



GUJARAT TERCE LABORATORIES LIMITED

Date: 29th June, 2020

To,
Corporate Relations Department,
Bombay Stock Exchange Limited,
2nd Floor, P.J Towers,
Dalal Street,
Mumbai-400 001

Scrip Code: 524314

Dear Sir,

Subject: Outcome of Board Meeting

Pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the said Regulations, this is to inform you that the Board of Directors of the Company, at its Meeting held today i.e., on Monday, 29th June, 2020 which commenced at 4:00 P.M. and concluded at 06:00P.M inter alia, have approved the following:-

1. Approval of Audited Financial Results for the Quarter and year ended on March 31, 2020:

Upon recommendation of the Audit Committee, the Board of Directors have approved the Audited Financial Results as per Indian Accounting Standards (INDAS) for the Quarter and year ended on March 31, 2020 (enclosed herewith) and the same is also available on the website of the company at www.gujaratterce.com/Investor

2. Took note of the Audit Report of the Statutory Auditors on the Audited Financial Results for the Quarter and year ended on March 31, 2020.

The Audit Report of the Statutory Auditors (USS & Associates) is with unmodified opinion with respect to the Audited Financial Results of the Company for the Quarter and year ended on March 31, 2020 (enclosed herewith), the Board of Directors took note of the same.

3. Statement in form of Declaration that the report of Auditor is with unmodified opinion with respect to Audited Financial Results of the Company for the Quarter and year ended on March 31, 2020 (enclosed herewith), the Board of Directors took the note of the same.

4. The board considered and approved the appointment of M.A. Shah & Co. as the Auditors of the Company for the term of five consecutive years, subject to the approval of Shareholders in the ensuing AGM.



GUJARAT TERCE LABORATORIES LIMITED

5. The Board considered and approved the appointment of Pinakin Shah & Co. Practising Company Secretary as the Secretarial Auditor of the Company for the Financial Year 2020-2021.
6. The Board considered and approved the re-appointment of Mr. Natwarbhai Prajapati (DIN: 00031187), Managing Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
7. The Thirty-Fifth Annual General Meeting of the Company will be held on Friday, 21st August, 2020 at 11:00 A.M. through video conferencing mode.
8. The Board considered and approved the text of draft Notice of the Thirty-Fifth Annual General Meeting of the Company.
9. The Board considered and approved the draft of Director's Report, Corporate Governance Report and other necessary annexures of the Annual Report for the year ended on March 31, 2020.
10. The Board approved and adopted the Secretarial Audit Report and Annual Compliance Report for the Financial Year 2019-2020.
11. The appointed Mr. Pinakin Shah, Practising Company Secretary as the Scrutinizer for the Thirty-Fifth Annual General Meeting of the Company.
12. The Book Closure for Annual General Meeting will remain closed from 15th August, 2020 to 21st August, 2020 (both days inclusive).
13. The E-voting period will start from Tuesday, 18th August, 2020 (09:00 A.M.) to Thursday, 20th August, 2020 (05:00 A.M.). During this period, Shareholders of the Company holding shares in physical form or dematerialized form, as on cut-off date of Saturday, 15th August, 2020 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Consequently, the same cut-off date Saturday, 15th August, 2020 will also record the entitlement of the Shareholders, who cannot cast their votes electronically, to cast their vote at 35th Annual General Meeting to be held on 21st August, 2020.

Thanking you.

Yours faithfully,

For, Gujarat Terce Laboratories Limited


Mr. Aalap Prajapati
Whole Time Director
(DIN: 08088327)



Encl.:

1. Audited Financial Results with Audit Report for the quarter and year ended on March 31, 2020.
2. Declaration of unmodified opinion.



GUJARAT TERCE LABORATORIES LIMITED

GUJARAT TERCE LABORATORIES LIMITED

CIN:L28112GJ1985PLC007753

Regd. Office: 122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar, Gujarat

Email Id: gttl.factory@gmail.com/cs@gujaratterce.com website: www.gujaratterce.in

Statement of Audited Standalone Financial Results for the Quarter/Year Ended 31/03/2020 [Rs.In Lakhs except per share detail]

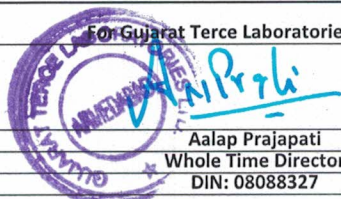
PART-I

	Particulars	Quarter ended			Year ended	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
		Audited	Unaudited	Audited	Audited	Audited
1	2	3	4	5	6	
I.	Revenue from operations	934.48	1011.41	802.19	3754.39	3103.05
II.	Other income	26.14	0.95	30.49	28.61	32.48
III.	Total Revenue (I+II)	960.62	1012.36	832.68	3783.00	3135.53
IV.	Expenses:					
	a) Cost of Material consumed	153.24	154.47	86.30	516.95	332.03
	b) Purchase of stock in trade	179.11	286.63	188.65	911.06	801.98
	c) Changes in inventories of finished goods, WIP and stock in trade.	42.25	-65.58	28.55	-37.49	18.53
	d) Employees benefits expenses.	417.38	352.56	346.87	1512.81	1282.01
	e) Finance Costs	10.39	3.73	10.10	29.18	25.39
	f) Depreciation and amortisation exp.	7.00	6.05	6.22	24.15	21.14
	g) Other Expenses	192.25	237.64	138.57	782.75	619.88
	Total Expenses	1001.62	975.50	805.26	3739.41	3100.96
V	Profit/(Loss) before exceptional and Extra ordinary items and Taxes.(III - IV)	-41.00	36.86	27.42	43.59	34.57
VI	Exceptional items.	0.00	0.00	0.00	0.00	0.00
VII	Profit/(Loss) before extraordinary items and Tax (V-VI)	-41.00	36.86	27.42	43.59	34.57
VIII	Extraordinary items	0.00	0.00	0.00	0.00	0.00
IX	Profit/(Loss) before Tax (VII-VIII)	-41.00	36.86	27.42	43.59	34.57
X	Tax Expenses					
	1) Current Tax	20.65	0.00	13.12	20.65	13.12
	2) Deferred Tax	-4.67	0.00	-21.80	-4.67	-21.80
XI	Profit/(Loss) for the period from continuing operations (IX-X)	-56.98	36.86	36.10	27.61	43.25
XII	Other Comprehensive Income					
	Re-measurement losses on post employment defined benefit plans	0.00	0.00	0.00	0.00	0.00
	Income Tax effect	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00
	Net loss/(gain) on Fair Value through OCI (FVTOCI) on equity securities	0.00	0.00	0.00	0.00	0.00
XIII	Other Comprehensive Income for the period, net of tax	0.00	0.00	0.00	0.00	0.00
XIV	Total Comprehensive Income for the period (XI+XII)	-56.98	36.86	36.10	27.61	43.25
XV	Paid up Equity Capital (at par value of Rs. 10 each)	742.03	742.03	742.03	742.03	742.03
XVI	Earning per equity share					
	a) Basic	0.00	0.50	0.49	0.37	0.58
	b) Diluted	0.00	0.50	0.49	0.37	0.58
	(See accompanying notes to the Financial Results)					

Place: Ahmedabad

Date: 29/06/2020

For Gujarat Terce Laboratories Limited



Aalap Prajapati
Whole Time Director
DIN: 08088327

Notes:

- 1 The above Audited Financial Results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on June 29, 2020
- 2 The audit report for the quarter and year ended 31.03.2020 has been carried out by the statutory auditor, as required under Regulation 33 of SEBI (LODR) Regulation, 2015.
- 3 The Company has adopted Indian Accounting Standard ("Ind AS") notified by the Ministry of Corporate Affairs with effect from April 01, 2017 and accordingly these Audited financial results of the company for the quarter and year ended 31.03.2020 has been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 4 The Company is operating in single (Pharmaceutical) segment, so above Audited Financial Results are for single segment only.
- 5 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.
- 6 The figures of the previous quarter / periods has been regrouped/reclassified, wherever necessary.


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Ph.: 02764-233182 ● E.mail : gttl.factory@gmail.com
CIN : L28112GJ1985PLC007753

Admn. Office : D/801 & 802, The First, Behind Keshavbaug Party Plot, Near Shivalik High-street, Vastrapur, Ahmedabad-380015 Gujarat.(INDIA) ● Ph.: 079-48933701
E.mail : ho@gujaratterce.com ● Web. : www.gujaratterce.com

CIN:L24100GJ1985PLC007753



GUJARAT TERCE LABORATORIES LIMITED

Statement of Assets and Liabilities As at 31st March, 2020			
		(Rs.In Lakhs)	
	Particulars	As at 31.03.2020	As at 31.03.2019
	1	2	3
A	ASSETS	Audited	Audited
1	Non-current assets		
	(a) Fixed assets		
	(i) Property, Plant and Equipment	230.02	206.04
	(ii) Capital work in Progress	0.00	0.00
	(iii) Other Intangible Assets	0.00	0.00
	(b) Financial Assets		
	(i) Investment	26.93	29.11
	(ii) Loans	215.09	96.04
	(iii) Other Financial Assets	8.23	7.41
	(c) Other non-current assets	30.22	140.92
	(d) Net Assets of discontinued operations	532.23	532.23
	Sub-total - Non-current assets	1042.72	1011.75
2	Current assets		
	(a) Inventories	343.32	377.82
	(b) Financial Assets	0.00	0.00
	(i) Trade receivables	700.70	452.85
	(ii) Cash and cash equivalents	4.17	18.27
	(iii) Other Bank Balances	0.00	0.00
	(iv) Loans	21.50	2.50
	(v) Other Financial Assets	0.00	0.00
	(c) Other current assets	121.52	70.53
	Sub-total - Current assets	1191.21	921.97
	TOTAL - ASSETS	2233.93	1933.72
B	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity Share capital	742.03	742.03
	(b) Other Equity	369.07	341.45
	Sub-total - Total Equity	1111.10	1083.48
2	LIABILITIES		
3	Non-current liabilities		
	(a) Financial Liabilities - Borrowings	15.52	12.79
	(b) Deferred tax liabilities (net)	-16.34	-11.66
	(c) Long-term provisions	106.44	90.47
	(d) Other Financial liabilities	88.73	91.73
	Sub-total - Non-current liabilities	194.35	183.33
4	Current liabilities		
	(a) Financial Liabilities -		
	(i) Borrowing	237.53	52.31
	(ii) Trade payables	318.90	281.07
	(iii) Other Financial Liabilities	95.90	46.25
	(b) Short-term provisions	240.70	262.48
	(c) Current Tax Liabilities (Net)	20.65	10.25
	(d) Other Current Liabilities	14.80	14.55
	Sub-total - Current liabilities	928.48	666.91
	TOTAL - EQUITY AND LIABILITIES	2233.93	1933.72
Place: Ahmedabad		For Gujarat Terce Laboratories Limited	
Date: 29/06/2020		 Aalap Prajapati Whole Time Director * (DIN: 08088327)	



GUJARAT TERCE LABORATORIES LIMITED

Statement of Profit and Loss for the year ended 31 March, 2020		(Amt. in Rs.)	
Particulars	Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
1 Revenue from operations	25	375,438,745	310,305,160
2 Other income	26	2,861,080	3,248,671
3 Total revenue		378,299,825	313,553,831
4 Expenses			
(a) Cost of materials consumed	27a	51,695,649	38,204,169
(b) Purchases of stock-in-trade		91,105,662	80,198,197
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27b	(3,749,319)	1,852,954
(d) Excise duty on sales		-	-
(e) Employee benefits expense	28	151,281,257	128,201,149
(f) Finance costs	29	2,917,855	2,538,665
(g) Depreciation ,amortisation and impairment expenses	3	2,415,240	2,113,516
(h) Other expenses	30	78,274,931	56,987,582
Total expenses		373,941,275	310,096,232
9 Profit / (Loss) before tax		4,358,550	3,457,599
10 Tax expense:			
(a) Current tax expense for current year		2,064,733	1,312,204
(b) Deferred tax	18	(467,911)	(2,180,213)
		1,596,822	(868,009)
11 Profit / (Loss) for the year		2,761,728	4,325,608
Other Comprehensive Income(OCI):			
Re-measurement losses on post employment defined benefit plans		-	-
Income Tax effect		-	-
Total		-	-
Net loss/(gain) on Fair Value through OCI(FVTOCI) on equity securities		-	-
Other Comprehensive income for the year (net of tax)		-	-
Total Comprehensive income for the year (net of tax)		2,761,728	4,325,608
12 Earnings per share (of ` 10/- each):			
(a) Basic	31	0.37	0.58
(b) Diluted	31	0.37	0.58
Significant accounting policies	2		
Notes forming part of the financial statements	1 to 32		

Place: Ahmedabad

Date: 29/06/2020


For Gujarat Terce
Laboratories Limited



Aalap Prajapati
Whole Time Director
(DIN: 08088327)



GUJARAT TERCE LABORATORIES LIMITED

Cash Flow Statement for the year ended 31 March, 2020				
Particulars	For the year ended 31 March, 2020		For the year ended 31 March, 2019	
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		4,358,550		3,457,599
<u>Adjustments for:</u>				
Provision For Tax and Earlier Years	-		-	
Depreciation, amortisation and impairment	2,415,240		2,113,516	
(Profit) / loss on sale / write off of property, plant and equipment	-		18,884	
Net (Gain) / Loss on Foreign Currency Transactions	(33,645)		(14,075)	
Finance costs	2,917,855		2,538,665	
Interest income	(2,810,090)		(2,491,523)	
	2,489,360		2,165,467	
Operating profit / (loss) before working capital changes		6,847,910		5,623,066
<u>Changes in working capital:</u>				
<i>Adjustments for (increase) / decrease in operating assets and liabilities:</i>				
Inventories	3,449,779		119,298	
Trade Receivables	(24,758,855)		533,415	
Other Assets	(6,998,855)		(3,177,489)	
Trade payables	3,782,589		(5,126,655)	
Other Liabilities	2,812,254		(2,793,794)	
Net Changes in working capital:	(21,713,088)		(10,445,225)	
Cash generated from operations		(14,865,178)		(4,822,159)
Net income tax (paid) / refunds		(1,025,040)		(1,312,203)
Net cash flow from / (used in) operating activities (A)		(15,890,218)		(6,134,362)
B. Cash flow from investing activities				
Capital expenditure on property, plant and equipment, including capital advances, if any	(4,813,576)		(3,970,328)	
Proceeds from sale of property, plant and equipment	-		5,859	
Long Term Loans & Advances realised	(916,171)		312,219	
Interest received	2,810,090		2,491,523	
Change in non current assets of discontinued operations	-		-	
Investment	218,021		(167,193)	
	(2,701,636)			
Net cash flow from / (used in) investing activities (B)		(2,701,636)		(1,327,920)
C. Cash flow from financing activities				
Proceeds from issue of share capital	-		-	
Proceeds from non-current borrowings (Net)	1,569,677		1,079,031	
Proceeds from current borrowings (Net)	18,522,628		3,408,019	
Net Gain / (Loss) on Foreign Currency Transactions	7,547		14,075	
Finance Costs	(2,917,855)		(2,538,665)	
		17,181,997		1,962,460
Net cash flow from / (used in) financing activities (C)		17,181,997		1,962,460
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,409,857)		(5,499,822)
Cash and cash equivalents at the beginning of the year		1,827,326		7,327,148
Cash and cash equivalents at the end of the year		417,469		1,827,326
Place: Ahmedabad				
For Gujarat Terce Laboratories Limited				
Date: 29/06/2020				
 Aatap Prajapati Whole Time Director (DIN: 08088327)				



GUJARAT TERCE LABORATORIES LIMITED

Date: June 29, 2020

To
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

Dear Sir,

Sub: Declaration pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 and SEBI Circular No. CIR/CFO/CMD/56/2016

In compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, We hereby declare that **M/s. USS & ASSOCIATES**, Chartered Accountants (FRN: 122634W), Statutory Auditor of the Company, have issued an Audit Report with **unmodified opinion** on Audited Financial Results of the Company for quarter and year ended March 31, 2020.

Kindly take this declaration on your records.

Thanking you,
Yours faithfully,
For Gujarat Terce Laboratories Limited



Aalap Prajapati
Whole Time Director
(DIN: 08088327)

Independent Auditor's Report

To the Members of
Gujarat Terce Laboratories Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gujarat Terce Laboratories Limited (“the Company”), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020 the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

Key Audit Matters

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

Emphasis of Matter

We draw attention to Note 32 of the financial statements, which describes the details of discontinued operations. Our opinion is not modified in respect of this matter.

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 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 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

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.

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.

The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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'.

With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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:

- i. The Company has disclosed pending litigations and the impact on its financial position - refer note 12 of notes to the Financial Statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, U S S & ASSOCIATES
Chartered Accountants

UJAL
SURESHCHANDRA MEHTA
DRA MEHTA
(Ujal S. Mehta)

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SURESHCHANDRA MEHTA
Date: 2020.06.29 17:57:48
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Proprietor

M. No. 112337

F.R.N. 122634W

Place: Ahmedabad.

Date: 29/06/2020

UDIN: 20112337AAAABP7293

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of GujaratTerce Laboratories Limited on the financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The inventories have been physically verified by the management during the year. In our opinion, the procedure for the physical verification of inventory followed by management are reasonable and adequate in relation to the size of the company and the nature of the business. .
- (b) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income- tax, Custom duty, Goods and Service Tax and any other material statutory dues during the year with the appropriate authorities. Moreover, as at March 31, 2020, there are no such undisputed dues payable 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 dues of income tax, sales tax, duty of customs, value added tax outstanding on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, and value added tax have not been deposited by the Company on account of disputes:

Name of Statute	Nature of dues	Amount of Dues	Period to The amount Related	From Where Dispute is Pending
Income Tax	Assessment (TDS)	Rs. 1 41 968 /-	A.Y 2012.13	Commissioner of income-(Appeals) Dated.02/01/2018

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year under review. Accordingly, the provisions of clause 3 (ix) of the

Order are not applicable to the Company and hence not commented upon.

- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, U S S & ASSOCIATES
Chartered Accountants

UJAL
SURESHCHANDRA MEHTA
RA MEHTA
(Ujal S. Mehta)
Proprietor
M. No. 112337
F.R.N. 122634W
Place: Ahmedabad.
Date: 29/06/2020

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Date: 2020.06.29 17:58:38
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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 Gujarat Terce Laboratories Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company 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 2020, 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, U S S & ASSOCIATES
Chartered Accountants

UJAL
SURESHCHANDR
A MEHTA
(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N. 122634W
Place: Ahmedabad.
Date: 29/06/2020

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