



## GUJARAT TERCE LABORATORIES LIMITED

Date: 24<sup>th</sup> June, 2021

To,  
Corporate Relations Department,  
Bombay Stock Exchange Limited,  
2<sup>nd</sup> 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 Thursday, 24<sup>th</sup> June, 2021 which commenced at 11:00 A.M. and concluded at 4:30 P.M inter alia, have approved the following:-

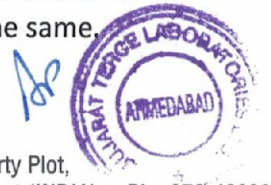
1. Approval of Audited Financial Results for the Quarter and year ended on March 31, 2021:

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, 2021 (enclosed herewith) and the same is also available on the website of the company at [www.gujaratterce.com/Investor](http://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, 2021.

The Audit Report of the Statutory Auditors (M.A. & Co.) is with unmodified opinion with respect to the Audited Financial Results of the Company for the Quarter and year ended on March 31, 2021 (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, 2021 (enclosed herewith), the Board of Directors took the note of the same.





## **GUJARAT TERCE LABORATORIES LIMITED**

4. The Board considered and approved the appointment of GKV & Associates, Practising Company Secretary as the Secretarial Auditor of the Company for the Financial Year 2021-2022.
5. The Board considered and approved the re-appointment of Mr. Aalap Prajapati (DIN: 08088327), Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
6. Re-appointment of Mr. Amritbhai Prajapati as the Whole Time Director of the Company for the term of five consecutive years.
7. Thirty-Sixth Annual General Meeting of the Company will be held on Tuesday, 07<sup>th</sup> September, 2021 at 11:00 A.M. through video conferencing mode.
8. The Board considered and approved the text of draft Notice of the Thirty-Sixth 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, 2021.
10. The Board approved and adopted the Secretarial Audit Report and Annual Compliance Report for the Financial Year 2020-2021.
11. Appointment of Mr. Gautam Virsadiya, Practising Company Secretary as the Scrutinizer for the Thirty-Sixth Annual General Meeting of the Company.
12. The Book Closure for Annual General Meeting will remain closed from 01<sup>st</sup> September, 2021 to 07<sup>th</sup> September, 2021 (both days inclusive).







## GUJARAT TERCE LABORATORIES LIMITED

13. The E-voting period will start from Saturday, 04<sup>th</sup> September, 2021 (09:00 A.M.) to Monday, 6<sup>th</sup> September, 2021 (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 Tuesday, 31<sup>st</sup> August, 2021 may cast their votes electronically. The e-voting module shall be disabled for voting thereafter. Consequently, the same cut-off date Tuesday, 31<sup>st</sup> August, 2021 will also record the entitlement of the Shareholders, who cannot cast their votes electronically, to cast their vote at 36<sup>th</sup> Annual General Meeting to be held on 07<sup>th</sup> September, 2021.

Thanking you.

Yours faithfully,

For, Gujarat Terce Laboratories Limited

*A. Rajk*



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, 2021.
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: gtll.factory@gmail.com/cs@gujaratterce.com website: www.gujaratterce.in						
Statement of Audited Standalone Financial Results for the Quarter/Year Ended 31/03/2021 ( Rs.In Lakhs except per share detail)						
PART-I						
Particulars	Quarter ended			Year ended		
	31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020	
	Audited	Unaudited	Audited	Audited	Audited	
1	2	3	4	5	6	
I. Revenue from operations	591.51	708.44	934.48	2517.79	3754.39	
II. Other income	57.45	7.28	26.14	80.21	28.61	
III. Total Revenue ( I+II )	648.96	715.72	960.62	2598.00	3783.00	
IV. Expenses:						
a) Cost of Material consumed	116.48	106.21	153.24	344.01	516.95	
b) Purchase of stock in trade	146.66	145.85	179.11	680.92	911.06	
c) Changes in inventories of finished goods, WIP and stock in trade.	46.69	-23.95	42.25	-25.79	-37.49	
d) Employees benefits expenses.	402.25	324.97	417.38	1296.70	1512.81	
e) Finance Costs	10.16	7.13	10.39	38.93	29.18	
f) Depreciation and amortisation exp.	3.89	3.61	7.00	17.63	24.15	
g) Other Expenses	122.81	159.38	192.25	498.76	782.75	
Total Expenses	848.94	723.20	1001.62	2851.16	3739.41	
V Profit/(Loss) before exceptional and Extra ordinary items and Taxes.(III - IV )	-199.98	-7.48	-41.00	-253.16	43.59	
VI Exceptional items.	0.00	0.00	0.00	0.00	0.00	
VII Profit/(Loss) before extraordinary items and Tax (V-VI)	-199.98	-7.48	-41.00	-253.16	43.59	
VIII Extraordinary items	0.00	0.00	0.00	0.00	0.00	
IX Profit/(Loss) before Tax ( VII-VIII)	-199.98	-7.48	-41.00	-253.16	43.59	
X Tax Expenses						
1) Current Tax	0.00	0.00	20.65	0.00	20.65	
2) Deferred Tax	-1.14	0.00	-4.67	-1.14	-4.67	
XI Profit/(Loss) for the period from continuing operations (IX-X)	-198.84	-7.48	-56.98	-252.02	27.61	
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)	-198.84	-7.48	-56.98	-252.02	27.61	
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	0.00	0.00	-3.40	0.37	
b ) Diluted	0.00	0.00	0.00	-3.40	0.37	
(See accompanying notes to the Financial Results)						

Place:Ahmedabad  
Date:24/06/2021

For Gujarat Terce Laboratories Limited

  
  
**Anand 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 24, 2021
2	The audit report for the quarter and year ended 31.03.2021 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 31.03.2021 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 the previous quarter / periods has been regrouped/reclassified, wherever necessary.

**Regd. Office & Factory :** 122/2 Ravi Estate, Bileshwarpura, Chhatral, Ta. : Kalol, Dist. : Gandhinagar (Guj.) INDIA.  
Ph.: 02764-233182 ● E.mail : gtll.factory@gmail.com  
CIN : L28112GJ1985PLC007753

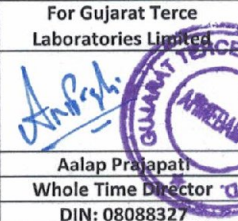
**Admn. Office :** D/801 & 802, The First, Behind Keshavbaug Party Plot, Near Shivalik High-street, Vastrapur, Ahmedabad-380015 Gujarat.(INDIA) ● Ph.: 079-48933701  
E.mail : ho@gujaratterce.com ● Web. : www.gujaratterce.com

CIN:L24100GJ1985PLC007753





## GUJARAT TERCE LABORATORIES LIMITED

Statement of Assets and Liabilities As at 31st March, 2021			
		(Rs.In Lakhs)	
Particulars	As at 31.03.2021	As at 31.03.2020	
1	2	3	
<b>A ASSETS</b>	<b>Audited</b>	<b>Audited</b>	
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Property, Plant and Equipment	245.46	229.31	
(ii) Capital work in Progress	0.00	0.00	
(iii) Other Intangible Assets	0.00	0.00	
(b) Financial Assets			
(i) Investment	27.14	26.93	
(ii) Loans	233.44	215.09	
(iii) Other Financial Assets	4.83	8.23	
(l) Deferred Tax Assets (net)	17.47	16.34	
(c) Other non-current assets	456.73	563.51	
(d) Net Assets of discontinued operations			
<b>Sub-total - Non-current assets</b>	<b>985.07</b>	<b>1059.41</b>	
<b>2 Current assets</b>			
(a) Inventories	373.95	343.32	
(b) Financial Assets	0.00	0.00	
(i) Trade receivables	510.48	700.70	
(ii) Cash and cash equivalents	128.64	4.17	
(iii) Other Bank Balances	0.00	0.00	
(iv) Loans	17.50	21.50	
(v) Other Financial Assets	0.00	0.00	
(c) Current Tax Assets (net)	2.63	0.00	
(c) Other current assets	162.11	121.52	
<b>Sub-total - Current assets</b>	<b>1195.31</b>	<b>1191.21</b>	
<b>TOTAL - ASSETS</b>	<b>2180.38</b>	<b>2250.62</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share capital	742.03	742.03	
(b) Other Equity	24.17	369.07	
<b>Sub-total - Total Equity</b>	<b>766.20</b>	<b>1111.10</b>	
<b>2 LIABILITIES</b>			
<b>3 Non-current liabilities</b>			
(a) Financial Liabilities - Borrowings	42.48	15.52	
(b) Deferred tax liabilities (net)			
(c) Long-term provisions	120.79	106.44	
(d) Other Financial liabilities	86.73	88.73	
<b>Sub-total - Non-current liabilities</b>	<b>250.00</b>	<b>210.69</b>	
<b>4 Current liabilities</b>			
(a) Financial Liabilities -			
(i) Borrowing	414.40	237.53	
(ii) Trade payables	284.85	318.90	
(iii) Other Financial Liabilities	77.83	95.90	
(b) Short-term provisions	365.44	240.70	
(c) Current Tax Liabilities (Net)	0.00	20.65	
(d) Other Current Liabilities	21.66	15.15	
<b>Sub-total - Current liabilities</b>	<b>1164.18</b>	<b>928.83</b>	
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>2180.38</b>	<b>2250.62</b>	
Place: Ahmedabad	For Gujarat Terce Laboratories Limited		
Date: 24/06/2021			
	Aalap Prajapati		
	Whole Time Director		
	DIN: 08083327		







## GUJARAT TERCE LABORATORIES LIMITED

Statement of Cash Flows for the period ended 31st March 2021

Figures in Rs. Thousand

	PARTICULARS	31st March 2021	31st March 2020
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit before tax (as per Statement of Profit and Loss)	-25202.36	4358.55
	Adjustments for non-cash/non-trade items:*		
	Depreciation & Amortization Expenses	1762.68	2415.24
	Finance Costs	3892.97	2917.86
	Adjustments for unrealised foreign exchange Losses/(Gains)		-33.65
	Loss on Sale of Assets	1666.31	
	Interest received	-3020.91	-2810.09
	Increase in Long-term Provisions	1435.73	
	Income Tax paid for previous years	-57.24	
	<b>Operating profits before Working Capital Changes</b>	<b>-19522.82</b>	<b>6847.91</b>
	Adjusted For:		
	(Increase)/Decrease in trade receivables	18995.71	-24758.86
	Increase/(Decrease) in trade payables	-3403.93	3782.59
	(Increase)/Decrease in inventories	-3062.71	3449.78
	Increase/(Decrease) in other current liabilities	10320.51	2812.25
	(Increase)/Decrease in Short Term Loans & Advances	400	-1900
	(Increase)/Decrease in other current assets	-3880.12	-5098.86
	<b>Cash generated from Operations</b>	<b>-153.36</b>	<b>-14865.18</b>
	Income Tax (Paid)/Refund	-1481.98	-1025.04
	<b>Net Cash flow from Operating Activities(A)</b>	<b>-1635.34</b>	<b>-15890.22</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of tangible assets	-5044.07	-4813.58
	Non-current Investments (Purchased)/Sold	-155.69	218.02
	Interest Received	387.31	2810.09
	Cash advances and loans made to other parties	-1025	-916.17
	Cash advances and loans received back	1600	
	<b>Net Cash used in Investing Activities(B)</b>	<b>-4237.46</b>	<b>-2701.64</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Finance Cost	-2771.54	-2917.86
	Increase in/ (Repayment of) Short-term Borrowings	17686.3	18522.63
	Increase in/ (Repayment of) Long-term borrowings	3726.67	1569.68
	Deferred Tax	-113.61	
	Net Gain/(Loss) on Foreign Currency Transactions	-8.13	7.55
	Repayment of Security Deposits	-200	
	<b>Net Cash used in Financing Activities(C)</b>	<b>18319.69</b>	<b>17182</b>
<b>D.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>12446.89</b>	<b>-1409.86</b>
<b>E.</b>	<b>Cash &amp; Cash Equivalents at Beginning of period</b>	<b>417.47</b>	<b>1827.33</b>
<b>F.</b>	<b>Cash &amp; Cash Equivalents at End of period</b>	<b>12864.36</b>	<b>417.47</b>
<b>G.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(F-E)</b>	<b>12446.89</b>	<b>-1409.86</b>
Place: Ahmedabad		For Gujarat Terce Laboratories	
Date: 24/06/2021		Limited	
		 	
		Aalap Prajapati	
		Whole Time Director	
		DIN: 08088327	

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E.mail : ho@gujaratterce.com • Web. : www.gujaratterce.com

CIN: L24100GJ1985PLC007753 CIN: L24100GJ1985PLC007753





## GUJARAT TERCE LABORATORIES LIMITED

Date: June 24, 2021

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.A. SHAH & ASSOCIATES**, Chartered Accountants (FRN: 112630W), 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, 2021.

Kindly take this declaration on your records.

Thanking you,  
Yours faithfully,  
For Gujarat Terce Laboratories Limited

Aalap Prajapati  
Whole Time Director  
(DIN: 08088327)



**INDEPENDENT AUDITORS' REPORT**

**AND**

**ANNUAL ACCOUNTS**

**FOR THE FINANCIAL YEAR 2020-2021**

**Gujarat Terce Laboratories Limited  
(CIN: L24100GJ1985PLC007753)**

**122/2, Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar – 382729, Gujarat**





## **Independent Auditor's Report**

To the Members of **Gujarat Terce Laboratories Limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the financial statements of **Gujarat Terce Laboratories Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, and the statement of Profit and Loss 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, its loss and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We have 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.

#### **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.

### Emphasis of Matter

We draw attention to Note 33 to the financial statements, which describes the effects of a fire in the Company's facilities. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Standalone 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 Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. 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.

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.

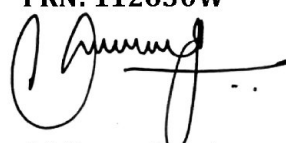
#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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.
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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) 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.
- h) 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 details of pending litigations of the Company have been disclosed in Note 35 to the financial statements. However, no impact of the same has been determined on its financial position, as the matter is pending before the respective authorities.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place: Anand**  
**Date: 24-06-2021**  
**UDIN: 21155916AAAADS8904**

**For M. A. Shah & Co.**  
**Chartered Accountants**  
**FRN: 112630W**



**CA Parag Patel**  
**(Partner)**  
**Membership No.: 155916**



**Patel**  
**Parag**  
**Dhirubhai**

Digitally signed by  
Patel Parag  
Dhirubhai  
Date: 2021.06.24  
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**Annexure 'A'**

**The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.**

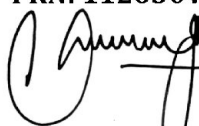
We report that:

1.
  - a. The company has not maintained records showing full particulars, including quantitative details and situation of its fixed assets. However, the required details have been examined to the extent available in the books of accounts and ledgers maintained by the company.
  - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - c. The title deeds of immovable properties are held in the name of the company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and, on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
4. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
6. The company is required to maintain cost records as prescribed under section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2018 for the current financial year. As per the explanation given by the management, the audit of records for the current period is pending.
7.
  - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March 2021 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 is no amount payable in respect of income tax goods and services tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
8. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, government or debenture-holders, as applicable to the company.

9. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year.
10. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**Place: Anand**  
**Date: 24-06-2021**  
**UDIN: 21155916AAAADS8904**

**For M. A. Shah & Co.**  
**Chartered Accountants**  
**FRN: 112630W**



**CA Parag Patel**  
**(Partner)**

**Membership No.: 155916**





## **Annexure ‘B’**

### **Report on Internal Financial Controls with reference to financial statements**

#### **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<sup>st</sup> March 2021, 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- ii. 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
- iii. 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

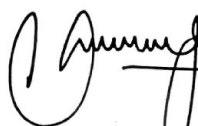
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2021, based on the internal control over financial reporting 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.

**Place: Anand**

**Date: 24-06-2021**

**UDIN: 21155916AAAADS8904**

**For M. A. Shah & Co.  
Chartered Accountants  
FRN: 112630W**



**CA Parag Patel  
(Partner)**

**Membership No.: 155916**

