : 24010712BKFANS4306**

**Place : Ahmedabad
Date : 05/09/2024**

Annexure - B to the Auditors' 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 GSEC Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 has, 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 31 March 2024, 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.

**For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W**

**CA BIPIN SHAH
Partner
Membership Number: 10712
UDIN : 24010712BKFANS4306**

**Place : Ahmedabad
Date : 05/09/2024**

Balance Sheet as at 31st March, 2024

(Amount in Lakhs)

| Particulars | Notes | 31st March, 2024 | 31st March, 2023 |
|--|-------|------------------|------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share Capital | 1 | 1255.00 | 755.00 |
| (b) Reserves and Surplus | 2 | 10476.06 | 5906.63 |
| 2 Non-current liabilities | | | |
| (a) Long-Term Borrowings | 3 | 9102.36 | 9887.93 |
| (b) Deferred Tax Liabilities (Net) | | 66.41 | 32.03 |
| (c) Other Long Term Liabilities | | - | - |
| (d) Long-Term Provisions | 4 | 9.37 | 9.52 |
| 3 Current liabilities | | | |
| (a) Short-Term Borrowings | 5 | 1563.02 | 1727.76 |
| (b) Trade Payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 6 | 2097.20 | 1452.76 |
| (c) Other Current Liabilities | 7 | 451.08 | 303.39 |
| (d) Short-Term Provisions | 8 | 373.13 | 43.62 |
| TOTAL | | 25393.63 | 20118.64 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Property Plant and Equipment and Intangible Assets | | | |
| (i) Property Plant and Equipment | 9 | 3552.30 | 3492.31 |
| (ii) Intangible Assets | | | |
| (iii) Capital Work in Progress | 9 | 599.58 | 142.51 |
| (iv) Intangible Asset under development | | | |
| (b) Non-Current Investments | 10 | 4958.52 | 4867.77 |
| (c) Deferred Tax Assets (Net) | | - | - |
| (d) Long-Term Loans and Advances | 11 | 3404.25 | 3236.95 |
| 2 Current Assets | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | 12 | 0.00 | 961.71 |
| (c) Trade Receivables | 13 | 2297.65 | 1181.64 |
| (d) Cash and Bank Balance | 14 | 1696.11 | 1415.40 |
| (e) Short-Term Loans and Advances | 15 | 8885.21 | 4820.34 |
| (f) Other Current Assets | | - | - |
| TOTAL | | 25393.63 | 20118.64 |

Significant Accounting Policies

The accompanying notes are integral parts of the Financial Statements

As per our attached report of even date

For and on behalf of Board of Directors of GSEC Limited

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

CA BIPIN J SHAH

Partner

Membership No. 10712

Place : Ahmedabad

Date : 05/09/2024

UDIN: 24010712BKFANS4306

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

Jay R Chavda

Company Secretary

M. No. A63127

Place : Ahmedabad

Date : 05/09/2024

SAMIR MANKAD

CEO & Whole-Time Director

DIN: 00421878

Profit and Loss Statement for the year ended 31st March, 2024

(Amount in Lakhs)

| Particulars | Notes | 2023-24 | 2022-23 |
|--|------------|-----------------|-----------------|
| I. Revenue From Operations | | | |
| Sale of Traded Goods (Gross) | | 43584.99 | 38888.41 |
| Less : Excise Duty | | - | - |
| Sale of Trading Goods (Net) | | 43584.99 | 38888.41 |
| Sale of Services | | 3658.17 | 2900.64 |
| Other Operating Income | | - | - |
| II. Other Income | 16 | 1006.24 | 1237.26 |
| III. Total Income | (I+II) | 48249.39 | 43026.31 |
| IV. Expenses: | | | |
| Purchase of Traded Goods | | 42416.87 | 39786.50 |
| Changes in Inventories of Stock-in Trade | 17 | 961.71 | -948.50 |
| Employee Benefits Expense | 18 | 717.50 | 682.58 |
| Finance Costs | 19 | 1061.51 | 553.71 |
| Depreciation and Amortization Expense | | 279.84 | 202.84 |
| Other Expenses | 20 | 2708.16 | 2339.10 |
| Total Expenses | | 48145.58 | 42616.23 |
| V. Profit Before Exceptional Items And Tax | (III-IV) | 103.81 | 410.07 |
| VI. Exceptional Items | | - | - |
| VII. Profit Before Tax | (V - VI) | 103.81 | 410.07 |
| VIII. Tax Expense: | | | |
| (1) Current Tax | | 0.00 | 39.10 |
| (2) Deferred Tax | | 34.37 | 35.10 |
| (3) Tax Adjustment of Earlier Years | | | -33.71 |
| IX. Profit for the Year | (VII-VIII) | 69.43 | 369.58 |
| X. Earnings Per Equity Share (in Rs.) (Basic) | | 0.92 | 4.90 |
| Earnings Per Equity Share (in Rs.(Diluted)) | | 0.55 | 4.90 |
| Significant Accounting Policies | | | |

As per our attached report of even date

For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

CA BIPIN J SHAH
Partner
Membership No. 10712

Place : Ahmedabad
Date : 05/09/2024
UDIN: 24010712BKFANS4306

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
CEO & Whole-Time Director
DIN: 00421878

Jay R Chavda
Company Secretary
M. No. A63127

Place : Ahmedabad
Date : 05/09/2024

Cash Flow Statement For The Year Ended 31st March, 2024

(Amount in Lakhs)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and exceptional items | 103.81 | 410.07 |
| Adjustments For: | | |
| Depreciation | 279.84 | 202.84 |
| Interest Paid | 1061.51 | 545.02 |
| Interest received | -934.40 | -362.82 |
| (Profit)/Loss on Sale of Investments | -4.51 | -609.14 |
| Excess Provision for earlier year | - | - |
| (Profit)/Loss on Sale of Fixed Assets | -2.16 | -24.78 |
| Dividend Received | -1.68 | -5.37 |
| Profit on redemption of Mutual fund | 0.00 | -12.81 |
| Operating Profit before working capital changes | 502.41 | 143.01 |
| Movements in working capital | | |
| Adjustment for Decrease (Increase) in operating assets | | |
| Decrease in Inventories | 961.71 | -948.50 |
| (Increase) in Trade and other Receivables | -1116.01 | 1241.07 |
| (Increase) in Short Term Loans and Advances | -4064.87 | -1980.36 |
| Decrease in other Current Assets | 0.00 | 61.48 |
| Increase in Trade Payables | 644.44 | -894.31 |
| (Decrease) in other Current Liabilities | 147.69 | -573.80 |
| Increase in Provisions | 329.36 | 0.39 |
| Net Cash Flow from Operating Activities before tax and Exceptional Items (A) | -3097.68 | -3094.04 |
| Taxes Paid | -213.36 | -196.66 |
| Net cash generated from operating activities before exceptional items | -2808.63 | -3147.68 |
| Exceptional Items | - | - |
| Net cash generated from operating activities | -2808.63 | -3147.68 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| (Increase)/Decrease in Margin Money | -81.08 | 3915.74 |
| (Increase)/Decrease in Unclaimed dividend account | -198.91 | - |
| Purchase of Fixed Assets | -798.78 | -2265.25 |
| Purchase of Investments | -102.48 | -2453.13 |
| Sale Proceeds of Fixed Assets | 4.03 | 36.45 |
| Sale of Investments | 16.23 | 1298.11 |
| Interest received | 934.40 | 362.82 |
| Dividend Received on Investments | 1.68 | 5.37 |
| Purchase of Mutual Fund | | -1500.00 |
| Redemption of mutual Fund | | 1512.81 |
| Long Term Loans and Advances | 46.06 | -1952.67 |
| Net cash flow from investing activities | -178.84 | -1039.75 |

(Amount in Lakhs)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Short term Borrowing (Net off repayment) | -950.30 | 4732.88 |
| Addition/Repayment of Secured/Unsecured Loans (Net) | | |
| Interest paid | -1061.51 | -545.02 |
| Interest Received | | |
| Issue of shares | 5000.00 | 0.00 |
| Net cash flow from financing activities | 2988.19 | 4187.86 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 0.72 | 0.43 |
| Cash and cash equivalents at the beginning of the year | 1.71 | 1.28 |
| Cash and cash equivalents at the end of the year | 2.43 | 1.71 |

As per our attached report of even date

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

CA BIPIN J SHAH

Partner

Membership No. 10712

Place : Ahmedabad

Date : 05/09/2024

UDIN: 24010712BKFANS4306

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

Jay R Chavda

Company Secretary

M. No. A63127

Place : Ahmedabad

Date : 05/09/2024

SAMIR MANKAD

CEO & Whole-Time Director

DIN: 00421878

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 1 Share Capital

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|----------------|------------------------|----------------|
| | Number | Amount | Number | Amount |
| Authorised | | | | |
| Equity Shares of Rs.10 each | 10,030,000 | 1003.00 | 10,030,000 | 1003.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | 5,000,000 | 500.00 | - | - |
| Total | 15,030,000 | 1503.00 | 10,030,000 | 1003.00 |
| Issued,Subscribed and Paid up Share Capital | | | | |
| Equity Shares of Rs.10 each | 7,550,000 | 755.00 | 7,550,000 | 755.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | 5,000,000 | 500.00 | - | - |
| Total | 12,550,000 | 1255.00 | 7,550,000 | 755.00 |

1.1 The reconciliation of the number of shares outstanding is set out below:

| Particulars | Equity Shares | | | |
|--|------------------------|---------------|------------------------|---------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | Number | Amount | Number | Amount |
| At the beginning of the year | 7,550,000 | 755.00 | 7,550,000.00 | 755.00 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Any other movement (please specify) | - | - | - | - |
| Shares outstanding at the end of the year | 7,550,000 | 755.00 | 7,550,000.00 | 755.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | | |
| At the beginning of the year | - | - | - | - |
| Shares Issued during the year | 5,000,000.00 | 500.00 | 0.00 | 0.00 |
| Shares bought back during the year | - | - | - | - |
| Any other movement (please specify) | - | - | - | - |
| Shares outstanding at the end of the year | 5,000,000 | 500.00 | - | 0.00 |

1.2 Terms/rights attached to equity 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 dividend if 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, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 1 Share Capital (Contd.....)

1.3 Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

| Particulars | Nature of Relationship | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|------------------------|
| Equity Shares Komal Infotech Private Ltd. | Holding Company | 4,783,910 | 4,783,910 |

1.4 Details of Shareholders holding more than 5% shares

| Particulars | Equity Shares | | | |
|-----------------------------|------------------------|--------------|------------------------|--------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Komal Infotech Private Ltd. | 4,783,910 | 63.36 | 4,783,910 | 63.36 |
| Priti R. Shah | - | 0.00 | 1,447,670 | 19.17 |
| Rakesh R. Shah | 2,083,760 | 27.61 | 636,090 | 8.42 |
| Shaishav R. Shah | 487,270 | 6.45 | 487,270 | 6.45 |

| Particulars | 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | |
|------------------|---|--------------|------------------------|--------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Rakesh R. Shah | 2,500,000 | 50.00 | - | - |
| Shaishav R. Shah | 2,500,000 | 50.00 | - | - |

As per records of company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

1.5 Share holding by promoters

| Shares held by promoters at the end of the year | | | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Name | No of shares | % of total shares | |
| Komal Infotech Private Ltd. | 4,783,910 | 63.36 | - |
| Rakesh R. Shah | 2,083,760 | 27.61 | 227.91 |
| Shaishav R. Shah | 487,270 | 6.45 | - |
| Total | 7,354,940 | 97.42 | |

| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Name | No of shares | % of total shares | |
| Rakesh R. Shah | 2,500,000 | 50.00 | 100.00 |
| Shaishav R. Shah | 2,500,000 | 50.00 | 100.00 |
| Total | 5,000,000 | 100.00 | |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 2 Reserves & Surplus

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| a. Securities Premium Account | | |
| As per Last Balance Sheet | 337.00 | 337.00 |
| Add : Secutirties Premium on PreferenceShares | 4500.00 | 0.00 |
| Total | 4837.00 | 337.00 |
| b. General Reserves | | |
| As per Last Balance Sheet | 168.23 | 168.23 |
| c. Surplus/Deficit in statement of Profit and Loss | | |
| As per Last Balance Sheet | 5401.40 | 5031.82 |
| Add : Profit For the Year | 69.43 | 369.58 |
| Less : Proposed Dividend | - | - |
| Less : Tax on Proposed Dividend | - | - |
| | 5470.83 | 5401.40 |
| Total | 10476.06 | 5906.63 |

Note 3 Long-Term Borrowings

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------------------------------------|---------------------------|---------------------------|
| (i) Loans from Related Parties | | |
| Komal Infotech Pvt Ltd | 1519.55 | 1448.23 |
| Kalpavruksha Worldwide Pvt. Ltd. | 4313.54 | 2237.26 |
| (ii) Deposits | | |
| Director's Deposit | 3269.26 | 5917.19 |
| Others | 0.00 | 285.25 |
| Total | 9102.36 | 9887.93 |

Note 4 Long-term Provisions

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| (a) Provision for Employee Benefits* | | |
| Gratuity (Funded) | | |
| Leave Encashment (Unfunded) | 9.37 | 9.52 |
| Total | 9.37 | 9.52 |
| (b) Other Provision | | |
| Others | - | - |
| Total | - | - |
| Total (a+b) | 9.37 | 9.52 |

* Long Term and Short Term classification is done based on actuarial valuation certificate.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 5 Short-Term Borrowings

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| a) Secured Loans | | |
| Working capital facilities from State Bank of India (Secured against hypothecation of entire Stocks/Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors & their relatives) | 758.64 | 788.66 |
| | 758.64 | 788.66 |
| b) Unsecured Loans | | |
| (i) Loans from Related Parties | | |
| Electrify Energy Private Limited | 0.00 | 745.29 |
| GSEC Air Services Pvt. Ltd. | 804.38 | 193.81 |
| | 804.38 | 939.10 |
| (ii) Deposits | - | - |
| | 804.38 | 939.10 |
| Total | 1563.02 | 1727.76 |

Note 6 Trade Payables

Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Trade Payables (Expenses and Purchases) | 2097.20 | 1452.76 |
| Total | 2097.20 | 1452.76 |

Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006

This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

| Trade Payable Aging Schedule* | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|------------------------|------------------------|
| (i) MSME | - | - |
| (ii) Others | | |
| Not Due | | |
| Outstanding for Less Than 1 Year | 2072.46 | 1432.56 |
| Outstanding for 1 – 2 Years | 24.74 | 3.03 |
| Outstanding for 2 – 3 Years | - | 0.14 |
| Outstanding for More Than 3 Years | - | 17.03 |
| | 2097.20 | 1452.76 |
| (iii) Disputed MSME | - | - |
| (iv) Disputed Others | - | - |

* Where no due date of payment is specified, the disclosure has been made from the date of transaction.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 7 Other Current Liabilities

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| (a) Unclaimed dividends | 1.05 | 2.14 |
| (b) Statutory Dues Payables | 188.47 | 115.23 |
| (c) Trade/Security Deposit (Including Predeposit at ACC) | 144.75 | 145.99 |
| (d) Advance from Customers | 77.39 | 10.04 |
| (e) Other Liabilities | 39.42 | 29.99 |
| Total | 451.08 | 303.39 |

Note 8 Short-term Provisions

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| (a) Provision for Employee Benefits* | | |
| Leave Encashment (Unfunded) | 0.17 | 0.42 |
| Total | 0.17 | 0.42 |
| (b) Other Provision | | |
| Others | 372.96 | 43.20 |
| Total | 372.96 | 43.20 |
| Total (a+b) | 373.13 | 43.62 |

* Long Term and Short Term classification is done based on actuarial valuation certificate.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 9 Fixed Assets

(Amount in Lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---|-----------------------------|------------------------|-------------------------|------------------------------|-----------------------------|---------------|--------------|------------------------------|------------------------------|------------------------------|
| | Balance as at April 1, 2023 | Additions/ (Disposals) | Deductions/ Adjustments | Balance as at March 31, 2024 | Balance as at April 1, 2023 | Balance as at | On disposals | Balance as at March 31, 2024 | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
| Property Plant And Equipment | | | | | | | | | | |
| Land - Freehold | 20.93 | | | 20.93 | 0.00 | | | 0.00 | 20.93 | 20.93 |
| Buildings | 3597.08 | 69.37 | | 3666.45 | 543.24 | 148.75 | | 691.99 | 2974.46 | 3053.84 |
| Plant and Equipment | 594.32 | 14.30 | | 608.62 | 438.55 | 28.04 | | 466.59 | 142.02 | 155.77 |
| Furniture and Fixtures | 503.32 | 115.55 | | 618.87 | 424.41 | 22.05 | | 446.46 | 172.41 | 78.91 |
| Vehicles | 205.88 | 33.84 | 43.59 | 196.12 | 179.19 | 11.21 | 41.72 | 148.67 | 47.45 | 26.69 |
| Office Equipment | 818.67 | 80.36 | | 899.04 | 679.27 | 58.76 | | 738.04 | 161.00 | 139.40 |
| Computers | 176.07 | 28.30 | | 204.37 | 162.70 | 10.98 | | 173.68 | 30.69 | 13.37 |
| A.C Machines & Plant | 67.06 | 0.00 | | 67.06 | 63.66 | 0.05 | | 63.70 | 3.35 | 3.40 |
| Total | 5983.32 | 341.71 | 43.59 | 6281.44 | 2491.01 | 279.84 | 41.72 | 2729.14 | 3552.30 | 3492.31 |
| Capital Work in Progress | | | | | | | | | | |
| Furniture & Electrification work at Corporate House | 142.51 | 457.07 | 0.00 | 599.58 | 0.00 | | | 0.00 | 599.58 | 142.51 |
| Total (ii) | 142.51 | 457.07 | 0.00 | 599.58 | 0.00 | 0.00 | 0.00 | 0.00 | 599.58 | 142.51 |
| Total (i+ii) | 6125.83 | 798.78 | 43.59 | 6881.02 | 2491.01 | 279.84 | 41.72 | 2729.14 | 4151.88 | 3634.82 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 10 Non-Current Investments

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Trade Investments (Valued At Cost) | | |
| Unquoted Investments: | | |
| Non Traded Unquoted, fully paid-up | | |
| In Subsidiaries | | |
| 50000 Equity Shares of GSEC Logistics Limited of Rs. 10 each (P.Y.50000 Shares of Rs. 10 Each) | 5.00 | 5.00 |
| 10000 Equity Shares of GSECAir Services Private Limited of Rs. 10 each (P.Y. 10000 Shares) | 1.00 | 1.00 |
| 10000000 Equity Shares of Electrify Energy Private Limited of Rs. 10 each (P.Y. 10000000 Shares of Rs. 10 each) | 1000.00 | 1000.00 |
| 5100 Equity Shares of Avi Serve Facilities Private Limited of Rs. 10 each (P.Y. 5100 Shares) | 0.51 | 0.51 |
| 5100 Equity Shares of Aviground Facilities Private Limited of Rs. 10 each (P.Y. 5100 Shares) | 0.51 | 0.51 |
| 10000 Equity Shares of Avipark Facilities Private Limited of Rs. 10 each (P.Y. 10000 Shares) | 1.00 | 1.00 |
| Investment in Sky High Airport Services Private Limited (Formerly Known as Bangalore Airport Terminal Services Pvt. Ltd.) (P.Y. 0) | 100.85 | 0.00 |
| In Associate Companies | | |
| 12800000 Equity Shares of Smartmeters Technologies Private Limited of Rs. 10 each (P.Y. 12800000 Shares of Rs. 10 each) | 1280.00 | 1280.00 |
| 39000 Equity Shares of GSEC Bird Airport Services Private Limited of Rs. 10 each (P.Y. 39000 Shares of Rs. 10 each) | 3.90 | 3.90 |
| Investment in P C Snehal GSEC LLP | 0.50 | 0.50 |
| 18500000 Equity Shares of Diamond Power Infrastructure Limited of Rs. 10 each (P.Y. 18500000 Shares) | 1850.00 | 1850.00 |
| Investment in GSEC INDO THAI Ground Handling Pvt. Ltd. (P.Y. 26000 Shares of Rs. 10 each) | 2.60 | 2.60 |
| | 4245.87 | 4172.27 |
| Traded Quoted Investments: | | |
| 200 Equity Shares fully paid up of Rs. 2 each of Adani Port and SEZ Limited (P.Y.0 Shares) | 1.63 | 0.00 |
| 1074 Equity Shares fully paid up of Rs. 10/-each of Reliance Industries Limited (P.Y. 1074 Shares of Rs. 10 each)) | 2.41 | 4.82 |
| 1074 Equity Shares fully paid up of Rs. 10/-each of Jio Financial Services Limited (P.Y. 0 Shares) | 2.41 | - |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 10 Non-Current Investments (Contd.....) (Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Traded Quoted Investments: | | |
| 75000 Equity Shares fully paid up of Rs. 2/- each of Bodal Chemicals Limited (P.Y. 75000 Shares) | 45.75 | 45.75 |
| 200000 Equity Shares fully paid up of Re. 1/- each of Infibeam Avenue Limited (P.Y. 200000 Shares of Re. 1 Each) | 32.23 | 32.23 |
| 0 Equity Shares fully paid up of Re. 1/- each of Neela Infrastructure Limited (P.Y. 100000 Shares of Re. 1 Each) | 0.00 | 5.86 |
| 0 Equity Shares fully paid up of Re. 1/- each of Neela Spaces Limited Limited (P.Y. 100000 Shares of Re. 1 each) | 0.00 | 5.86 |
| 250 Equity Shares fully paid up of Rs. 10 each of GNFC Limited (P.Y. 250 Shares of Rs. 10 Each) | 0.05 | 0.05 |
| 100 Equity Shares fully paid up of Re. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares of Rs. 10 Each) | 0.01 | 0.01 |
| 5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares of Re. 1 Each) | 0.00 | 0.00 |
| 13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares of Re. 1 Each) | 0.69 | 0.69 |
| UNQUATED INVESTMENTS | | |
| 667 Equity Shares of GITCO of Rs. 100 each (P.Y. 667 Shares of Rs. 100 each) | 0.67 | 0.67 |
| 125001 Equity Shares of P.C. SNEHAL Construction Pvt. Limited of Rs. 10 each (P.Y. 125001 Shares) | 573.75 | 573.75 |
| 1402 convertible Preference Shares of boundless brands private limited (Formerly known as Boundless Food & Beverages Pvt Ltd) (P.Y. 1402 Shares) | 25.00 | 25.00 |
| 1500 Equity Shares of Safire Technologies Private Limited of Rs. 10 each (P.Y. 1500 Shares) | 2.25 | 2.25 |
| Investments in Government Securities-Unquoted | | |
| 7 Years National Savings Certificates (Deposited with Mamlatdar Gandhidham) | 0.10 | 0.10 |
| | 686.93 | 694.78 |
| INVESTMENT IN PROPERTY | | |
| BLOCK D - SILVERARC APARTMENT | 25.72 | 25.72 |
| Total | 4958.52 | 4867.77 |
| Aggregate amount of Unquoted Investments in Lakhs | 4,848 | 4,772 |
| Aggregate amount of Quoted Investments (Market Value) in Lakhs | 93,192 | 105 |

Advance income tax and provisions for taxation have been disclosed on net basis where a legal right to set off exists and the Company intends to settle the assets and liability on a net basis.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 11 Long Term Loans & Advances (Unsecured, Considered Good)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Capital Advance | 30.00 | 30.00 |
| Deposit and Balance with Government Authorities | 104.85 | 3.81 |
| Deposit with Others | 39.18 | 665.26 |
| Advance Income Tax (Net of Provisions) | 410.10 | 196.74 |
| Other Loans and Advances | | |
| Loans and Advances to Related Parties | 2056.51 | 1695.12 |
| Loans and Advances to Others | 763.60 | 646.02 |
| Total | 3404.25 | 3236.95 |

Advance income tax and provisions for taxation have been disclosed on net basis where a legal right to set off exists and the Company intends to settle the assets and liability on a net basis.

Note 12 Inventories (At Cost or net Realisable Value whichever is lower)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------|---------------------------|---------------------------|
| Traded Goods | 0.00 | 961.71 |
| Total | 0.00 | 961.71 |

Note 13 Trade Receivables

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Unsecured- Considered good | | |
| Outstanding for period exceeding six months | 7.47 | 440.38 |
| Other Receivables | 2290.19 | 741.26 |
| | 2297.65 | 1181.64 |
| Unsecured, considered doubtful | | |
| Outstanding for period exceeding six months | - | - |
| Other Receivables | - | - |
| | - | - |
| Less: Provision for doubtful debts | - | - |
| Total | 2297.65 | 1181.64 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 13 Trade Receivables (Contd.....)

(Amount in Lakhs)

| Trade Receivable Aging Schedule* | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| (i) Undisputed Considered Good | | |
| Not Due | | |
| Outstanding for Less Than 6 months | 2290.19 | 741.26 |
| Outstanding for 6 months - 1 year | 0.00 | 423.98 |
| Outstanding for 1 – 2 Years | 7.47 | - |
| Outstanding for 2 – 3 Years | - | - |
| Outstanding for More Than 3 Years | - | 16.40 |
| | 2297.65 | 1181.64 |
| (ii) Undisputed Considered Doubtful | | |
| (iii) Disputed Considered Good | | |
| (iv) Disputed Considered Doubtful | | |

* Where no due date of payment is specified, the disclosure has been made from the date of transaction.

Note 14 Cash & Bank Balance

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| (I) Cash & Cash Equivalents | | |
| Cash On Hand | 2.43 | 1.71 |
| (II) Other Bank Balance | | |
| - In Fixed Deposit Accounts as Margin Money against Bank Guarantee (Maturity more than 3 Months but less than 12 Months) | 1492.63 | 1411.55 |
| - Unpaid Dividend Accounts | 201.05 | 2.15 |
| Total | 1696.11 | 1415.40 |

Note 15 Short-term Loans and Advances (Unsecured and Considered Good)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Loans and Advances to Related Parties | 6520.56 | 3868.22 |
| Loans to Employees | 0.63 | 0.90 |
| Prepaid Expenses | 13.28 | 11.03 |
| Balances with Government Authorities | | |
| GST Credit Receivable | 151.81 | 126.51 |
| Sales Tax Credit Receivable | 25.00 | 25.00 |
| Other Loans and Advances (Net) | 2173.94 | 788.68 |
| Total | 8885.21 | 4820.34 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 16 Other Income

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-------------------------------------|----------------|----------------|
| Interest Income: | | |
| - Interest on Others | 934.40 | 362.82 |
| - Interest on I.T. Refund | 0.00 | 3.95 |
| Other non-operating income : | | |
| Dividend Income From Non- Current | 1.68 | 5.37 |
| Profit on Sale of Mutual Fund | 0.00 | 12.81 |
| Profit on sale of Shares | 4.51 | 609.14 |
| Profit on Sale of Fixed Assets | 2.16 | 26.10 |
| MISC. Dr/Cr/Written Back | 0.00 | 84.79 |
| Excess Provision of Earlier Year | 0.40 | 0.00 |
| Misc. Income | 63.09 | 132.29 |
| Total | 1006.24 | 1237.26 |

Note 17 Change in Inventories of Finished Goods

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|--------------------------------------|---------------|----------------|
| Inventories (at close) | | |
| Finished goods / Stock in trade | 0.00 | 961.71 |
| Inventories (at commencement) | | |
| Finished goods / Stock in trade | 961.71 | 13.21 |
| Total | 961.71 | -948.50 |

Note 18 Employee Benefits

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-------------------------------|---------------|---------------|
| (a) Salaries and incentives | 536.96 | 498.35 |
| (b) Remuneration to Directors | 124.25 | 124.21 |
| (c) Contributions to - | | |
| (i) Provident and other fund | 14.17 | 14.00 |
| (ii) Gratuity fund | 0.62 | 4.08 |
| (d) Staff welfare expenses | 41.50 | 41.95 |
| Total | 717.50 | 682.58 |

Note 19 Finance Cost

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-----------------------|----------------|---------------|
| Interest Expense | 982.60 | 545.02 |
| Bank Charges | 26.69 | 5.04 |
| Other Borrowing Costs | 52.23 | 3.65 |
| Total | 1061.51 | 553.71 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 20 Other Expenses

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|--|----------------|----------------|
| Rent and License Fees | 198.45 | 187.56 |
| Land Lease Rent for Guest House | 9.24 | 9.24 |
| Rates and Taxes | 25.47 | 33.74 |
| Insurance | 18.15 | 28.32 |
| Employer/Employee Insurance | 253.27 | 138.71 |
| Electricity | 82.14 | 62.83 |
| Stationery and Printing | 7.15 | 9.18 |
| Postage and Telephone | 16.04 | 10.67 |
| Repair & Maintenance Charges: | | |
| - Building | 51.73 | 178.26 |
| - Others | 209.38 | 114.71 |
| Auditors Remuneration: | | |
| - Audit Fee | 1.55 | 0.85 |
| - Tax Audit Fee | 0.15 | 0.30 |
| Professional Fees and Legal Expenses | 380.04 | 291.03 |
| Vehicle & Conveyance Expenses | 21.75 | 24.64 |
| Advertisement & Publicity Expenses | 0.67 | 13.74 |
| Travelling Expenses | 299.43 | 276.53 |
| Guest House Expenses | 15.91 | 18.98 |
| Miscellaneous Expenses | 71.64 | 50.01 |
| Director fees & travelling | 1.42 | 1.08 |
| Sales Promotion | 17.31 | 2.37 |
| Security Expenses | 67.02 | 85.01 |
| Royalty | 925.90 | 725.33 |
| Packing Materials | 12.79 | 64.20 |
| Donation | 7.75 | 6.37 |
| Bad Debts Written Off | 0.00 | 1.38 |
| Foreign Exchange Difference | 0.09 | 1.70 |
| Misc/Dr/Cr/Written off | 12.34 | |
| Computer Repairng Expenses & Hardware Expenses | 1.37 | 0.92 |
| Prior Period Adjustment | 0.00 | 0.13 |
| Loss on sale of Vehicle | 0.00 | 1.32 |
| Total | 2708.16 | 2339.10 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

The Company and Nature of its Operations:

GSEC Limited, which was a Government Company formerly known as Gujarat State Export Corporation Limited, is primarily engaged in the activities of Export - Import facilities and trading business. The Company has a custodian of Air Cargo Complexes at Ahmedabad. The Company also deals in various other products, commodities including but not limited to Chemicals, Commodities, Febrics, Gold, Petroleum Products, Aluminium, Silver etc.

NOTE - 21 : NOTES FORMING PART OF ACCOUNTS:

I. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis for preparations of financial statements:

The financial statements are prepared in accordance with the generally accepted accounting principles ("GAAP") in India under the historical cost convention on an accrual basis and are in conformity with mandatory accounting standards, as prescribed under the Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2. Method of Accounting:

The books of accounts are maintained on accrual basis.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction. Cost includes taxes, duties and other identifiable direct expenses.

4. Depreciation:

(a) Depreciation on tangible assets is provided on written down value method over the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.

Wherever the useful lives of the assets are mentioned in Schedule-II is over on or before 31-3-2014 from their acquisition year, after retaining 5% of the cost value as realizable value. The excess Written down value of such Assets are charged to Profit & Loss Account.

Where the details of the assets acquired prior to 01-4-2004 were not available, the year of acquisition of such Assets are taken as certified by Management.

(b) Depreciation is provided on pro-rata basis from the date of addition to fixed assets during the year.

5. Investments:

Long term investment is stated at Cost of Acquisition. Provision for diminution in the value of Long Term Investment is made only if such decline is other than temporary.

Current investment are carried at the lower of cost and Quoted / Fair value.

6. Inventories:

Inventories are valued at cost or market value whichever is lower.

7. Sales:

Revenue from Sale of Products is recognized on dispatch or appropriation of goods in accordance with the terms of sales and its exclusive of GST (Goods and Service Tax) and other duties and charges.

Revenue from rendering of services is recognised on completion of the services rendered by the company during the period to customers and comprises of the invoiced value of services (net of discounts).

8. Taxes on income:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized on timing difference, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized only to that extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

9. Foreign Currency Transaction:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. Transactions outstanding at the year-end are translated at exchange rates prevailing at the year-end and the loss so determined and also the realized exchange gains/losses are recognized in the Profit & Loss Account.

10. Retirement Benefits:

Gratuity which is defined benefits is accrued based on actuarial valuation as at Balance Sheet date. The present value of the obligation is determined using the Projected Unit Credit method. The company has taken a policy under Group Gratuity Scheme of the Life Insurance Corporation of India.

Leave Encashment Salary which is defined benefit is accrued and provided for based on actuarial valuation as at Balance Sheet date at the end of the financial year.

Retirement benefits in the form of provident fund whether in pursuance of law or Otherwise which is defined contribution scheme is accounted on the accrual basis and charged to profit and loss account.

II. DISCLOSURES:

1. Details of Payments to Auditor

(Amount in Lakhs)

| Particulars | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|-------------------------|----------------------------------|----------------------------------|
| A. Audit | 1.55 | 1.00 |
| B. for taxation matters | 0.15 | 0.15 |
| C. Certification | 0.30 | 0.02 |
| Total | 2.00 | 1.17 |

2. Payment of Managerial Remuneration

Salaries and wages of Rs. 124.25 Lakhs (Previous Year Rs 124.20 Lakhs) being the remuneration to Chairman and Executive Directors' of the Company. The said remuneration is not in excess of the limits laid down u/s 197 read with Schedule V of the Companies Act, 2013.

3. Balance of debtors, creditors, loans and advances

(iii) Balance of debtors, creditors, loans and advances are subject to confirmation by the parties concerned and adjustment, if any.

4. Contingent liabilities and Commitments :

A. Contingent Liabilities not provided for:

- Claims against the company not acknowledged as debt of Rs. 61.86 Lakhs (Previous Year Rs. 61.86 Lakhs).
- Higher demand of Rs. 34.76 Lakhs including Interest for nonpayment of the demand raised by The Airport Director, Indore for Hanger Rent for the period from 01.04.2008 to 20.06.2013, as the Company has sought to reverse this amount on the basis of similar earlier reversal. The agreement for renewal of air cargo complex license which was due on 23.11.2011 is also not executed, pending Resolution

of this dispute. However, the work at Air Cargo Complex – Indore continues and Company has deposited Rs. 35 Lakhs in 2013-14 under protest.

- c) Demand raised in 2012-13 by The Asst. Commissioner of Commercial Tax, Flying Squad – Ahmedabad of Rs. 887.39 Lakhs for not allowing input credit of VAT on the purchases of Drinking Water Plant/Water Treatment Plant for the year 2007-08 and 2008-09, as the supplier from whom the purchases have been made have not paid the Vat tax collected from the company. As the company has preferred an appeal before higher authorities no provision in the account have been made. However, the Company has deposited Rs. 25 Lakhs under protest.
- d) Corporate guarantee given by company on behalf of Joint Venture Smartmeters Technologies Private Limited to State Bank of India, SME Law Garden Branch, Ahmedabad against credit facilities sanctioned by the Bank of Rs. 78.42 Crores on 21.03.2024.
- e) Corporate guarantee given by company on behalf of Subsidiary Electrify Energy Pvt. Limited to State Bank of India, SME Law Garden Branch, Ahmedabad against credit facilities sanctioned by the Bank of Rs. 45.30 Crores on 21.02.2024..
- f) Demand raised for 129.2 Lakhs by State Tax officer for the period of 2017-18 and 2018-19. Company has filed appeal against this demand so presently no provision is made. Further Demand of Rs 1.56 Lakhs is raised by State Tax officer for the period of 2019-20. Company is in the process of filing appeal against the order so currently no provision is made

B. Capital Commitment

(Amount in Lakhs)

| Particulars | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|--|----------------------------------|----------------------------------|
| Estimated Liabilities on Capital commitments | 0.00 | 300.00 |

The amount has been estimated by management and the figures has been relied upon by Auditors.

5. Disclosures pursuant to Accounting Standard (AS) 15 (Revised)
Employees Benefits:

Defined Benefits Plans as per Actuarial Valuation on March 31, 2024.

(Amount in Lakhs)

| Sr. No. | Particulars | Gratuity | |
|---------|--|--|--|
| | | 31.03.2024 | 31.03.2023 |
| (1) | The amounts recognized in the Balance Sheet as at the end of the year | | |
| | Present Value of Funded Obligation | -60.68 | -61.63 |
| | Fair Value of Plan Assets | 69.34 | 63.08 |
| | Net (Assets)/liability | 8.67 | 1.45 |
| (2) | The amounts recognized in Profit and Loss Account for the year | | |
| | Current Service Cost | 6.49 | 6.02 |
| | Net Interest Cost | 0.13 | 0.13 |
| | Actuarial (Gains)/Losses | -1.93 | -1.93 |
| | Past Service Cost | 0.00 | 0.00 |
| | Total Expenses | 4.68 | 4.22 |
| (3) | The Changes in Obligations during the year | | |
| | Present value of Defined benefit Obligation at the beginning of the year | 61.63 | 58.32 |
| | Current Service Cost | 6.49 | 6.02 |
| | Interest Cost | 4.62 | 4.23 |
| | Actuarial (Gains)/Losses | -6.34 | -2.17 |
| | Benefit Payments | -5.72 | -4.77 |
| | Past Service Cost | | |
| | Present value of Defined Benefit Obligation at the end of the year | 60.68 | 61.63 |
| (4) | The changes in Plan Assets during the year | | |
| | Plan Assets at the beginning of the year | 63.08 | 56.59 |
| | Expected Return on Plan Assets | 4.73 | 4.10 |
| | Actuarial gains and (losses) | -0.37 | -0.24 |
| | Contribution by Employer | 7.62 | 7.40 |
| | Actual Benefit Paid | -5.72 | -4.77 |
| | | Plan assets at the end of the year Actual return on Plan Assets | 69.34 |
| (5) | Actuarial Assumption : | | |
| | Discount Rate | 7.22% | 7.50% |
| | Expected Return on Plan Assets | 7.22% | 7.50% |
| | Employee Turnover Rate | 2.00% | 2.00% |
| | Salary Escalation Rate | 7.00% | 7.00% |
| | Mortality | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |
| | Retirement age | 58 & 60 Years | 58 & 60 Years |

6. Related Party Disclosure

As per Accounting Standard 18, related party disclosure issued by ICAI, the disclosure of transaction with related parties as defined in AS-18 are given below:

A. List of Related Parties & Relationship

| Name of Related Party | Relationship |
|---|---|
| Komal Infotech Pvt. Ltd. | Holding Company |
| GSEC Logistics Ltd | Subsidiary Company |
| Electrify Energy Private Limited | Subsidiary Company |
| Aviground Facilities Pvt Ltd | Subsidiary Company |
| Aviserve Facilities Pvt Ltd | Subsidiary Company |
| GSEC Air Services Pvt Ltd | Subsidiary Company |
| Avipark Facilities Private Limited | Subsidiary Company |
| GSEC Bird Airport Services Pvt Ltd | Associate Company |
| Sky High Airport Services Pvt Ltd (Formerly Know As Bangalore Airport Terminal Servies Pvt Ltd) | Subsidiary Company |
| PC Snehal GSEC LLP | Associate LLP |
| GSEC Indo Thai Ground Handling Pvt Ltd | Associate Company |
| Diamond Power Infrastructure Limited | Associate Company |
| Smartmeters Technologies Private Limited | Joint Venture |
| Safire Technologies Pvt. Ltd. | Associate Company (ceased on 02-03-2023) |
| GSEC Aviation Limited | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| India One Air Pvt Ltd.(Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Kalpavruksha Worldwide Pvt Ltd (Formerly Kalpavruksha Estate and Finance Pvt. Ltd.) | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Vishwa Imports LLP | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Priti R. Shah | Relative of Director |
| Rakesh R Shah | Key Managerial Personnel |
| Shaishav R Shah | Key Managerial Personnel |
| Samir H Mankad | Key Managerial Personnel |
| Raji Shah | Key Managerial Personnel |
| Dinesh Shah | Key Managerial Personnel (resigned W.e.f 01.05.2024) |

B. Transaction during the year with related Parties (Excl. Reimbursement) (Amount in Lakhs)

| Name of Related Party | Nature of Transactions | 2023-24 | 2022-23 |
|--------------------------------------|------------------------|---------|---------|
| Komal Infotech Pvt. Ltd. | Loan Received | 350.00 | 1415.00 |
| | Loan Repaid | 361.19 | 23.16 |
| | Interest paid | 91.69 | 13.28 |
| GSEC Logistics Ltd | Loan Given | 1.26 | 0.05 |
| | Loan Received back | 356.97 | 0.00 |
| Diamond Power Infrastructure Limited | Loan Given | 1958.60 | 2125.84 |
| | Loan Received back | 276.80 | 28.25 |
| | Shares acquired | 0.00 | 1850.00 |
| | Recovery of expenses | -18.12 | 81.88 |
| | Sale of goods | 5126.01 | 0.00 |
| | Interest Received | 497.07 | 26.60 |
| GSEC Air Services Pvt Ltd | Shares acquired | - | - |
| | Loan Given | - | - |
| | Loan Received back | 0.00 | 37.30 |
| | Loan Received | 640.10 | 225.00 |
| | Loan Repaid | 67.40 | 37.49 |
| | Interest paid | 42.07 | 6.73 |
| Smartmeters Technologies Pvt. Ltd. | Shares acquired | - | - |
| | Loan Given | 422.80 | 1083.49 |
| | Loan Received back | 439.52 | 494.62 |
| | Interest Received | 126.07 | 70.21 |
| Electrify Energy Private Limited | Loan Received | 50.00 | 1177.41 |
| | Loan Repaid | 795.29 | 1236.96 |
| | Interest paid | 0.00 | 37.34 |
| | Loan Given | 901.43 | 0.00 |
| | Loan Received back | 30.00 | 0.00 |
| | Interest Received | 24.55 | 0.00 |
| | Shares acquired | - | - |
| Avipark Facilities Pvt. Ltd | Shares acquired | 0.00 | 1.00 |
| | Loan Given | 83.05 | 171.98 |
| | Loan Received back | 160.02 | 95.01 |
| | Interest Received | 3.48 | 0.00 |
| Aviground Facilities Pvt Ltd | Shares acquired | - | - |
| | Loan Given | 10.04 | 0.04 |
| | Loan Received back | 12.10 | 0.00 |
| | Interest Received | 3.48 | 0.00 |

B. Transaction during the year with related Parties (Excl. Reimbursement) (Contd.....)
(Amount in Lakhs)

| Name of Related Party | Nature of Transactions | 2023-24 | 2022-23 |
|---|------------------------|---------|---------|
| Aviserve Facilities Pvt Ltd | Shares acquired | - | - |
| | Loan Given | 1.07 | 13.55 |
| | Loan Received back | 10.62 | 6.00 |
| | Interest Received | 0.67 | 0.00 |
| GSEC Indo Thai Ground Handling Pvt Ltd | Shares acquired | - | - |
| Sky High Airport Services Pvt Ltd (Formerly Know As Bangalore Airport Terminal Servies Pvt Ltd) | Shares acquired | 100.85 | 0.00 |
| P C Snehal GSEC LLP | Capital introduced | 0.00 | 0.00 |
| Rakesh R Shah | Remuneration paid | 72.00 | 72.00 |
| | Issue of Shares | 2500.00 | 0.00 |
| | Loan Received | 2742.00 | 7777.00 |
| | Loan Repaid | 4499.25 | 5201.84 |
| | Interest paid | 298.89 | 125.43 |
| Shaishav Shah | Remuneration paid | 22.85 | 22.85 |
| | Issue of Shares | 2500.00 | 0.00 |
| | Loan Received | 1097.47 | 1826.56 |
| | Loan Repaid | 2436.67 | 527.42 |
| | Interest paid | 199.47 | 104.06 |
| | Rent Paid | 3.04 | 3.04 |
| Samir Mankad | Remuneration paid | 29.40 | 29.40 |
| Dinesh Shah | Remuneration paid | 30.00 | 30.00 |
| Priti Shah | Rent Paid | 13.89 | 13.89 |
| India One Air Pvt Ltd.(Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Loan Given | 0.00 | 23.38 |
| | Interest received | 13.03 | 0.00 |
| Kalpavruksha Worldwide Private Limited | Loan Received | 1950.00 | 9850.00 |
| | Loan Repaid | 54.87 | 8894.17 |
| | Interest paid | 201.08 | 222.59 |
| GSEC Aviation Limited | Loan Given | 262.25 | 500.14 |
| | Loan Received back | 25.00 | 125.01 |
| | Interest Received | 123.46 | 94.39 |
| GSEC Bird Airport Services Pvt Ltd | Service charges at ACC | 75.89 | 37.98 |
| | Shares Acquired | 3.64 | 3.64 |

C. Outstanding balances
(Amount in Lakhs)

| Name of Related Party | Nature of Transactions | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|--|------------------------------|-------------------------------|-------------------------------|
| Komal Infotech Pvt. Ltd. | Unsecured Loan | 1437.04 | 1436.28 |
| GSEC Logistics Ltd | Unsecured Loan receivable | 0.00 | 355.72 |
| GSEC Air Services Pvt Ltd | Unsecured Loan | 804.38 | 193.81 |
| Smartmeters Technologies Pvt. Ltd. | Unsecured Loan receivable | 1389.83 | 1293.09 |
| Aviserve Facilities Private Limited | Unsecured Loan receivable | 0.61 | 9.55 |
| Electrify Energy Private Limited | Unsecured Loan receivable | 893.53 | -745.29 |
| Rakesh R Shah | Unsecured Loan | 2079.24 | 3567.49 |
| Shaishav Shah | Unsecured Loan | 1190.02 | 2349.69 |
| India One Air Pvt Ltd. (Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Unsecured Loan receivable | 121.30 | 108.27 |
| Kalpavruksha Worldwide Private Limited | Unsecured Loan | 4313.54 | 2237.26 |
| GSEC Aviation Limited | Unsecured Loan receivable | 1935.21 | 1586.85 |
| Avipark Facilities Private Limited | Unsecured Loan receivable | 3.13 | 76.97 |
| Aviground Facilities Private Limited | Unsecured Loan receivable | 0.72 | 2.06 |
| GSEC Bird Airport Services Pvt Ltd | Outstanding trade receivable | 17.81 | 4.52 |
| Diamond Power Infrastructure Limited | Outstanding trade receivable | 2080.64 | 84.87 |
| | Unsecured Loan receivable | 4232.57 | 2121.54 |

7. Deferred Tax (Liabilities)/Assets:

The net Deferred Tax (Liabilities)/Assets as on March 31, 2024 amounting to Rs. -34.37 Lakhs) (2022-23 Rs. 3.84 Lakhs) has been arrived at as follows.

(Amount in Lakhs)

| Deferred Tax Assets/(Liabilities) arising from: | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|---|-------------------------------|-------------------------------|
| Depreciation | -34.27 | -8.44 |
| Gratuity & Leave Encashment | -0.10 | 12.28 |
| Others | - | - |
| Total | -34.37 | 3.84 |

The tax impact for the above purpose has been arrived by applying a tax Rate of 27.94% being the prevailing tax rate for Indian companies under the Income Tax Act, 1961. Based on the management's estimate; the company would have sufficient Taxable Income in future to utilize credit available under the Income Tax Act, 1961.

8. Earning per Share (EPS):
(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|---|-------------|-------------|
| Net profit/(Loss) after Tax | 69.43 | 369.58 |
| Number of Equity Share | 75.50 | 75.50 |
| Nominal Value of Equity Share | 10.00 | 10.00 |
| Basic Earning Per Share (In Rs.) | 0.92 | 4.90 |

9. Information required in terms of Clause 5 (viii) of Part-II of Schedule III to the Companies Act, 2013.

(Amount in Lakhs)

| Deferred Tax Assets/(Liabilities) arising from: | | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|---|--|-------------------------------|-------------------------------|
| a. | C.I.F. value of imports of: Trading Goods Spare parts Capital Goods | - - - | - - - |
| b. | Expenditure in Foreign Currency on Foreign Travel | 200.99 | 120.63 |
| c. | Expenditure in Foreign Currency on purchase of capital items | - | - |
| d. | Consumption of: i. Raw Materials ii. Store and Spares Parts | - - | - - |
| e. | Remittance in Foreign Currency On accounts of Agency Commission | - | - |
| f. | Earning in Foreign Exchange (Value of Goods Exported) | - | - |

10. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are

- (a) repayable on demand or
(b) without specifying any terms or period of repayment

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------------------|---|---|
| Promoter | 0.00 | - |
| Directors | 0.00 | - |
| KMPs | 0.00 | - |
| Related Parties | 8577.08 | 74.49% |

11. Company has taken borrowings from State Bank of India basis of security of current assets. Company has regularly filed monthly returns or statements of current assets with the Bank. However, there are not significant differences in Current Assets except Unaccounted receipts in some cases, Ageing and in some cases of Air Cargo Debtors.

12. Ageing Schedule for Capital Work in Progress:

(Amount in Lakhs)

| Sr. No. | Particulars | Amount in CWIP for a period of | | | | Total |
|---------|--|--------------------------------|-----------|-----------|-------------------|--------|
| | | Less than 1 years | 1-2 years | 2-3 years | More than 3 years | |
| 1 | Furniture and electrification work at Shantigram corporate house | 457.07 | 142.51 | 0.00 | - | 599.58 |

13. Ratio Analysis

| Sr. No. | Description of Ratio | Numerator | Denominator | Numerator | | Denominator | | Ratio | | Variance | Reason |
|---------|-------------------------------------|--|--|-----------|----------|-------------|----------|---------|---------|----------|---|
| | | | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | | |
| 1 | Current Ratio | Total current assets | Total current liabilities | 12892.25 | 8390.12 | 4484.43 | 3566.62 | 2.87 | 2.35 | 22% | |
| 2 | Debt Equity Ratio | Total Borrowings | Total equity | 10665.38 | 11615.68 | 11731.06 | 6661.63 | 0.91 | 1.74 | -48% | Debt equity Ratio has reduced due to reduction in borrowings and additional issue of shares during the year |
| 3 | Debt Service Coverage Ratio | Earning for Debt Service = PAT + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt service = Interest and lease payments+Principal repayments | 1366.25 | 1157.93 | 10665.38 | 11615.68 | 0.13 | 0.10 | 29% | company's EBIT has increased and debt has reduced leading to increase in ratio |
| 4 | Return on Equity Ratio | Profit for the year less Preference dividend (if any) | Average total equity | 69.43 | 369.58 | 11231.06 | 6661.63 | 0.01 | 0.06 | -89% | Company's profit has reduced during the year leading to decline in the ratio |
| 5 | Inventory to Turnover Ratio | Revenue from sale of products | Average inventory | 43584.99 | 38888.41 | 480.86 | 487.46 | 90.64 | 79.78 | 14% | |
| 6 | Trade Receivables to Turnover Ratio | Revenue from operations | Average trade receivables | 47243.15 | 41789.05 | 1739.65 | 1802.18 | 27.16 | 23.19 | 17% | |
| 7 | Trade Payables to Turnover Ratio | Cost of Purchase | Average trade payables | 42416.87 | 39786.50 | 1774.98 | 1644.77 | 23.90 | 24.19 | -1% | |
| 8 | Net Capital to Turnover Ratio | Revenue from operations | Average working capital (i.e. Total current assets less Total current liabilities) | 47243.15 | 41789.05 | 8407.82 | 4823.50 | 5.62 | 8.66 | -35% | company's net working capital has improved leading to reduction in the ratio |
| 9 | Net Profit Ratio | Profit for the year | Revenue from operations | 69.43 | 369.58 | 47243.15 | 41789.05 | 0.00 | 0.01 | -83% | Company's profit operations has reduced during the year leading to decline in the ratio |
| 10 | Return on Capital Employed | Profit before tax and finance costs | Net worth plus Long term borrowings | 1086.40 | 955.09 | 20909.20 | 16552.01 | 0.05 | 0.06 | -10% | |
| 11 | Return on Investment | Income generated from invested funds | Average invested funds | 69.43 | 369.58 | 11731.06 | 6661.63 | 0.01 | 0.06 | -89% | Company's profit has reduced during the year leading to decline in the ratio |

14. Segment Information:-

Based on the guiding principles given in Accounting Standard on 'Segment Reporting' (AS – 17) as notified by Companies Accounting Standards Rules , 2008, the company's primary business segments are Airport Service and Trading Activities which have got their own respective risk and return profiles.

Financial information about the primary business segment for the year ended 31st March, 2024.

(Amount in Lakhs)

| S. N. | Particulars | Cargo Handling Service | | Trading & other Activities | | Total | |
|-----------|--|------------------------|----------------|----------------------------|-----------------|-----------------|-----------------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| A. | Revenue | | | | | | |
| | Services/Sales Revenue | 3658.17 | 2900.64 | 43584.99 | 38888.41 | 47243.15 | 41789.05 |
| | Intersegment Revenue | - | - | - | - | - | - |
| | Total Revenue | 3658.17 | 2900.64 | 43584.99 | 38888.41 | 47243.15 | 41789.05 |
| B. | Result | | | | | | |
| | Segment Result Profit/Loss | 2130.69 | 1472.37 | 206.41 | 50.41 | 2337.10 | 1522.78 |
| | Other Income excluding Interest Income | | | | | 71.84 | 874.44 |
| | Other Unallocable Expenses | | | | | 2256.93 | 1804.95 |
| | Operating Profit | | | | | 152.00 | 592.26 |
| | Interest Income | | | | | 934.40 | 362.82 |
| | Interest Expenses | | | | | 982.60 | 545.02 |
| | Profit Before Tax | | | | | 103.81 | 410.07 |
| | Provision For Income Tax (including Deferred Tax) | | | | | 34.37 | 40.49 |
| | Net Profit | | | | | 69.43 | 369.57 |
| C. | Other Information | | | | | | |
| | Capital Employed | | | | | | |
| | Segment Assets | 1558.77 | 1243.03 | 2082.73 | 2034.41 | 3641.50 | 3277.44 |
| | Segment Liabilities | 176.84 | 137.28 | 2015.16 | 983.63 | 2192.00 | 1120.91 |
| | Other Unallocable Corporate Assets and Liabilities | 0.00 | 0.00 | | | 10281.57 | 4505.09 |
| | Total Capital Employed | | | | | 11731.06 | 6661.62 |
| | Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year | 68.21 | 16.33 | 0.00 | 0.00 | 68.21 | 16.33 |
| | Other Unallocable Capital Expenditures | 0.00 | 0.00 | 0.00 | 0.00 | 730.56 | 2265.63 |
| | Total | 68.21 | 16.33 | 0.00 | 0.00 | 798.78 | 2281.96 |
| D. | Segment Depreciation | 106.87 | 114.14 | 0.00 | 0.00 | 279.84 | 202.84 |
| E. | Non Cash Expenses other than Depreciation | - | - | - | - | - | - |

15. Other Disclosures:

- A. Previous year figures are regrouped / reclassified wherever necessary to conform to this year's classification.
- B. The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of date of signing, there are no subsequent events to be recognized or reported that are not already disclosed.
- C. There are no proceedings initiated or pending against the company under section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder for holding any benami property.
- D. The company has not been declared a wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- E. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- F. There is no immovable property in the books of the company whose title deed is not held in the name of the company.
- G. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/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.
- H. The Company has not received any fund from any person or entity, including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- I. The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- J. The Company did not enter into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- K. There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- L. The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- M. The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

As per our attached report or even date

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

CA BIPIN J SHAH

Partner

Membership No. 10712

Place : Ahmedabad

Date : 05/09/2024

UDIN: 24010712BKFANS4306

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

Jay R Chavda

Company Secretary

M. No. A63127

Place : Ahmedabad

Date : 05/09/2024

SAMIR MANKAD

CEO & Whole-Time Director

DIN: 00421878

INDEPENDENT AUDITOR'S REPORT

To the Members of GSEC Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of GSEC Limited ('the holding Company'), and its subsidiaries and Joint Ventures (together referred to as 'The Group') and group's share of profit/loss in its associates which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of other auditors referred to below in the other matters section, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements, consolidated financial statement and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 Consolidated Financial Statements

The Holding Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit financial statement of 4 Subsidiaries, whose financial statements reflect total assets of Rs. 2306.61 lakh and net assets of 1178.71 lakhs as at 31st March 2024, total revenue of Rs. 6322.52, net profit of Rs. 640.58 lakhs and net cashflow amounting to Rs. 440.15 Lakhs for the year ended on that date, and 2 Associates which reflect group's share of net profit of 603.55 Lakhs as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and the jointly controlled entity is based solely on the reports of the other auditors.

We did not audit financial statement of 1 Associates which reflect group's share of net loss of 2.19 Lakhs as considered in the consolidated financial statements. These financial statements are unaudited and approved by the respective Board of Directors of these entities and have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of these associates is based solely on such approved unaudited financial statements.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order
- As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
 - On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies,

associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
- i) The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its Consolidated Financial Statements – Refer Note 24(iv) to the Consolidated Financial Statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2024;
 - iv)
 - a) The respective managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, except disclosed in notes to accounts, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entities, including foreign entities ("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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, except disclosed in notes to accounts, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under

sub-clause (a) and (b) contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent and its associate companies which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with Section 123 of the Act, as applicable.
- vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies, associate companies and joint venture companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below including certain vendor provided software applications which feed into the principal accounting software, the Parent, its subsidiary companies, associate companies and joint venture companies incorporated in India have used accounting software for maintaining their respective books of account for the year ended 31st March, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies, associate companies and joint venture companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below including certain vendor provided software applications which feed into the principal accounting software, the Parent, its subsidiary companies, associate companies and joint venture companies incorporated in India have used accounting software for maintaining their respective books of account for the year ended 31st March, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

**For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W**

**CA BIPIN SHAH
Partner
Membership Number: 10712
UDIN: 23010712BGXVQZ629**

**Place : Ahmedabad
Date: 01/09/2024**

Annexure - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company

For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W

CA BIPIN SHAH
Partner

Place : Ahmedabad
Date: 01/09/2024

Membership Number: 10712
UDIN: 23010712BGXVQZ629

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 GSEC Limited ('the holding Company'), and its subsidiaries (together referred to as 'The Group') and its associates and its joint ventures as of 31 March 2024 in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Companies' management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 Group'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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 Respective Companies has, 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 31 March 2024, 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to these 4 subsidiaries, 3 associates and 1 joint ventures, which are entities incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India

**For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W**

**CA BIPIN SHAH
Partner**

**Membership Number: 10712
UDIN: 23010712BGXVQZ629**

**Place : Ahmedabad
Date: 01/09/2024**

Consolidated Balance Sheet as at 31st March,2024

(Amount in Lakhs)

| Particulars | Notes | 31st March, 2024 | 31st March, 2023 |
|--|-------|------------------|------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share Capital | 1 | 1255.00 | 755.00 |
| (b) Reserves and Surplus | 2 | 11863.77 | 5534.90 |
| 2 Minority Interest | | 907.46 | 700.93 |
| 3 Non-current liabilities | | | |
| (a) Long-Term Borrowings | 3 | 12445.27 | 12573.52 |
| (b) Deferred Tax Liabilities (Net) | | 0.00 | 33.48 |
| (c) Other Long Term Liabilities | 4 | 237.42 | 559.88 |
| (d) Long-Term Provisions | 5 | 166.15 | 14.97 |
| 4 Current liabilities | | | |
| (a) Short-Term Borrowings | 6 | 2200.06 | 890.44 |
| (b) Trade Payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | | 267.98 | 3.88 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 7 | 13610.63 | 11605.10 |
| (c) Other Current Liabilities | 8 | 1673.52 | 397.73 |
| (d) Short-Term Provisions | 9 | 632.90 | 67.48 |
| TOTAL | | 45,260.16 | 33137.31 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Property Plant and Equipment and Intangible Assets | | | |
| (i) Property Plant and Equipment | 10 | 9981.75 | 7110.91 |
| (ii) Intangible Assets | | 8.91 | 9.93 |
| (iii) Capital Work in Progress | | 1565.06 | 2580.32 |
| (iv) Intangible Asset under development | | 74.14 | 52.96 |
| (b) Goodwill arising on consolidation | | 0.12 | 0.12 |
| (c) Non-Current Investments | 11 | 2943.27 | 1899.50 |
| (d) Deferred Tax Assets (Net) | | 87.05 | |
| (e) Long-Term Loans and Advances | 12 | 4193.60 | 3692.08 |
| 2 Current Assets | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | 13 | 888.58 | 1450.75 |
| (c) Trade Receivables | 14 | 11371.79 | 10207.10 |
| (d) Cash and Bank Balance | 15 | 4214.59 | 1650.95 |
| (e) Short-Term Loans and Advances | 16 | 9929.05 | 4482.68 |
| (f) Other Current Assets | 17 | 2.24 | 0.00 |
| TOTAL | | 45,260.16 | 33137.31 |

Significant Accounting Policies

The accompanying notes are integral parts of the Financial Statements

As per our attached report of even date

For and on behalf of Board of Directors of GSEC Limited

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

CA BIPIN J SHAH

Partner

Membership No. 10712

Date : 05/09/2024

Place : Ahmedabad

UDIN: 24010712BKFAOB7471

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

Jay R Chavda

Company Secretary

M. No. A63127

Place : Ahmedabad

Date : 05/09/2024

SAMIR MANKAD

CEO & Whole-Time Director

DIN: 00421878

Consolidated Profit and Loss Statement for the year ended 31st March, 2024

(Amount in Lakhs)

| Particulars | Notes | 2023-24 | 2022-23 |
|---|-------------------|-----------------|-----------------|
| I. Revenue From Operations | | | |
| Sale of Goods (Gross) | | 52950.45 | 56493.34 |
| Less : Excise Duty | | - | - |
| Sale of Trading Goods (Net) | | 52950.45 | 56493.34 |
| Sale of Services | | 16251.60 | 5422.59 |
| Other Operating Income | | - | - |
| II. Other Income | 18 | 999.57 | 1221.15 |
| III. Total Income | (I+II) | 70201.62 | 63137.08 |
| IV. Expenses: | | | |
| Purchase of Goods & Direct Expenses | | 53549.53 | 59238.87 |
| Changes in Inventory | 19 | 562.17 | -1389.31 |
| Employee Benefits Expense | 20 | 2967.15 | 753.45 |
| Finance Costs | 21 | 1377.57 | 498.77 |
| Depreciation and Amortization Expense | 10 | 514.01 | 231.90 |
| Other Expenses | 22 | 9552.12 | 2883.58 |
| Total Expenses | | 68522.55 | 62217.26 |
| V. Profit Before Exceptional Items and extraordinary items And Tax | (III-IV) | 1679.07 | 919.82 |
| VI. Exceptional Items | | - | - |
| VII. Profit before extraordinary items and tax | (V-VI) | 1679.07 | 919.82 |
| VIII. Extraordinary items | | 10.43 | 31.17 |
| IX. Profit Before Tax | (VII-VIII) | 1668.65 | 888.65 |
| X. Tax Expense: | | | |
| (1) Current Tax | | 479.31 | 118.35 |
| (2) Deferred Tax | | -102.05 | 36.31 |
| (3) Tax Adjustment of Earlier Years | | 78.57 | -15.45 |
| XI. Profit for the Year | (IX-X) | 1212.81 | 749.44 |
| (-) Profit/(loss) attributable to minority Interest | | 118.50 | -0.06 |
| (-) Pre-acq profit/(loss) adjusted against Capital Res/Goodwill | | 54.46 | -1.46 |
| (+) Share of Profit/(loss) from Associates | | 601.36 | -806.45 |
| XII. Net Profit for the Year of the Group | | 1641.21 | -55.49 |
| XIII. Earnings Per Equity Share (in Rs.) (Basic) | | 21.74 | -0.73 |
| Earnings Per Equity Share (in Rs.) (Diluted) | | 13.08 | -0.73 |
| Significant Accounting Policies | | | |
| The accompanying notes are integral parts of the Financial Statements | | | |

As per our attached report of even date

For and on behalf of Board of Directors of GSEC Limited

For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
CEO & Whole-Time Director
DIN: 00421878

CA BIPIN J SHAH
Partner
Membership No. 10712

Jay R Chavda
Company Secretary
M. No. A63127

Date : 05/09/2024
Place : Ahmedabad
UDIN: 24010712BKFAOB7471

Place : Ahmedabad
Date : 05/09/2024

Consolidated Cash Flow Statement For The Year Ended 31st March, 2024

(Amount in Lakhs)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and exceptional items | 1668.67 | 888.65 |
| Adjustments For: | | |
| Depreciation | 514.00 | 231.90 |
| Interest Paid | 1334.39 | 489.90 |
| Interest received | -815.80 | -321.57 |
| (Profit)/Loss on Sale of Investments | -4.51 | -609.87 |
| Misc.Dr./Cr. Written off | 110.76 | 0.00 |
| (Profit)/Loss on Sale of Fixed Assets | -2.16 | -24.78 |
| Dividend Received | -1.68 | -5.37 |
| Rent Income | -7.85 | -7.48 |
| Profit on redemption of Mutual fund | 0.00 | -12.81 |
| Others | -0.65 | 0.07 |
| Operating Profit before working capital changes | 2795.18 | 628.64 |
| Movements in working capital | | |
| Adjustment for Decrease (Increase) in operating assets | | |
| Decrease in Inventories | 562.17 | -1389.30 |
| (Increase) in Trade and other Receivables | -935.05 | -7597.51 |
| (Increase) in Short Term Loans and Advances | -4186.63 | 1887.86 |
| Decrease in other Current Assets | -1023.90 | 2501.13 |
| Decrease in other Non Current Assets | -866.10 | 53.67 |
| Increase in Trade Payables | 2908.18 | 8878.07 |
| (Decrease) in other Current Liabilities | 536.33 | -3688.52 |
| (Decrease) in other Non Current Liabilities | -361.23 | 303.27 |
| Increase in Provisions | 556.11 | 2.65 |
| Net Cash Flow from Operating Activities before tax and Exceptional Items (A) | -2810.12 | 951.32 |
| Taxes Paid | -454.80 | -223.48 |
| Net cash generated from operating activities before exceptional items | -469.74 | 1356.48 |
| Exceptional Items | 0.00 | 0.00 |
| Net cash generated from operating activities | -469.74 | 1356.48 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| (Increase)/Decrease in Margin Money | -81.08 | 3915.74 |
| Purchase of Property, Plant and Equipment | -2296.22 | -4924.86 |
| Purchase of Investments | -493.28 | -2678.59 |
| Sale Proceeds of Property, Plant and Equipment | 4.03 | 36.45 |
| Sale of Investments | 16.23 | 1298.11 |
| Interest received | 815.80 | 321.57 |
| Dividend Received on Investments | 1.68 | 5.37 |
| Rent Received | 7.85 | 7.48 |
| Purchase of Mutual Fund | -400.00 | -1500.00 |
| Redemption of mutual Fund | 0.00 | 1512.81 |

(Amount in Lakhs)

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Long Term Loans and Advances | 46.06 | -5820.89 |
| Others | -201.15 | -5820.89 |
| Net cash flow from investing activities | -2580.08 | -13647.70 |
| CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Short/Long term Borrowing (Net off repayment) | 1648.74 | 6299.97 |
| Other Long Term Loans and Advances | 48.92 | 0.00 |
| Interest paid | -1333.30 | -489.90 |
| Issue of share capital | 5000.00 | 400.00 |
| Net cash flow from financing activities | 5364.36 | 6210.07 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 2314.55 | -6081.16 |
| Cash and cash equivalents at the beginning of the year | 206.36 | 466.63 |
| Cash and cash equivalents at the end of the year | 2520.90 | 206.36 |

As per our attached report of even date

For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

CA BIPIN J SHAH
Partner
Membership No. 10712

Date : 05/09/2024
Place : Ahmedabad
UDIN: 24010712BKFAOB7471

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

Jay R Chavda
Company Secretary
M. No. A63127

Place : Ahmedabad
Date : 05/09/2024

SAMIR MANKAD
CEO & Whole-Time Director
DIN: 00421878

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 1 Share Capital

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|----------------|------------------------|----------------|
| | Number | Amount | Number | Amount |
| Authorised | | | | |
| Equity Shares of Rs.10 each | 10,030,000 | 1003.00 | 10,030,000 | 1003.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | 5,000,000 | 500.00 | - | 0.00 |
| Total | 15,030,000 | 1503.00 | 10,030,000 | 1003.00 |
| Issued,Subscribed and Paid up Share Capital | | | | |
| Equity Shares of Rs.10 each | 7,550,000 | 755.00 | 7,550,000 | 755.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | 5,000,000 | 500.00 | - | 0.00 |
| Total | 12,550,000 | 1255.00 | 7,550,000 | 755.00 |

1.1 The reconciliation of the number of shares outstanding is set out below:

| Particulars | Equity Shares | | | |
|--|------------------------|---------------|------------------------|---------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | Number | Amount | Number | Amount |
| Equity Shares | | | | |
| At the beginning of the year | 7,550,000 | 755.00 | 7,550,000.00 | 755.00 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Any other movement (please specify) | - | - | - | - |
| Shares outstanding at the end of the year | 7,550,000 | 755.00 | 7,550,000.00 | 755.00 |
| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | | |
| At the beginning of the year | - | - | - | - |
| Shares Issued during the year | 5,000,000.00 | 500.00 | 0.00 | 0.00 |
| Shares bought back during the year | - | - | - | - |
| Any other movement (please specify) | - | - | - | - |
| Shares outstanding at the end of the year | 5,000,000 | 500.00 | - | 0.00 |

1.2 Terms/rights attached to equity 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 dividend if 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, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 1 Share Capital (Contd.....)

1.3 Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

| Particulars | Nature of Relationship | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|------------------------|
| Equity Shares Komal Infotech Private Ltd. | Holding Company | 4,783,910 | 4,783,910 |

1.4 Details of Shareholders holding more than 5% shares

| Particulars | Equity Shares | | | |
|-----------------------------|------------------------|--------------|------------------------|--------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Komal Infotech Private Ltd. | 4,783,910 | 63.36 | 4,783,910 | 63.36 |
| Priti R. Shah | - | 0.00 | 1,447,670 | 19.17 |
| Rakesh R. Shah | 2,083,760 | 27.61 | 636,090 | 8.42 |
| Shaishav R. Shah | 487,270 | 6.45 | 487,270 | 6.45 |

| Particulars | 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | |
|------------------|---|--------------|------------------------|--------------|
| | As at 31st March, 2024 | | As at 31st March, 2023 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Rakesh R. Shah | 2,500,000 | 50 | 0 | 0 |
| Shaishav R. Shah | 2,500,000 | 50 | 0 | 0 |

As per records of company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

1.5 Share holding by promoters

| Shares held by promoters at the end of the year | | | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Name | No of shares | % of total shares | |
| Komal Infotech Private Ltd. | 4,783,910 | 63.36 | 0.00 |
| Rakesh R. Shah | 2,083,760 | 27.61 | 227.91 |
| Shaishav R. Shah | 487,270 | 6.45 | 0.00 |
| Total | 7,354,940 | 97.42 | |

| 6% Optionally Convertible Redeemable Preference Shares (OCPS) | | | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Name | No of shares | % of total shares | |
| Rakesh R. Shah | 2,500,000 | 50.00 | 100.00 |
| Shaishav R. Shah | 2,500,000 | 50.00 | 100.00 |
| Total | 5,000,000 | 100.00 | |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 2 Reserves & Surplus

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| a. Securities Premium Account | | |
| As per Last Balance Sheet | 337.00 | 337.00 |
| Addition during the year | 4500.00 | |
| Reduction during the year | | |
| Total | 4837.00 | 337.00 |
| b. Capital Reserve | | |
| As per Last Balance Sheet | 0.00 | 15.00 |
| Add: for Acquisition during the year | | |
| Less: For sale of subsidiary during the year | 0.00 | 15.00 |
| Total | 0.00 | 0.00 |
| c. Capital Reserve on consolidation | | |
| As per Last Balance Sheet | 69.12 | 5.52 |
| Add: for Acquisition during the year | 229.65 | 63.60 |
| Less: For sale of subsidiary during the year | | |
| Total | 298.78 | 69.12 |
| d. General Reserves | | |
| As per Last Balance Sheet | 168.23 | 168.23 |
| e. Surplus/Deficit in statement of Profit and Loss | | |
| As per Last Balance Sheet | 4960.55 | 5039.42 |
| Add : Profit For the Year | 1641.21 | -55.49 |
| Less: Proposed Dividend | 42.00 | 23.39 |
| Less: Tax on Proposed Dividend | 0.00 | 0.00 |
| Total | 6559.76 | 4960.55 |
| Total | 11863.77 | 5534.90 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 3 Long-Term Borrowings

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| a) Secured Loans | | |
| Term Loans from Banks (Secured against registered mortgage/Hypothecation of Entire Project Assets. (both present and future on pari passu basis with the Banks) | 2977.15 | 2684.47 |
| | 2977.15 | 2684.47 |
| b) Unsecured Loans | | |
| (i) Loans From others | - | - |
| (ii) Loans from Related Parties | | |
| Komal Infotech Pvt Ltd | 1519.55 | 1448.23 |
| Kalpavruksha Worldwide Pvt. Ltd. | 4313.54 | 2237.26 |
| Loan / Deposits from Directors | 3621.98 | 5918.31 |
| Others | 13.04 | 285.25 |
| Total | 9468.12 | 9889.05 |
| Total | 12445.27 | 12573.52 |

Note 4 Other Long term liabilities

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------------------------------|------------------------|------------------------|
| Retention Money Payable | 43.71 | 40.81 |
| Payable on purchase of capital Goods | 193.71 | 519.07 |
| Total | 237.42 | 559.88 |

Note 5 Long-term Provisions

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| (a) Provision for Employee Benefits* | | |
| Gratuity (Funded & unfunded) | 6.17 | 3.35 |
| Leave Encashment (Unfunded) | 12.68 | 11.63 |
| Total | 18.85 | 14.97 |
| (b) Other Provision | | |
| Employee related provisions | 147.30 | 0.00 |
| Total | 147.30 | 0.00 |
| Total | 166.15 | 14.97 |

* Long Term and Short Term classification is done based on actuarial valuation certificate.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 6 Short-Term Borrowings

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| a) Secured Loans | | |
| Working capital facilities from State Bank of India (Secured against hypothecation of entire Stocks/Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors & their relatives) | 1127.51 | 788.66 |
| Term loan From Banks (Current maturities of non current borrowings) | 538.18 | 101.79 |
| | 1665.69 | 890.44 |
| b) Unsecured Loans | | |
| (i) Loans repayable on demand | - | - |
| (i) Loans from Related Parties | | |
| Komal Infotech Pvt Ltd | | |
| Kalpavruksha Worldwide Pvt. Ltd. | | |
| Loan / Deposits from Directors | | |
| Others | 534.37 | |
| Total | 534.37 | 0.00 |
| Total | 2200.06 | 890.44 |

Note 7 Trade Payables

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Trade Payables (Expenses and Purchases) - MSME | 267.98 | 3.88 |
| Trade Payables (Expenses and Purchases) - Other than MSME | 13610.63 | 11605.10 |
| Total | 13878.62 | 11608.98 |
| Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006 | | |
| This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. | | |
| Trade Payable Aging Schedule* | As at 31st March, 2024 | As at 31st March, 2023 |
| (i) MSME | | |
| Not Due | 173.46 | 3.59 |
| Outstanding for Less Than 1 Year | 94.51 | 0.29 |
| Outstanding for 1 – 2 Years | 0.02 | - |
| Outstanding for 2 – 3 Years | - | - |
| Outstanding for More Than 3 Years | - | - |
| | 267.98 | 3.88 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 7 Trade Payables (Contd.....) (Amount in Lakhs)

| Trade Payable Aging Schedule* | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|------------------------|------------------------|
| (ii) Others | | |
| Not Due | 5750.71 | 4670.06 |
| Outstanding for Less Than 1 Year | 7669.49 | 6802.74 |
| Outstanding for 1 – 2 Years | 62.39 | 114.77 |
| Outstanding for 2 – 3 Years | 128.05 | 0.49 |
| Outstanding for More Than 3 Years | 0.00 | 17.03 |
| | 13610.63 | 11605.10 |
| (iii) Disputed MSME | | |
| (iv) Disputed Others | | |

* Where no due date of payment is specified, the disclosure has been made from the date of transaction.

Note 8 Other Current Liabilities (Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| (a) Unclaimed dividends | 1.05 | 2.14 |
| (b) Statutory Dues Payables | 550.91 | 171.48 |
| (c) Trade/Security Deposit (Including Predeposit at ACC) | 170.75 | 147.03 |
| (d) Advance from Customers | 715.99 | 10.04 |
| (e) Other Liabilities | 234.82 | 67.03 |
| Total | 1673.52 | 397.73 |

Note 9 Short-term Provisions (Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| (a) Provision for Employee Benefits* | | |
| Gratuity (Funded & unfunded) | 0.02 | 0.01 |
| Leave Encashment (Unfunded) | 0.43 | 0.59 |
| Total | 0.45 | 0.60 |
| (b) Other Provision | | |
| Proposed Dividend | 37.80 | 21.05 |
| Other provisions including unpaid expense | 594.65 | 45.83 |
| Total | 632.45 | 66.88 |
| Total | 632.90 | 67.48 |

* Long Term and Short Term classification is done based on actuarial valuation certificate.

Note 10 Property Plant And Equipment and Intangible Asset:

| Particulars | Gross Block | | | | | | Accumulated Depreciation | | | | Net Block | | |
|-------------------------------------|-----------------------------|----------------|----------------|--------------|------------------------------|-----------------------------|--|---------------|---------------|------------------------------|------------------------------|------------------------------|--|
| | Balance as at April 1, 2023 | Additions | Disposal | Adjustments | Balance as at March 31, 2024 | Balance as at April 1, 2023 | Depreciation charge for the year - Approx. | Adjustments | On disposals | Balance as at March 31, 2024 | Balance as at March 31, 2024 | Balance as at March 31, 2023 | |
| | | | | | | | | | | | | | |
| a | | | | | | | | | | | | | |
| Property Plant And Equipment | | | | | | | | | | | | | |
| Land - Freehold | 609.34 | 56.82 | 0.00 | 0.00 | 666.16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 666.16 | 609.34 | |
| Buildings | 4941.30 | 831.25 | 0.00 | 0.00 | 5772.55 | 556.35 | 210.55 | 0.00 | 0.00 | 766.90 | 5005.65 | 4384.95 | |
| Plant and Equipment | 2235.72 | 2082.77 | 0.00 | 19.90 | 4338.39 | 453.17 | 157.08 | -13.61 | 0.00 | 623.87 | 3714.52 | 1782.55 | |
| Furniture and Fixtures | 512.40 | 134.16 | 0.00 | 5.25 | 651.81 | 425.60 | 24.69 | -1.70 | 0.00 | 451.98 | 199.82 | 86.80 | |
| Vehicles | 216.84 | 113.91 | 43.59 | 29.10 | 316.26 | 180.05 | 17.21 | -27.14 | 41.72 | 182.68 | 133.57 | 36.78 | |
| Office Equipment | 830.92 | 90.01 | 0.00 | 43.25 | 964.18 | 681.47 | 69.27 | -26.64 | 0.00 | 777.38 | 186.79 | 149.45 | |
| Computers | 237.04 | 47.96 | 0.00 | 0.66 | 285.66 | 179.41 | 30.26 | -4.11 | 0.00 | 213.78 | 71.88 | 57.63 | |
| A.C Machines & Plant | 67.06 | 0.00 | 0.00 | 0.00 | 67.06 | 63.66 | 0.05 | 0.00 | 0.00 | 63.70 | 3.35 | 3.40 | |
| Total (i) | 9650.62 | 3356.87 | 43.59 | 98.16 | 13062.06 | 2539.71 | 509.12 | -73.20 | 41.72 | 3080.31 | 9981.76 | 7110.91 | |
| b | | | | | | | | | | | | | |
| Intangible Assets | | | | | | | | | | | | | |
| Goodwill | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Trademarks | 0.07 | 0.00 | 0.00 | 0.00 | 0.07 | 0.05 | 0.01 | 0.00 | 0.00 | 0.06 | 0.01 | 0.02 | |
| Software | 14.98 | 3.87 | 0.00 | 0.00 | 18.84 | 5.06 | 4.87 | 0.00 | 0.00 | 9.94 | 8.91 | 9.91 | |
| Total (ii) | 15.04 | 3.87 | 0.00 | 0.00 | 18.91 | 5.11 | 4.90 | 0.00 | 0.00 | 10.00 | 8.91 | 9.93 | |
| c | | | | | | | | | | | | | |
| Capital Work In Progress | 2580.32 | 1325.57 | 2340.82 | 0.00 | 1565.06 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1565.06 | 2580.32 | |
| Total (iii) | 2580.32 | 1325.57 | 2340.82 | 0.00 | 1565.06 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1565.06 | 2580.32 | |
| d | | | | | | | | | | | | | |
| Intangible assets under Development | | | | | | | | | | | | | |
| Software Development | 52.96 | 21.17 | 0.00 | 0.00 | 74.14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 74.14 | 52.96 | |
| Total (iv) | 52.96 | 21.17 | 0.00 | 0.00 | 74.14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 74.14 | 52.96 | |
| Grand Total | 12298.94 | 4707.48 | 2384.41 | 98.16 | 14720.17 | 2544.82 | 514.02 | -73.20 | 41.72 | 3090.30 | 11629.87 | 9754.12 | |
| Previous Year | 7349.24 | 6850.79 | 1901.09 | 0.00 | 12298.94 | 2428.87 | 247.96 | 0.00 | 132.01 | 2544.82 | 9754.12 | 4920.37 | |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 11 Non-Current Investments

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Trade Investments (Valued At Cost) | | |
| Unquoted Investments: | | |
| In Associate Companies | | |
| 39000 Equity Shares of GSEC Bird Airport Services Private Limited of Rs. 10 each (P.Y. 2600 Shares of Rs. 10 each) | 0.00 | 2.19 |
| Investment in P C Snehal GSEC LLP (P.Y. 0 Shares) | 0.50 | 0.50 |
| 18500000 Equity Shares of Diamond Power Infrastructure Limited of Rs. 10 each (Including Goodwill of 35449.6 Lakh) (P.Y. 18500000 Shares) | 1643.95 | 1045.71 |
| 26000 Equity Shares of GSEC INDO THAI Ground Handling Pvt. Ltd. (P.Y. 26000 Shares of Rs. 10 each) | 5.31 | 0.00 |
| | 1649.75 | 1048.40 |
| Traded Quoted Investments: | | |
| 200 Equity Shares fully paid up of Rs. 2 each of Adani Port and SEZ Limited (P.Y. 0 Shares) | 1.63 | 0.00 |
| 1074 Equity Shares fully paid up of Rs. 10/-each of Reliance Industries Limited (P.Y. 1074 Shares of Rs. 10 each)) | 2.41 | 4.82 |
| 1074 Equity Shares fully paid up of Rs. 10/-each of Jio Financial Services Limited (P.Y. 0 Shares) | 2.41 | |
| 75000 Equity Shares fully paid up of Rs. 2/- each of Bodal Chemicals Limited (P.Y. 0 Shares) | 45.75 | 45.75 |
| 50000 Equity Shares fully paid up of Re.1/- each of Infibeam Avenue Limited (P.Y. 50000 Shares of Re. 1 Each) | 32.23 | 32.23 |
| 0 Equity Shares fully paid up of Re.1/- each of Neela Infrastructure Limited (P.Y. 100000 Shares of Re. 1 Each) | 0.00 | 5.86 |
| 0 Equity Shares fully paid up of Re.1/- each of Neela Spaces Limited Limited (P.Y.100000 Shares of Re. 1 each) | 0.00 | 5.86 |
| 250 Equity Shares fully paid up of Rs. 10 each of GNFC Limited (P.Y. 250 Shares of Rs. 10 Each) | 0.05 | 0.05 |
| 100 Equity Shares fully paid up of Re. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares of Rs. 10 Each) | 0.01 | 0.01 |
| 5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares of Re. 1 Each) | - | - |
| 13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares of Re. 1 Each) | 0.69 | 0.69 |
| 3090827.388 Units of Re. 1 each of Tata Ultra Short Term -Regular (P.Y. 0 Units) | 400.00 | |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 11 Non-Current Investments (Contd.....) (Amount in Lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| UNQUATED INVESTMENTS | | |
| 667 Equity Shares of GITCO OF Rs.100 each (P.Y. 667 Shares of Rs. 100 each) | 0.67 | 0.67 |
| 125001 Equity Shares of P.C.SNEHAL Construction Pvt. Limited of Rs.10 each (P.Y. 125001 Shares) | 573.75 | 573.75 |
| 1402 convertible Preference Shares of boundless brands private limited (Formerly known as Boundless Food & Beverages Pvt Ltd) (P.Y. 1402 Shares) | 25.00 | 25.00 |
| 1500 Equity Shares of Safire Technologies Private Limited of Rs. 10 each (P.Y. 1500 Shares) | 2.25 | 2.25 |
| 100 Shares - Kalupur Commercial Co-op. Bank Ltd of 25 each (Previous Year - 100) | 0.01 | 0.01 |
| Investments in Government Securities-Unquoted | | |
| 7 Years National Savings Certificates (Deposited with Mamlatdar Gandhidham) | 0.10 | 0.10 |
| Total | 1086.95 | 697.04 |
| Investment in Bank Fixed Deposits | 180.85 | 128.34 |
| INVESTMENT IN PROPERTY | | |
| BLOCK D - SILVER ARC APARTMENT | 25.72 | 25.72 |
| Total | 2943.27 | 1899.50 |
| Aggregate amount of Unquoted Investments in Lakhs | 1,650.42 | 6.65 |
| Aggregate amount of Quoted Investments (Market Value) in Lakhs | 1,225.00 | 1,225.00 |

Note 12 Long Term Loans & Advances (Unsecured, Considered Good) (Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Capital Advance | 51.06 | 152.20 |
| Deposit and Balance with Government Authorities | 104.85 | 3.81 |
| Deposit with Others | 1024.81 | 693.54 |
| Advance Income Tax (Net of Provisions) | 179.10 | 215.34 |
| Other Loans and Advances | | |
| Loans and Advances to Related Parties | 2056.51 | 1695.95 |
| Loans and Advances to Others | 777.26 | 931.23 |
| Total | 4193.60 | 3692.08 |

Advance income tax and provisions for taxation have been disclosed on net basis where a legal right to set off exists and the Company intends to settle the assets and liability on a net basis.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 13 Inventories

(At Cost or net Realisable Value whichever is lower)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------|------------------------|------------------------|
| Inventories | 888.58 | 1450.75 |
| Total | 888.58 | 1450.75 |

Note 14 Trade Receivables

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|-------------------------------|-------------------------------|
| Unsecured- Considered good | 11371.79 | 10207.10 |
| Unsecured, considered doubtful | - | - |
| Less: Provision for doubtful debts | - | - |
| Total | 11371.79 | 10207.10 |
| Trade Receivable Aging Schedule* | As at 31st March, 2024 | As at 31st March, 2023 |
| (i) Undisputed Considered Good | | |
| Not Due | 7634.20 | 8795.06 |
| Outstanding for Less Than 6 months | 3717.42 | 970.66 |
| Outstanding for 6 months - 1 year | 1.36 | 423.98 |
| Outstanding for 1 – 2 Years | 8.47 | 1.00 |
| Outstanding for 2 – 3 Years | 1.02 | 0.00 |
| Outstanding for More Than 3 Years | 9.32 | 16.40 |
| | 11371.79 | 10207.10 |
| (ii) Undisputed Considered Doubtful | | |
| (iii) Disputed Considered Good | | |
| (iv) Disputed Considered Doubtful | | |

* Where no due date of payment is specified, the disclosure has been made from the date of transaction.

Note 15 Cash & Bank Balance

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| (I) Cash & Cash Equivalents | | |
| Cash On Hand | 6.77 | 4.33 |
| Balances with Banks | | |
| - In Current Accounts/Cash Credit Account | 2514.13 | 202.03 |
| (II) Other Bank Balance | | |
| - In Fixed Deposit Accounts as Margin Money against Bank Guarantee (Maturity more than 3 Months but less than 12 Months) | 1492.63 | 1442.44 |
| - Short term bank FD | | |
| - Unpaid Dividend Accounts | 201.05 | 2.15 |
| Total | 4214.59 | 1650.95 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 16 Short-term Loans and Advances (Unsecured and Considered Good)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Loans and Advances to related parties | 5002.46 | 2777.38 |
| Loans to Employees | 9.48 | 1.08 |
| Prepaid Expenses | 21.35 | 14.74 |
| Balances with Government Authorities (Incl.GST Credit Receivable) | 1277.53 | 732.79 |
| Sales Tax Credit Receivable | 25.00 | 25.00 |
| Advance to suppliers | 1024.45 | 25.43 |
| Other Loans and Advances (Net) | 2568.78 | 906.27 |
| Total | 9929.05 | 4482.68 |

Note 17 Other Current Assets (Unsecured and Considered Good)

(Amount in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------------------|---------------------------|---------------------------|
| Interest accrued but Not Due | 2.24 | 0.00 |
| Other Current Assets | - | - |
| Total | 2.24 | 0.00 |

Note 18 Other Income

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|---|---------------|----------------|
| Interest Income | | |
| - Interest on Income Tax refund | 1.98 | 4.27 |
| - Interest on Others | 857.87 | 329.85 |
| Other non-operating income : | | |
| Dividend Income From Non- Current | 1.69 | 5.37 |
| Profit on sale of Subsidiary/ Associate | 0.00 | 0.73 |
| Profit on Sale of Mutual Fund | 0.00 | 12.81 |
| Profit on sale of Shares | 4.51 | 609.14 |
| Profit on Sale of Fixed Assets | 2.16 | 26.10 |
| Foreign Exhnage Difference | 19.22 | 0.00 |
| MISC. Dr/Cr/Written Back | 0.00 | 84.79 |
| Excess Provision for Earlier Year | 0.40 | 0.00 |
| Other income | 66.70 | 134.38 |
| Rent Income | 45.05 | 13.72 |
| Total | 999.57 | 1221.15 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 19 Change in Inventory

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-------------------------------|---------------|-----------------|
| Inventories (at close) | 888.58 | 1450.75 |
| Inventories(at commencement) | 1450.75 | 61.45 |
| Total | 562.17 | -1389.30 |

Note 20 Employee Benefits

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-------------------------------|----------------|---------------|
| (a) Salaries and incentives | 2590.06 | 567.71 |
| (b) Remuneration to Directors | 124.25 | 124.21 |
| (c) Contributions to - | | |
| (i) Provident and other fund | | |
| (ii) Superannuation scheme | 162.91 | 16.32 |
| (ii) Gratuity fund | 1.21 | 3.14 |
| (d) Staff welfare expenses | 88.72 | 42.07 |
| Total | 2967.15 | 753.45 |

Note 21 Finance Cost

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-----------------------|----------------|---------------|
| Interest Expense | 1231.28 | 489.93 |
| Bank Charges | 31.88 | 5.19 |
| Other Borrowing Costs | 114.41 | 3.65 |
| Total | 1377.57 | 498.77 |

Note 22 Other Expenses

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|--------------------------------------|---------|---------|
| Rent and License Fees | 258.20 | 188.35 |
| Land Lease Rent for Guest House | 9.24 | 9.24 |
| Rates and Taxes | 39.19 | 33.74 |
| Insurance | 57.09 | 29.03 |
| Employer / Employee Insurance | 279.40 | 138.71 |
| Electricity | 98.66 | 65.42 |
| Stationery and Printing | 15.09 | 10.23 |
| Postage and Telephone | 18.63 | 10.71 |
| Repair & Maintenance Charges: | | |
| - Building | 51.73 | 178.26 |
| - Others | 227.25 | 114.81 |
| Auditors Remuneration: | | |
| - Audit Fee | 11.88 | 3.11 |
| Professional Fees and Legal Expenses | 5342.14 | 350.42 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Note 22 Other Expenses (Contd.....)

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|--|----------------|----------------|
| Vehicle & Conveyance Expenses | 57.39 | 24.70 |
| Advertisement & Publicity Expenses | 63.95 | 13.74 |
| Travelling Expenses | 420.28 | 665.25 |
| Labor charges | 937.15 | 13.53 |
| Guest House Expenses | 15.91 | 18.98 |
| Miscellaneous Expenses | 528.89 | 63.09 |
| Penalty / Late payment charges | 1.01 | 0.02 |
| Director fees & travelling | 1.42 | 1.08 |
| Sales Promotion & business development | 17.31 | 16.93 |
| Site and Security Expenses | 78.14 | 86.47 |
| Loss on sale of Assets | 0.00 | 1.32 |
| Royalty | 925.90 | 725.33 |
| Packing Materials | 12.79 | 64.20 |
| Donation | 70.36 | 11.92 |
| Bad Debts Written Off | 0.00 | 1.38 |
| Misc. Dr/Cr/Written off | 12.34 | 41.65 |
| Commission and Agency Commssion | 0.78 | 0.00 |
| Prior period expense | 0.00 | 0.13 |
| Foreign Exchange Difference | 0.00 | 1.83 |
| Total | 9552.12 | 2883.58 |

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

The Company and Nature of its Operations:

GSEC Limited, which was a Government Company formerly known as Gujarat State Export Corporation Limited, is primarily engaged in the activities of Export - Import facilities and trading business. The Company has a custodian of Air Cargo Complexes at Ahmedabad. The Company also deals in various other products, commodities including but not limited to Chemicals, Commodities, Febrics, Gold, Petroleum Products, Silver etc.

NOTE - 23 - NOTES FORMING PART OF ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES:

1. A. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

B. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to GSEC Limited ('the Company') and its subsidiary Companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- d) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- e) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f) Gains /Losses arising on the direct sale by the company of its investments in subsidiaries or associated companies to third parties are transferred to consolidated statements of profit and loss. Such gains or losses are the difference between the sale proceeds and net carrying value of investments.
- g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except SMTPL (Joint ventures of parent)'s employee benefit obligations are calculated in line with Ind AS 19 where parent follows AS 15 for disclosure and calculation of employee benefits.
- h) The Group accounts for its share of post-acquisition changes in net assets of associates after eliminating unrealised profits and losses resulting from transactions between the Group and its associates.

i) The group accounts for its share in Jointly controlled entities's assets, liabilities, income and expense as per proportionate consolidation. Details of group's share in Jointly controlled entities is disclosed in Note 24(xii).

C. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

D. Other significant accounting policies these are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

II. DISCLOSURES:

1. Details of Payments to Auditor

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|-------------------------|--------------|-------------|
| A. Audit | 10.73 | 2.81 |
| B. For taxation matters | 1.15 | 0.30 |
| C. Certification | 0.10 | 0.10 |
| Total | 11.98 | 3.21 |

2. Payment of Managerial Remuneration

Salaries and wages of Rs. 124.25 Lakhs (Previous Year Rs 124.20 Lakhs) being the remuneration to Chairman and Executive Directors' of the Company. The said remuneration is not in excess of the limits laid down u/s 197 read with Schedule V of the Companies Act, 2013.

3. Balance of debtors, creditors, loans and advances

(iii) Balance of debtors, creditors, loans and advances are subject to confirmation by the parties concerned and adjustment, if any.

4. (A) Contingent Liabilities not provided for :

- a) Claims against the company not acknowledged as debt of Rs. 61.86 Lakhs (Previous Year Rs. 61.86 Lakhs).
- b) Higher demand of Rs. 34.76 Lakhs including Interest for nonpayment of the demand raised by The Airport Director, Indore for Hanger Rent for the period from 01.04.2008 to 20.06.2013, as the Company has sought to reverse this amount on the basis of similar earlier reversal. The agreement for renewal of air cargo complex license which was due on 23.11.2011 is also not executed, pending Resolution of this dispute. However, the work at Air Cargo Complex – Indore continues and Company has deposited Rs. 35 Lakhs in 2013-14 under protest.
- c) Demand raised in 2012-13 by The Asst. Commissioner of Commercial Tax, Flying Squad – Ahmedabad of Rs. 887.39 Lakhs for not allowing input credit of VAT on the purchases of Drinking Water Plant/ Water Treatment Plant for the year 2007-08 and 2008-09, as the supplier from whom the purchases have been made have not paid the Vat tax collected from the company. As the company has preferred an appeal before higher authorities no provision in the account have been made. However, the Company has deposited Rs. 25 Lakhs under protest.
- d) Corporate guarantee given by company on behalf of Joint Venture Smartmeters Technologies Private Limited to State Bank of India, SME Law Garden Branch, Ahmedabad against credit facilities sanctioned by the Bank of Rs. 78.42 Crores on 21.03.2024.
- e) Corporate guarantee given by company on behalf of Subsidiary Electrify Energy Pvt. Limited to State Bank of India, SME Law Garden Branch, Ahmedabad against credit facilities sanctioned by the Bank of Rs. 45.30 Crores on 21.02.2024.

- f) Demand raised for 129.2 Lakhs by State Tax officer for the period of 2017-18 and 2018-19. Company has filed appeal against this demand so presently no provision is made. Further Demand of Rs 1.56 Lakhs is raised by State Tax officer for the period of 2019-20. Company is in the process of filing appeal against the order so currently no provision is made
- g) **Contingent liabilities of Joint Venture of parent :**

| No. | Particulars | As at 31-03-2024 | As at 31-03-2023 |
|-----|--|---------------------|---------------------|
| 1 | Relating to Income Tax Act | 118.096 Lacs | 0 |
| 2 | Bank Guarantee issued by company (Secured by FD with margin ranging from 10% to 100%) | 153.79 Lacs | 0 |
| 3 | Pre-payment penalty for forclosure of Bank of Maharashtra Loan | 141.25 Lacs | 0 |
| 4 | Interest and penalty related to failure of compliance of export obligation of EPCG license | unascertained | 0 |

B. Capital Commitment

(Amount in Lakhs)

| Particulars | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|--|----------------------------------|----------------------------------|
| Estimated Liabilities on Capital commitments (Parent) | 0.00 | 300.00 |
| Estimated Liabilities on Capital commitments (Joint Venture) | 718.48 | 1196.85 |

The amount has been estimated by management and the figures has been relied upon by Auditors.

5. Disclosures pursuant to Accounting Standard (AS) 15 (Revised)

Employees Benefits:

Defined Benefits Plans as per Actuarial Valuation on March 31, 2023

(Amount in Lakhs)

| Sr. No. | Particulars | Amount as on 31-03-2024 | | Amount as on 31-03-2023 | |
|---------|--|----------------------------|-------------------------|----------------------------|-------------------------|
| | | Gratuity (Funded) | Gratuity (unfunded)* | Gratuity (Funded) | Gratuity (unfunded)* |
| (1) | The amounts recognized in the Balance Sheet as at the end of the year | | | | |
| | Present Value of Funded Obligation | -60.68 | -12.37 | -61.63 | -6.71 |
| | Fair Value of Plan Assets | 69.34 | 0.00 | 63.08 | 0.00 |
| | Present Value of Unfunded Obligation | | | | |
| | Net (Assets)/liability | 8.67 | -12.37 | 1.45 | -6.71 |
| (2) | The amounts recognized in Profit and Loss Account for the year | | | | |
| | Current Service Cost | 6.49 | 6.52 | 6.02 | 4.57 |
| | Net Interest Cost | 0.13 | 0.50 | 0.13 | 0.28 |
| | Actuarial (Gains)/Losses | -1.93 | -1.36 | -1.93 | -1.87 |
| | Past Service Cost | - | - | - | - |
| | Total Expenses | 4.68 | 5.66 | 4.22 | 2.98 |

5. Disclosures pursuant to Accounting Standard (AS) 15 (Revised) (Contd.....)
Employees Benefits:

Defined Benefits Plans as per Actuarial Valuation on March 31, 2023

(Amount in Lakhs)

| Sr. No. | Particulars | Amount as on 31-03-2024 | | Amount as on 31-03-2023 | |
|------------|---|--|----------------------|--|----------------------|
| | | Gratuity (Funded) | Gratuity (unfunded)* | Gratuity (Funded) | Gratuity (unfunded)* |
| (3) | The Changes in Obligations during the year | | | | |
| | Present value of Defined benefit Obligation at the beginning of the year | 61.63 | 6.71 | 58.32 | 3.73 |
| | Current Service Cost | 6.49 | 6.52 | 6.02 | 4.57 |
| | Interest Cost | 4.62 | 0.50 | 4.23 | 0.28 |
| | Actuarial (Gains)/Losses | -6.34 | -1.36 | -2.17 | -1.87 |
| | Benefit Payments | -5.72 | 0.00 | -4.77 | 0.00 |
| | Past Service Cost | | | | |
| | Present value of Defined Benefit Obligation at the end of the year | 60.68 | 12.37 | 61.63 | 6.71 |
| (4) | The changes in Plan Assets during the year | | | | |
| | Plan Assets at the beginning of the year | 63.08 | | 56.59 | |
| | Expected Return on Plan Assets | 4.73 | | 4.10 | |
| | Actuarial gains and (losses) | -0.37 | | -0.24 | |
| | Contribution by Employer | 7.62 | | 7.40 | |
| | Actual Benefit Paid | -5.72 | | -4.77 | |
| | Plan assets at the end of the year Actual return on Plan Assets | 69.34 | | 63.08 | |
| (5) | Actuarial Assumption : | | | | |
| | Discount Rate | 7.22% | | 7.50% | |
| | Expected Return on Plan Assets | 7.22% | | 7.50% | |
| | Employee Turnover Rate | 2.00% | | 2.00% | |
| | Salary Escalation Rate | 7.00% | | 7.00% | |
| | Mortality | Indian Assured Lives Mortality 2012-14 (Urban) | | Indian Assured Lives Mortality 2012-14 (Urban) | |
| | Retirement age | 58 & 60 Years | | 58 & 60 Years | |

* This refers to the Liabilities of Smartmeter Technologies Private Limited (Joint Venture of parent). Parent has recognized 50% as its share in this liability and related expenses in Consolidated Financial Statements.

6. Related Party Disclosure

As per Accounting Standard 18, related party disclosure issued by ICAI, the disclosure of transaction with related parties as defined in AS-18 are given below:

A. Name of Related Parties & Description of Relationship with whom Transactions where .

| Name of Related Party | Relationship |
|---|---|
| Komal Infotech Pvt. Ltd. | Holding Company |
| GSEC Bird Airport Services Pvt Ltd | Associate Company |
| Sky High Airport Services Pvt Ltd (Formerly Know As Bangalore Airport Terminal Servies Pvt Ltd) | Subsidiary Company |
| PC Snehal GSEC LLP | Associate LLP |
| GSEC Indo Thai Ground Handling Pvt Ltd | Associate Company |
| Diamond Power Infrastructure Limited | Associate Company |
| Smartmeters Technologies Private Limited | Joint Venture |
| GSEC Aviation Limited | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| India One Air Pvt Ltd. (Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Kalpavruksha Worldwide Pvt Ltd (Formerly Kalpavruksha Estate and Finance Pvt. Ltd.) | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Vishwa Imports LLP | Entity under common control or KMP or relatives of KMP excersizes significant influence |
| Priti R. Shah | Relative of Director |
| Rakesh R Shah | Key Managerial Personnel |
| Shaishav R Shah | Key Managerial Personnel |
| Samir H Mankad | Key Managerial Personnel |
| Raji Shah | Key Managerial Personnel |
| Dinesh Shah | Key Managerial Personnel (resigned W.e.f. 1-5-2024) |

B. Transaction during the year with related Parties (Excl. Reimbursement) (Amount in Lakhs)

| Name of Related Party | Nature of Transactions | 2023-24 | 2022-23 |
|--|------------------------|---------|---------|
| Komal Infotech Pvt. Ltd. | Loan Received | 350.00 | 1415.00 |
| | Loan Repaid | 361.19 | 23.16 |
| | Interest paid | 91.69 | 13.28 |
| Diamond Power Infrastructure Limited | Loan Given | 1958.60 | 2125.84 |
| | Loan Received back | 276.80 | 28.25 |
| | Shares acquired | 0.00 | 1850.00 |
| | Recovery of expenses | -18.12 | 81.88 |
| | Sale of goods | 5126.01 | 0.00 |
| | Interest Received | 497.07 | 26.60 |
| | Rent Paid | 21.61 | 0.00 |
| GSEC Indo Thai Ground Handling Pvt Ltd | Shares acquired | 0.00 | 0.00 |
| P C Snehal GSEC LLP | Capital introduced | 0.00 | 0.00 |

B. Transaction during the year with related Parties (Excl. Reimbursement) (Amount in Lakhs)

| Name of Related Party | Nature of Transactions | 2023-24 | 2022-23 |
|--|------------------------|---------|---------|
| Rakesh R Shah | Remuneration paid | 72.00 | 72.00 |
| | Issue of Shares | 2500.00 | 0.00 |
| | Loan Received | 2943.00 | 7777.00 |
| | Loan Repaid | 4499.25 | 5201.84 |
| | Interest paid | 299.91 | 125.43 |
| Shaishav Shah | Remuneration paid | 22.85 | 22.85 |
| | Issue of Shares | 2500.00 | 0.00 |
| | Loan Received | 1247.47 | 1826.56 |
| | Loan Repaid | 2436.67 | 527.42 |
| | Interest paid | 200.36 | 104.06 |
| | Rent Paid | 3.04 | 3.04 |
| Samir Mankad | Remuneration paid | 29.40 | 29.40 |
| | Professional Fees Paid | 13.50 | 1.13 |
| Dinesh Shah | Remuneration paid | 30.00 | 30.00 |
| Priti Shah | Rent Paid | 13.89 | 13.89 |
| India One Air Pvt Ltd. (Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Loan Given | 0.00 | 23.38 |
| | Interest received | 13.03 | 0.00 |
| Kalpavruksha Worldwide Private Limited | Loan Received | 1950.00 | 9850.00 |
| | Loan Repaid | 54.87 | 8894.17 |
| | Interest paid | 201.08 | 222.59 |
| GSEC Aviation Limited | Loan Given | 512.25 | 500.14 |
| | Loan Received back | 25.00 | 125.01 |
| | Interest Received | 123.77 | 94.39 |
| GSEC Bird Airport Services Pvt Ltd | Service charges at ACC | 75.89 | 37.98 |
| | Shares Acquired | 3.64 | 3.64 |

C. Outstanding balances (Amount in Lakhs)

| Name of Related Party | Nature of Transactions | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|--|------------------------------|-------------------------------|-------------------------------|
| Komal Infotech Pvt. Ltd. | Unsecured Loan | 1437.04 | 1436.28 |
| Rakesh R Shah | Unsecured Loan | 2281.16 | 3567.49 |
| Shaishav Shah | Unsecured Loan | 1340.82 | 2349.69 |
| India One Air Pvt Ltd. (Formerly Know as GSEC Monarch and Deccan Aviation Pvt. Ltd.) | Unsecured Loan receivable | 121.30 | 108.27 |
| Kalpavruksha Worldwide Private Limited | Unsecured Loan | 4313.54 | 2237.26 |
| GSEC Aviation Limited | Unsecured Loan receivable | 2185.21 | 1586.85 |
| GSEC Bird Airport Services Pvt Ltd | Outstanding trade receivable | 17.81 | 4.52 |
| Diamond Power Infrastructure Limited | Outstanding trade receivable | 2080.64 | 84.87 |
| | Unsecured Loan receivable | 4232.57 | 2121.54 |
| | Unpaid Rent | 15.10 | 0.00 |

7. Deferred Tax (Liabilities)/Assets:

The net Deferred Tax (Liabilities)/Assets as on March 31, 2024 amounting to Rs. 102.05 Lakhs (2022-23 Rs. (36.31 Lakhs)) has been arrived at as follows.

(Amount in Lakhs)

| Deferred Tax Assets/(Liabilities) arising from: | For the Year ended 31-03-2024 | For the Year ended 31-03-2023 |
|---|-------------------------------------|-------------------------------------|
| Depreciation | (133.09) | -8.44 |
| Gratuity & Leave Encashment | 37.64 | 12.28 |
| Others | 197.57 | -40.15 |
| Total | 102.05 | -36.31 |

The tax impact for the above purpose has been arrived by applying a tax Rate prevailing for respective companies under the Income Tax Act, 1961. Based on the management's estimate; the company would have sufficient Taxable Income in future to utilize credit available under the Income Tax Act, 1961.

8. Earning per Share (EPS):

(Amount in Lakhs)

| Particulars | 2023-24 | 2022-23 |
|---|--------------|--------------|
| Net profit/(Loss) after Tax | 1641.21 | -55.49 |
| Number of Equity Share | 75.50 | 75.50 |
| Nominal Value of Equity Share | 10.00 | 10.00 |
| Basic & Diluted Earning Per Share (In Rs.) | 21.74 | -0.73 |

| Particulars | 2023-24 | 2022-23 |
|---|----------------|---------------|
| Net profit/(Loss) after Tax | 1641.21 | -55.49 |
| Increase in profit on account of conversion of convertible securities | 0.00 | 0.00 |
| Net profit/(Loss) | 1641.21 | -55.49 |
| Number of Equity Share | 75.50 | 75.50 |
| Increase in number of shares on account of conversion of convertible securities | 50.00 | 0.00 |
| Number of Equity Share | 125.50 | 75.50 |
| Nominal Value of Equity Share | 10.00 | 10.00 |
| Diluted Earning Per Share (In Rs.) | 13.08 | -0.73 |

9. Information required in terms of Clause 5 (viii) of Part-II of Schedule III to the Companies Act, 2013.
(Amount in Lakhs)

| Deferred Tax Assets/(Liabilities) arising from: | | For the Year ended 2023-24 | For the Year ended 2022-23 |
|---|--|----------------------------------|----------------------------------|
| a. | C.I.F. value of imports of: Trading Goods Spare parts Capital Goods | - - - | - - - |
| b. | Expenditure in Foreign Currency on Foreign Travel | 200.99 | 120.63 |
| c. | Expenditure in Foreign Currency on purchase of capital items | - | - |
| d. | Consumption of: i. Raw Materials ii. Store and Spares Parts | - - | - - |
| e. | Remittance in Foreign Currency On accounts of Agency Commission | - | - |
| f. | Earning in Foreign Exchange (Value of Goods Exported) | | |

10. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are:
- repayable on demand or
 - without specifying any terms or period of repayment

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------------------|--|--|
| Promoter | 0.00 | - |
| Directors | 0.00 | - |
| KMPs | 0.00 | - |
| Related Parties | 6539.09 | 62.85% |

11. In respect of Jointly Controlled Entities, the Company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

| Particulars | Amount in Lakhs |
|--|-----------------|
| Assets | |
| Property Plant and Equipment and Intangible Assets | 4203.83 |
| Non-Current Investments | 35.49 |
| Other Non-Current Assets | 32.78 |
| Current Investments | 0.00 |
| Other Non-Current Assets | 861.50 |
| Liabilities | |
| Long-Term Borrowings | 2258.22 |
| Other Long Term Liabilities & Provisions | 124.10 |
| Short-Term Borrowings | 1561.96 |
| Other Short Term Liabilities & Provisions | 525.31 |
| Income | 966.34 |
| Expense | 1400.44 |

12. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

| Particulars | Net Assets | | Share in Profit/(Loss) | |
|---|------------------------------|------------------------|------------------------|-----------------|
| | % of Consolidated Net Assets | Amount in Lakhs Profit | % of Consolidated | Amount in Lakhs |
| Parent | | | | |
| GSEC Limited | 89,42% | 11731.08 | 4,23% | 69.43 |
| Subsidiaries | | | | |
| GSEC Logistics Limited | 0,24% | 31.87 | -0,33% | -5.40 |
| Electrify Energy Private Limited | 6,61% | 866.95 | 45,56% | 747.81 |
| GSEC Air Services Private Limited | 4,63% | 607.28 | 17,98% | 295.13 |
| Sky High Airport Services Pvt Ltd (Formerly Know As Bangalore Airport Terminal Servies Pvt Ltd) | 3,71% | 486.63 | 15,66% | 256.98 |
| Aviserve Facilities Private Limited | 0,16% | 21.33 | 1,31% | 21.53 |
| Aviground Facilities Private Limited | 0,00% | -0.52 | -0,05% | -0.77 |
| Avipark Facilities Private Limited | 0,65% | 85.32 | 5,44% | 89.25 |
| Associates | | | | |
| GSEC Bird Airport Services Private Limited | -0,03% | -3.90 | -0,13% | -2.19 |
| GSEC Indo-Thai Ground Handling Private Limited | 0,02% | 2.71 | 0,32% | 5.31 |
| GSEC PC Snehal LLP | - | - | - | - |
| Diamond Power Infrastructure Limited | -1,57% | -206.05 | 36,45% | 598.24 |
| Joint Ventures | | | | |
| Smartmeters Technologies Private Limited | -3,84% | -503.94 | -26,45% | -434.10 |
| Total | 100,00% | 13118.77 | 100,00% | 1641.21 |

13. Segment Information:-

Based on the guiding principles given in Accounting Standard on 'Segment Reporting' (AS – 17) as notified by Companies Accounting Standards Rules , 2008, the company's primary business segments are Airport Service and Trading Activities which have got their own respective risk and return profiles.

Financial information about the primary business segment for the year ended 31st March, 2024.

(Amount in Lakhs)

| S. N. | Particulars | Cargo Handling & Allied Services | | Manufacturing & Sale of Goods | | Total | |
|-----------|--|----------------------------------|----------------|-------------------------------|-----------------|-----------------|-----------------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| A. | Revenue | | | | | | |
| | Services/Sales Revenue | 15647.43 | 3690.51 | 53554.62 | 58225.42 | 69202.05 | 61915.93 |
| | Intersegment Revenue | - | - | - | - | - | - |
| | Total Revenue | 15647.43 | 3690.51 | 53554.62 | 58225.42 | 69202.05 | 61915.93 |
| B. | Result | | | | | | |
| | Segment Result Profit/Loss | 3623.73 | 1824.93 | 966.88 | 286.24 | 4590.61 | 2111.17 |
| | Other Income excluding Interest Income | | | | | 141.70 | 891.30 |
| | Other Unallocable Expenses | | | | | 2690.26 | 1953.73 |
| | Operating Profit | | | | | 2042.06 | 1048.73 |
| | Interest Income | | | | | 857.87 | 329.85 |
| | Interest Expenses | | | | | 1231.28 | 489.93 |
| | Profit Before Tax | | | | | 1668.65 | 888.65 |
| | Provision For Income Tax (including Deferred Tax) | | | | | 455.84 | 139.21 |
| | Net Profit | | | | | 1212.81 | 749.44 |
| C. | Other Information | | | | | | |
| | Capital Employed | | | | | | |
| | Segment Assets | 2111.16 | 1366.27 | 18260.25 | 17075.38 | 20371.41 | 18441.65 |
| | Segment Liabilities | 3166.36 | 240.80 | 11825.08 | 11526.12 | 14969.47 | 11766.92 |
| | Other Unallocable Corporate Assets and Liabilities | 0.00 | 0.00 | | | 7716.83 | -384.82 |
| | Total Capital Employed | | | | | 13118.77 | 6289.90 |
| | Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year | 144.30 | 16.33 | 1479.47 | 2659.61 | 1623.77 | 2675.93 |
| | Other Unallocable Capital Expenditures | 0.00 | 0.00 | 0.00 | 0.00 | 699.30 | 2273.77 |
| | Total | 144.30 | 16.33 | 1479.47 | 2659.61 | 2323.07 | 4949.70 |
| D. | Segment Depreciation | 124.44 | 114.56 | 182.19 | 98.94 | 306.63 | 213.50 |
| E. | Non Cash Expenses other than Depreciation | 0.00 | 0.00 | 12.34 | 43.03 | 12.34 | 43.03 |

14. Other Disclosures:

- A. Previous year figures are regrouped / reclassified wherever necessary to conform to this year's classification.
- B. The group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of date of signing, there are no subsequent events to be recognized or reported that are not already disclosed.
- C. There are no proceedings initiated or pending against the group under section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder for holding any benami property.
- D. The group has not been declared a wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- E. The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- F. There is no immovable property in the books of the group whose title deed is not held in the name of the group.
- G. The group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/entities identified in any manner whatsoever by or on behalf of the group ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- H. The group has not received any fund from any person or entity, including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the group shall 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.
- I. The group does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- J. The group did not enter into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- K. There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- L. The group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- M. The group has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

For BJS & Associates

Chartered Accountants
Firm Registration No. 113268W

CA BIPIN J SHAH
Partner
Membership No. 10712

Date : 05/09/2024
Place : Ahmedabad
UDIN: 24010712BKFAOB7471

For and on behalf of Board of Directors of GSEC Limited

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

Jay R Chavda
Company Secretary
M. No. A63127

Place : Ahmedabad
Date : 05/09/2024

SAMIR MANKAD
CEO & Whole-Time Director
DIN: 00421878

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **58TH ANNUAL GENERAL MEETING** of the Members of **GSEC LIMITED** will be held on **Friday, the 27th day of September, 2024** at **12.00** noon through Video Conferencing or other audio-visual means to transact the following business and the place of the meeting shall be deemed to be 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad-380009:

ORDINARY BUSINESS:-

- 1 To receive, consider, approve and adopt the audited standalone & consolidated financial statement of the Company including Balance Sheet as at 31st March, 2024, Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon.
- 2 To appoint a director in place of Mr. Samir Mankad (DIN: 00421878), who retires by rotation and being eligible offers himself for re-appointment.
- 3 To appoint Statutory Auditor of the company.

To consider and, if thought fit, to pass the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s.NPV & Associates LLP., Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company for the term of five years, from the conclusion of this 58th Annual General Meeting till the conclusion of the 63rd Annual General Meeting to be held in the year 2029, at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:-

- 4 Re-Appointment of Mr. Samir Hanskumar Mankad (DIN: 00421878) as a Whole-Time 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 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Samir Mankad (DIN: 00421878) as Whole-Time Director of the Company with effect from 1st October, 2024 to 30th September, 2025 for a period of one year, as well as for the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors and /or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment in such manner as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the said Director shall be liable to retire by rotation.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

- 5 Re-Appointment of Mr. Rakesh Ramanlal Shah (DIN: 00421920) as a Chairman & Managing 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 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Rakesh Shah (DIN: 00421920), as Chairman and Managing Director of the Company with effect from April 1, 2025 for a period of three years, as well as for the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors and /or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be decided by the Board of Director.”

“RESOLVED FURTHER THAT the said Director shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified under the provisions of Companies Act, 2013.”

- 6 To Approve material related party transactions with Diamond Power Infrastructure Limited, Associate 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 Section 188 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with Diamond Power Infrastructure Limited, Associate Company, a related party falling within the definition of ‘Related Party’ under Section 2(76) of the Act for financial year 2024-25 and 2025-26 on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related party and the Company, such that the maximum value of the Related Party Transactions with such party, in aggregate, does not exceed value as detailed in the explanatory statement provided that the said transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) shall be carried out in the ordinary course of business and at arm’s length basis.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

NOTES:

- 1 Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and 10/2022 dated December 28, 2022 and 9/2023 dated September 25, 2023 and all other relevant circulars issued from time to time, (collectively referred to as “MCA Circulars”) has allowed convening Annual General Meeting without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), as amended from time to time, read with the MCA Circulars, the Annual General Meeting (“AGM”) of the Company is scheduled to be held through VC/OAVM and the voting for items to be transacted in the Notice to this AGM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- 2 As per Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf. Since the 58th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 58th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 3 The Members can join the AGM in the VC/OAVM mode 30 minutes before and within 15 minutes from the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on a first come first served basis as per the MCA Circulars.
- 4 As per the provisions under the MCA Circulars, Members attending the 58th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 5 Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the 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.
- 6 In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <http://www.gsecl.co.in>.

The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- 7 AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
- 8 The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses as set out in the Notice is annexed hereto.
- 9 The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote-voting and e-voting during the AGM. The process and instructions for remote e-voting are provided in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 58th AGM being held through VC.

- 10 In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- 11 Further, in terms of the MCA Circulars, the Company is sending this AGM Notice along with the Annual Report for FY2023-24 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The AGM Notice is also available on the website of company i.e. <http://www.gsecl.co.in>.
- 12 Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, will be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
- 13 The following documents will be available for inspection by the Members electronically during the 58th AGM. Members seeking to inspect such documents can send an email to cs@gsecl.co.in.
 - a) The Register of Director and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 ('the Act'), and the Register of Contract or Arrangements in which the directors are interested, maintained under Section 189 of the Act and other relevant registers and documents, will be available for inspection electronically by the member at the AGM.
 - b) All such documents referred to in this Notice and the Explanatory Statement.
- 14 Those Members whose Email Id are not registered can get their Email Id registered as follows:
 - a) Members holding shares in demat form can get their Email Id registered / updated by contacting their respective Depository Participant.
 - b) Members holding shares in the physical form can get their Email Id registered by contacting our Registrar & Share Transfer Agent "Bigshare Services Private Limited" on their Email Id bssahd@bigshareonline.com or by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their Email Id bssahd@bigshareonline.com.
- 15 Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Corporate Secretarial Department of the Company at its registered office.
- 16 Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Members will need the latest version of Chrome, Safari, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops 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 glitches.
- 17 Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at cs@gsecl.co.in. before 3.00 p.m. (IST) on Friday, 20th September, 2024. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
- 18 Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number to cs@gsecl.co.in on or before on Friday, 20th September,

2024, Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- 19 Members who need assistance before or during the AGM, can contact Company Secretary on number: 079-26575757 or at email id: cs@gsecl.co.in.
- 20 The unclaimed/unpaid dividend till the financial year ended March 31, 2016 has been transferred to the Investor Education and Protection Fund of the Central Government (“the Fund”). Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Fund or the Company. Shareholders who have not yet encashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.

| Financial year ended on | Date of declaration of dividend | Dividend payment % | Expected date of transfer of unpaid dividend to IEPF Account |
|-------------------------|---------------------------------|--------------------|--|
| 2016-17 | 28-09-2017 | 5% | 04-12-2024 |
| 2017-18 | 28-09-2018 | 5% | 04-12-2025 |
| 2018-19 | 26-09-2019 | 5% | 02-12-2026 |
| 2019-20 | N.A. | N.A. | N.A. |
| 2020-21 | N.A. | N.A. | N.A. |
| 2021-22 | N.A. | N.A. | N.A. |
| 2022-23 | N.A. | N.A. | N.A. |

- 21 Pursuant to the provisions of Section 124(6) of the Companies Act, 2013, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund. The Company has also written to the concerned shareholders intimating them their particulars of the equity shares due for transfer. No claim shall lie against the Company in respect of these equity shares post their transfer to Investor Education and Protection Fund. Upon transfer, the shareholders will be able to claim these equity shares only from the Investor Education and Protection Fund Authority by making an online application.
- 22 Members are requested to intimate any change of name, address etc. to RTA i.e. M/s. Bigshare Services Private Limited at A/802, Samudra Complex, Near Klassic Gold Hotel, Off C G Road, Ahmedabad-380009 or the Secretarial Department of the Company at registered office immediately.
- 23 Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
- 24 As per MCA Notification dated 10.09.2018 the transfer in physical form (except in case of transmission or transposition of securities) shall not be processed by the Company. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
- 25 Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company’s Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes thereon. Members are requested to use the new share transfer form SH-4 for the same.

- 26 Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 27 Members desiring for cancelling or making any variation in the details of nomination are required to submit SH 14 as prescribed by the Government and the form can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 28 The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the registered office address or e-mail their grievances/queries to the e-mail address: cs@gsecl.co.in.
- 29 **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**
1. The remote e-voting period begins on **Monday 23rd September, 2024 at 09.00 A.M. (IST) and ends on Thursday 26th September at 05.00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday 20th September 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday 20th September 2024.
 2. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in compliance of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') Accordingly, a member may exercise his vote by electronic means and the business set out in the notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through e-voting platform of National Securities Depository Limited (NSDL) ("remote e-voting).
 3. Members whose names are recorded in the Register of members or in the register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. **Friday 20th September 2024**, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
 4. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **Friday 20th September 2024**, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through e-voting at the AGM by following the procedure mentioned in this part.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

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





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

Step 1: Access to NSDL e-Voting system

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

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

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

| Type of Shareholders | Login Method |
|---|---|
| <p>Individual Shareholders holding securities in demat mode with NSDL.</p> | <p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| | <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> |
| | <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| | <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="766 1568 1404 1948" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div> |

| Type of Shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. |
| | 2. 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. |
| | 3. 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. |
| | 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your 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. or Physical Demat (NSDL or CDSL) | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@parikhdave.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms Pallavi Mhatre 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 shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **cs@gsecl.co.in**.
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 **cs@gsecl.co.in**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@gsecl.co.in. The same will be replied by the company suitably.

Contact Details Company : **GSEC Limited**

Regd. Office : 2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad-380009.

CIN : U52100GJ1965PLC001347

Email ID : cs@gsecl.co.in

e-Voting Agency : National Securities Depository Limited

E-mail ID : evoting@nsdl.co.in / NipuIS@nsdl.co.in

Scrutinizer : Shri Umesh Parikh failing him Shri Uday Dave Partner of
Parikh Dave & Associates, Company Secretaries.
E-mail ID: evoting@parikhdave.com

- 31 Details of Directors seeking appointment/re-appointment at the 58th Annual General Meeting of the Company:

| Name of Director | Mr. Samir Hanskumar Mankad | Mr. Rakesh Shah |
|---|--|--|
| DIN | 00421878 | 00421920 |
| Date of Birth | July 13, 1960 | March 04, 1953 |
| Nationality | Indian | Indian |
| Date of Appointment | March 08, 2004 | March 08, 2004 |
| Father / Husband Name | HANSKUMAR MANKAD | RAMANLAL SHAH |
| Relationship with Directors | None | Father of Mr. Shaishav Shah Joint Managing Director of the company and father-in-law of Ms. Raji Shah Non-Executive Director of the company. |
| Details of remuneration sought to be paid / proposed remuneration | Please refer to Item No. 4 and the Explanatory Statement thereto forming | Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year. |
| Details of remuneration last drawn by such person, if any | 29.40 Lakhs per annum being a whole-time Director | 72 Lakhs per annum being a Chairman and Managing Director |
| Qualifications | B.E. (Mechanical), M.B.A. | B. Com |
| Expertise in functional area | Air Cargo operations, Logistics and allied services | Management and Administration |

| Name of Director | Mr. Samir Hanskumar Mankad | Mr. Rakesh Shah |
|--|--|---|
| Board Membership in other Companies as on March 31, 2024 | <ol style="list-style-type: none"> 1. GSECL LOGISTICS LIMITED 2. GSECAVIATION LIMITED 3. SKY HIGH AIRPORT SERVICES PRIVATE LIMITED 4. AVIGROUND FACILITIES PRIVATE LIMITED 5. AVIPARK FACILITIES PRIVATE LIMITED 6. AVISERVE FACILITIES PRIVATE LIMITED 7. GSEC AIR SERVICES PRIVATE LIMITED 8. GSEC BIRD AIRPORT SERVICES PRIVATE LIMITED 9. GSEC-INDO-THAI GROUND HANDLING PRIVATE LIMITED 10. ALLIED PARKING SERVICES PRIVATE LIMITED | <ol style="list-style-type: none"> 1. ELECTRIFY ENERGY PRIVATE LIMITED 2. GSEC WASTE MANAGEMENT SOLUTIONS PRIVATE LIMITED 3. SMART METERS TECHNOLOGIES PRIVATE LIMITED 4. GSEC ENVIRO SOLUTION PRIVATE LIMITED 5. GOMAX AVIATION PRIVATE LIMITED 6. GSECL LOGISTICS LIMITED 7. DIAMOND POWER INFRASTRUCTURE LIMITED 8. SHUBHMANGAL EXIM PRIVATE LIMITED 9. MAYFAIR LEISURES LIMITED 10. GSECAVIATION LIMITED. 11. SKY HIGH AIRPORT SERVICES PRIVATE LIMITED 12. KALPAVRUKSHA WORLDWIDE PRIVATE LIMITED 13. GULMOHAR GREENS-GOLF AND COUNTRY CLUB LIMITED 14. KOMAL INFOTECH PRIVATE LIMITED |
| Chairman/Member of the Committee of the Board of directors in other public companies as on March 31, 2024; | Nil | Equity Shares - 2083760 (27.60%) Preference Shares – 2500000 (50%) |

Date : 05th September, 2024
Place : Ahmedabad

Registered Office: 2nd Floor,
Gujarat Chamber's Building,
Ashram Road, Ahmedabad-380 009.

By Order of the Board of Directors,

Mr. Rakesh Shah
Chairman and Managing Director
DIN: 00421920

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain Special Businesses mentioned in the accompanying Notice.

Item No. 4

As the term of Mr. Samir Mankad as Whole- Time Director is till September 30, 2024, the Board of Directors in their meeting held on September 05, 2024, has re-appointed Mr. Samir Mankad as Whole Time Director of the Company for further period of one year from October 1, 2024 to 30th September, 2025, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Samir Mankad has been serving as the Whole-time Director; designated as Executive Director, since the acquisition of the company from the then Government of Gujarat in 2004. Mr. Mankad holds B.E. (Mechanical), M.B.A. and has 36 years of long standing industrial experience. He looks after Air Cargo operations at all the Air Cargo Complexes of the Company very closely. Having long and successful years of experience in diversified projects management, Logistics, MIS, HR and other top management areas, he has gained a distinct knowledge and managerial skills.

On recommendation of Nomination and Remuneration Committee and considering his vast knowledge, rich business experience and continuous efforts made towards the growth of the Company the Board has re-appointed him as a Whole-Time Director for further period of one-year w.e.f. 1st October, 2024 and payment of remuneration, subject to approval of members as per the terms and conditions as mentioned below.

- A. Tenure:** 1st October, 2024 to 30th September, 2025
- B. Salary:** Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding Rs. 48,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder for each year.
- C. Increment:** An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount.
- D. Perquisites:**
 - a) In addition to the salary, the said Director shall be eligible for the following perquisites, which shall not be included in the computation of ceiling of remuneration specified hereinabove.
 - I. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - II. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - III. Encashment of leave at the end of the tenure.
 - b) He shall also be entitled for following perquisites:
 - i. Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of Rs. 24,000/- per year or Rs. 72,000/- over a period of three years.
 - ii. Personal Car for official use and purpose shall be provided by the Company. Expenses for Driver and Fuel Reimbursement shall be made.

In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Committee and existing rules and policies of the HR Department of the Company.

Statement pursuant to clause (b) of section II of part-II of schedule V of the Companies Act, 2013 is annexed at the end of this explanatory statement.

The Board recommends the Resolution set out under item No. 3 for approval of members.

None of the other Directors of the Company and / or their relatives are concerned or interested, financially or otherwise in the said resolution except Mr. Samir Mankad, being the concerned appointee.

Item No.: 5

As the tenure of Mr. Rakesh Shah as Chairman and Managing Director will expire on March 31, 2025, the Board of Directors in their meeting held on September 05, 2024, has re-appointed Mr. Rakesh Shah as Chairman and Managing Director of the Company for a period of three years from April 1, 2025 to March 31, 2028, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Rakesh Shah has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time. Mr. Rakesh Shah guided the Company through decade for diversification and growth of the Company. It would be in the interest of the Company to continue the employment of Mr. Rakesh Shah as Chairman and Managing Director of the company.

In compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of Mr. Rakesh Shah for the period of three years commencing from April 01, 2025 and payment of remuneration to Mr. Rakesh Shah therefore be placed before the members for their approval.

The details of remuneration payable to Mr. Rakesh Shah and the terms and conditions of the appointment are given below:

- (A) **Tenure:** 1st April, 2025 to 31st March, 2028
- (B) **Salary:** Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding Rs. 90,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year.
- (C) **Increment:** An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount.
- (D) **Perquisites:**
- (a) In addition to the salary, the said Director shall be eligible for the following perquisites, which shall not be included in the computation of ceiling of remuneration specified hereinabove.
- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.
- (b) He shall also be entitled for following perquisites:
- (i) Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of Rs. 24,000/- per year or Rs. 72,000/- over a period of three years.
- (ii) Personal Car for official use and purpose shall be provided by the Company. Expenses for Driver and Fuel Reimbursement shall be made.
- (iii) In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Committee and existing rules and policies of the HR Department of the Company.

The Board recommends the Resolution set out under item no. 5 for approval of members.

Except Mr. Rakesh Shah, being an appointee and Mr. Shaishav Shah, Joint Managing Director and Ms. Raji Shah, Non-Executive Director and their relatives, none of the other Directors of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 5.

Item No. 6

The Company might enter into certain transactions in its ordinary course of business and on arm's length basis. As the approximate amount of indicative transaction is Rs. 2,50,00,00,000 (Rupees Two Hundred Fifty Crores Only) therefore according to Rule 15 of the Companies (Meeting of Board and its Powers) Rules 2014, approval of shareholders is also required for entering into transaction for availing or rendering of any services, directly or through appointment of agent is amounting to ten percent or more of the turnover of the company as mentioned in clause (a) to clause (e) respectively of subsection (1) of section 188. For this purpose we are hereby seeking consent of members on the matter.

The details and information as required under Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

| Sl. No. | Description | Particulars |
|---------|--|---|
| 1 | Name of the Related Party | Diamond Power Infrastructure Limited |
| 2 | Name of the Director or Key Managerial Personnel, who is related | Mr. Rakesh Shah, Chairman and Managing Director |
| 3 | Nature of relationship {including nature of its interest (financial activities)} | GSEC Limited is the Promoter Company of Diamond Power Infrastructure Limited and hence related party under Section 2(76) of the Act. |
| 4 | Nature, duration/tenure, material terms, monetary value and particulars of contract /arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions subject to a maximum of ₹250 crores for FY 2024-25 and FY 2025-26. |
| 5 | Type of the proposed transaction | (a) Sale and purchase of goods and services. (b) Availing or rendering of any services. (c) To give loans and guarantee (d) Any transfer of resources, services or obligations to meet its objectives/requirements |

The Board recommends the members to pass the above resolution(s) as an Ordinary Resolution.

None of the Director, Key Managerial Personnel or their relatives except Shri Rakesh Shah being common director and Mr. Shaishav Shah are interested, financially or otherwise, in the resolution set out at Item No. 06 of this Notice.

Accordingly, the Board recommends passing of the Resolution(s) set out in Item No. 6 of the accompanying Notice as an Ordinary Resolution(s).

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION:

| | | | | |
|---|--|---|----------------|----------------|
| 1 | Nature of Industry | Air Cargo Services, export and trading activities. | | |
| 2 | Date or Expected Date of Commencement of Commercial Production | Not applicable as the company has already undertaken commercial activities long back. | | |
| 3 | In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | NotApplicable | | |
| 4 | Financial performance based on given indicators. | Rs. in Lacs | | |
| | | Particulars | 2023-24 | 2022-23 |
| | | Total Income | 48249.39 | 43026.31 |
| | | Profit Before Tax and Depreciation (Including Exceptional Item) | 383.65 | 612.91 |
| | | Depreciation | 279.84 | 202.84 |
| | | Profit Before Tax | 103.81 | 410.07 |
| | | Tax | 0.00 | 39.10 |
| | | Profit After Tax | 69.43 | 369.57 |
| | | Equity Capital (face value Rs. 10) No. of shares | 7550000 | 7550000 |
| | | Earnings per Share (Rs.) | 0.92 | 4.90 |
| 5 | Export performance based on given indicators. | Rs. in Lacs | | |
| | | Particulars | 2023-24 | 2022-23 |
| | | Foreign Exchange Earning | - | - |
| | | Foreign Exchange Outgo | 200.99 | 120.63 |
| 6 | Foreign Investments or Collaboration, if any. | The Company did not have any foreign investments or collaborations. | | |

II INFORMATION ABOUT THE APPOINTEE:

1 Background Details

Mr. Samir Mankad, Whole-time Director

Mr. Samir Mankad is a Mechanical Engineer and holds an M.B.A. degree. He has on his credit a long and successful years of experience in diversified areas like projects management, MIS, HR and other top management areas. He was serving in Adani Group, a nationally renowned and diversified group for more than 5 years on a key managerial position. He is serving the Company as a Whole-Time Director designated as an Executive Director since 2004-05.

Mr. Rakesh Shah, Chairman and Managing Director

Mr. Rakesh Shah is a commerce graduate from the Gujarat University. At a very young age he involved himself in the varied businesses; mainly commodity trading. Early achievements made Mr. Shah so confident that it was never looking back for him since then. He has been involved in many different businesses under different enterprises which he steered successfully. At present, he serves as the Chairman and Managing Director of the Company.

2 Past Remuneration:

Details of past remuneration paid is Mr. Samir Mankad mentioned herein below:

| Name | Remuneration Paid |
|------------------|------------------------------------|
| Mr. Samir Mankad | Rs. 29.40 Lacs per year in 2023-24 |
| Mr. Rakesh Shah | Rs. 72 Lacs Per year in 2023-24 |

3 Recognition or awards: NIL

4 Job Profile and suitability:

Mr. Samir Mankad

The Whole-Time Director devotes his/her full time to one company and shoulders the responsibility towards the executive decision making and overall management and administration of the core operations. He also assists the Managing Director in the overall management and administration of the Company as and when needed.

Mr. Samir Mankad shoulders the responsibilities of Whole-Time Director since the acquisition of the Company by present management. His in depth understanding of the air cargo operations and logistics services of the company has strengthened the brand of the company among all the stakeholders. The Board has continuously entrusted him with the responsibility of the whole-Time director throughout his career with the Company.

Mr. Rakesh Shah

The Chairman steers the Board of Directors and assures the smooth running of the Board Proceedings and the Company as a whole. The Managing Director shoulders the responsibility of the overall management and administration of the company.

Mr. Rakesh Shah shoulders the responsibilities of Chairman and Managing Director since the acquisition of the Company. His continuous dedication and perseverance towards achieving excellence has been the motivating force behind the turnaround story of GSEC Limited. The Board has showed trust in Mr. Rakesh Shah to be the most suitable candidate for the post of Chairman and Managing Director of the Company.

5 Remuneration proposed: As details given above.

6 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Being in a service industry with the responsibility entrusted by the Government with no direct competitor, no such statistics is available or can be framed out.

7 Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Samir Mankad

Mr. Samir Mankad does not hold any shares in the company. He has no pecuniary relationship with the Company to be reported except to the extent of remuneration drawn by him.

Mr. Rakesh Shah

Mr. Rakesh Shah is having pecuniary relationship with the company to the extent of his shareholding remuneration and other monetary transaction. Further Mr. Shaishav Shah Joint Managing Director is son and Ms. Raji Shah Non-Executive Director is daughter in law of Mr. Rakesh Shah.

III OTHER INFORMATION:

- 1 The Company's main operations i.e. air cargo handling and allied services are completely dependent on the imports and exports in and out of the state which are further dependent on the local and external environment. The Company is very prone, even to the small fluctuations in national and international economy which affect the operations of the Company.

Moreover, there is a direct involvement of the Government of India, through its various authorities and departments in the operations of the company. The handling and other service charges are decided directly by the concerned Department which naturally are highly customer friendly and hence render little room for the profitability for the company. Further, there are pretty high maintenance and operations costs which have to be borne by the company mainly due to constantly increasing Government Royalty, space rent and other maintenance costs incurred for the latest high capacitive machineries and tools.

The trading business of Commodities, Fabrics etc. is also restricted to the number of industrial customers which are unlikely to fluctuate much. Hence, there is little room to increase the reach of the company to the whole new levels in short to medium term.

2 Steps taken or proposed to be taken for improvement:

After acquiring the company from the then Government of Gujarat, lot of efforts were undertaken for redefining, restructuring and improvising the operations of the Company. The company has been now stabilized and has reached to the new level of growth thanks to the diversified businesses taken up and the team efforts of the new management.

The new air cargo complex with 8X capacity to handle the air cargo against the existing one has been built. Latest technology has been introduced and the operations has been completely redefined and made more customer friendly. The management of the company constantly looks after and categorizes the new avenues of businesses to add profitability. The company has also been working at moderate to aggressive level in taking up the marketing efforts to increase its operations. The Company continues to focus on the quality of the services provided, upholding of its high business values, increase in its cost competitiveness. The company is expected to achieve new heights in terms of volume of operations and profitability in long term.

3 Expected increase in productivity and profits in measurable terms:

As already mentioned in Point no.1, being dependent on the external factors in terms of the main operations of the company, it is hard to project the future operations and profits. However, there is a strong content and dedication of the management of the company to register the growth in terms of increase in operations as well as the profitability of the company on a year to year basis.

Date : 05th September, 2024

Place : Ahmedabad

Registered Office: 2nd Floor,
Gujarat Chamber's Building,
Ashram Road, Ahmedabad-380 009.

By Order of the Board of Directors,

Mr. Rakesh Shah
Chairman and Managing Director
DIN: 00421920

E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

Date : _____

To,
Bigshare Services Private Limited
 A/802 Samudra Complex, Near Klassic Gold Hotel,
 Girish Cold Drink Cross Road, Off C G Road,
 Ahmedabad - 380009

UNIT – GSEC LIMITED

Dear Sir,

Sub: Registration of Email Id for serving of Notices / Annual Reports through electronic mode by Company

We hereby register our Email Id for the purpose of receiving the notices, Annual Reports and other documents / information in electronic mode to be sent by the Company:

| |
|---|
| Name of the First / Sole Shareholder : |
| Folio No. : |
| Address : |
| Mobile Number : |
| Email Id : |
| Signature : |

Note :

- 1 Mandatory attach the identity proof & Address proof (self-attested copy of PAN Card & Aadhar Card)
- 2 Shareholder(s) are requested to notify the Company as and when there is any change in the email address.



58 YEARS
58 YEARS OF

POWER, STRENGTH & PRIDE

REGISTERED OFFICE

2nd Floor, Gujarat Chamber's Building, Ashram Road,
Ahmedabad - 380 009, Gujarat (India).
Ph. no.: +91-79-2657 5757 | +91-79-2658 5757

CORPORATE OFFICE

CH-7, Inspire Business Park, Shantigram,
Near Vaishnodevi Circle, Ahmedabad, Gujarat, India, 382421.
Ph. no.: +91-79-2655 4100 | Fax.: +91-79-2658 4040.
E-mail: info@gsecl.co.in
Website: www.gsecl.co.in

AHMEDABAD

Air Cargo Complex, Old Airport, Ahmedabad - 380 003.
Ph. no.: +91-79-2286 4747 | +91-79-2286 5656
Fax.: +91-79-2286 4646