GUFIC
BIOSCIENCES LIMITED
Regd. Office: 37, First Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai – 400 069, Maharashtra, India.
Corporate office : SM House, 11 Sahakar road, Vile Parle (East), Mumbai -400 057.
E-mail : info@guficbio.com / website : www.gufic.com
CIN. L65990MH1984PLC033519.

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Members of Gufic Biosciences Limited will be held on Friday, 28th September, 2018 at 2.30 p.m. at VITS - Luxury Business Hotels, Andheri Kurla Road, International Airport Zone, Andheri (East), Mumbai 400 059,Maharashtra, India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018, including the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date together with the Report of Board of Directors and Auditors thereon.
2. To confirm and approve Final Dividend of Rs. 0.05 per equity share amounting to Rs. 38,67,500/- for the year ended 31st March, 2018.
3. To appoint a director in place of Mr. Pranav Jayesh Choksi (DIN: 00001731), who retires by rotation at this Annual General Meeting in terms of Section 156(2) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4 To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an **ORDINARY RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the resolution passed by the Members at the 30th Annual General Meeting held on 26th September, 2014 appointing M/s. SHR & Co., Chartered Accountants (Registration No. ICAI FRN 120491W), as Statutory Auditors of the Company to hold office until the conclusion of the 35th Annual General Meeting of the Company, the Company hereby ratifies and confirms the appointment of M/s. SHR & Co., as Statutory Auditors of the Company for the financial year ending March 31, 2019 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration of Rs. 80,000/- plus applicable taxes and reimbursement of actual travel and out of pocket expenses, fixed by the Board of Directors of the Company for the Cost Auditor M/s. Kale & Associates, Cost Accountants, Mumbai for audit of the cost records maintained by the Company for the financial year ending 31st March, 2019, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable and expedient to give effect to this resolution.**"**

6. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, Mr. Shrirang V. Vaidya (DIN: 03618800), who was appointed as an Additional Independent Director of the Company at the Board Meeting held on February 12, 2018 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom a notice have been received in writing under Section 160 of the Companies Act, 2013 from a member, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office as such for the term of three consecutive years with effect from his first date of appointment i.e., February 12, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable and expedient to give effect to this resolution**.**"

7**.** To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, Mr. Balram H. Singh (DIN: 06918085), who was appointed as an Additional Non- Executive Non-Independent Director of the Company at the Board Meeting held on May 29, 2018 and who holds office up to the date of the ensuingAnnual General Meeting and in respect of whom a notice have been received in writing under Section 160 of the Companies Act, 2013 from a member, proposing his candidature for the office of Director, be and is hereby appointed as a Non- Executive Non-Independent Director of the Company, liable to retire by rotation, to hold office as such for the term of three consecutive years with effect from his first date of appointment i.e., May 29, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable and expedient to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to section 188 of the Companies Act, 2013, read with the rules notified thereunder (including any statutory modifications or amendments or re-enactments thereof, for the time being in force)together with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), on behalf of the Company to ratify or enter into the material contracts / arrangements / transactions with the following related parties :

a. Gufic Private Limited
b. Gufic Lifesciences Private Limited
c. Gufic Chem Private Ltd and
d. Jal Private Limited ,

as defined under Section 2(76) of the Companies Act, 2013 and SEBI (LODR) Regulations,2015 the details of which are as set out in

the explanatory statement under Item No. 8 in the Annexure to this notice, on such terms and conditions as may be mutually agreed upon between the Company and related Parties as mentioned above for an amount not exceeding in aggregate Rs. 250 crores, for three consecutive financial year i.e., 2017-18, 2018-19 and 2019-2020 for each related party.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things, and to finalize the terms and conditions as may be considered necessary, expedient or desirable in order to give effect to this Resolution."

By order of the Board of Director

Ami N. Shah
Company Secretary
Membership No. A39579

Place : Mumbai
Date :29th May 2018

RegdOffice :
37, First Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai – 400 069
CIN : L65990MH1984PLC033519

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELFAND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy for members not exceeding 50 (Fifty) and holding in aggregate not more than ten percent of the total share capital of the Company.

3. The proxy form, in order to be effective, must be received by the Company not less than 48 hours before commencement of the meeting. Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. Members may refer proxy related provisions in SS2 - Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

5. Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, details of Director seeking re-appointment at the Annual General Meeting, forms part of the notice and is appended to the notice.

6. The Register of Members and the Transfer Books in respect of the Equity Shares will remain closed from September 22, 2018 to September 28, 2018 (both days inclusive) for the purpose of Annual General Meeting and payment of final dividend for the year ended 31st March, 2018, if approved by the Members.

7. The dividend on Equity Shares, if approved by the shareholders at the Meeting, will be paid in accordance and compliance with the provisions of the Companies Act, 2013 and rules thereunder and as per the SEBI Listing Regulations, 2015 and as amended from time to time.

8. In order to prevent fraudulent encashment of dividend warrants, in respect of shares held in demat mode, bank particulars registered against respective depository accounts will be used by the Company for payment of dividend through ECS/NEFT. Please note that the Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. In respect of shares held in physical mode, members are requested to furnish to the Company or Company's R&T Agents, Link Intime India Private Limited, bank account details which will be printed on the dividend warrants. Shareholders' are also requested to register with the Company for payment of dividend through ECS/NEFT and provide the necessary details to R & T Agents.

9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agents.

10. In terms of Section 124 of the Companies Act, 2013 read with the rules framed thereunder, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund. Accordingly, the unpaid dividend for the year 2010-11 shall be transferred to Investor Education and Protection Fund at an appropriate time in the current financial year. Members who have not encashed their dividend warrants are requested to write to the Registrars & Share Transfer Agents. The unclaimed dividend upto financial year 2009-10 has been transferred. During the year, the Company has requested those members, whose dividends for financial years from 2010-11 remaining unclaimed / unpaid, for claiming said dividend amount before transfer thereof to Investor Education and Protection Fund (IEPF). Members are requested to note that dividends not encashed or claimed within seven years from the thirty days of declaration of dividend, will, be transferred to the IEPF. The details of unclaimed and unpaid dividend is displayed on the website of the Company i.e. www.gufic.com

11. Pursuant to provisions of section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the underlying shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF authority as notified by the Ministry of Corporate Affairs. In view thereof, after complying with the prescribed procedure, 120245 shares on which dividend remained to be unclaimed for seven consecutive years, were transferred to IEPF account in 2017. The Company has initiated the process of transfer of shares on which dividend has not been claimed since FY 2010-11 and the same will be transferred on due date. Members who have not claimed dividend since FY 2011-12 are requested to claim the same before the dividend and the underlying shares gets transferred to IEPF account.

12. All documents referred to in the accompanying Notice are open for inspection at the Corporate Office of the Company during the office hours on all working days (except Saturdays, Sundays and Holidays) up to the date of the Annual General Meeting between 9.30 a.m. to 11.30 a.m.

13. Shareholders seeking any information with regard to Annual Report are requested to write to the Company at an early date so that the information can be kept ready.

14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.

15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors 168 In Pursuit of Excellence are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

16. 1Route Map showing directions to reach to the venue of the 34th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting".

17. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on September 25, 2018 (9:00 am) and ends on September 27, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

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

Step 1 : Log-in to NSDL e-Voting system at http://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12**** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12*********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details 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 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, your 'initial password' is communicated to you on your postal address.

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.

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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 gajanan@aathavale.com with a copy marked to evoting@nsdl.co.in
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 toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 21, 2018.

VIII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., August 24, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details /Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

IX. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XI. Mr. Gajanan Athavale, Practicing Company Secretary (Membership No. F 9177) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XII. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.gufic.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS OF THE ACCOMPANYING NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 5

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) ("the Act"), requires the Board to appoint an individual, who is a Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such Cost Auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at their meeting held on May 29, 2018, on recommendation of the Audit Committee, approved the appointment of M/s. KALE & ASSOCIATES., Cost Accountants, as the Cost Auditors of the Company for the financial year 2018-19 to conduct the Cost Audit of the Company, at a remuneration of Rs. 80,000/- plus taxes as applicable and reimbursement of actual travel and out of pocket expenses, for the financial year ending 31st March, 2019.

The resolution contained in Item No. 5 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2018-19.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 5 of the Notice.

ITEM NOS. 6

Mr. Shrirang V. Vaidya, a retired Banker, was appointed as an Additional Independent Director by the Board of Directors at the Board Meeting held on February 12, 2018, whose term expires at the ensuing Annual General Meeting.

The Company have also received declaration from Mr. Shrirang V. Vaidya confirming that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for regularization as Independent Directors. The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from a member of the Company proposing the candidature of Mr. Shrirang V. Vaidya for appointment as an Independent Director. The brief profile of Mr. Vaidya ,as required under the Companies Act, 2013, the Secretarial Standards issued by the Institute of Company Secretaries of India and the SEBI Listing Regulations, 2015 is annexed herewith and details of remuneration paid/payable is provided in the Corporate Governance report forming part of the Annual Report for 2017-18.

The Board recommends the resolution for the approval of the Members.

Copy of the draft letter for appointment of Mr. Vaidya as an Independent Directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel and their relatives except Mr. Shrirang V. Vaidya are concerned or interested, financially or otherwise, in the resolution at item No. 6 of the Notice.

ITEM NOS. 7

Dr. Balram H. Singh, a scientist and researcher and also a President in the Institute of Advanced Sciences and Prime Bio, Inc. and Professor in many US Universities and Research Institute, was appointed as an Additional Non-Executive Non-Independent Director by the Board of Directors at the Board Meeting held on May 29, 2018, whose term expires at the ensuing Annual General Meeting.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for regularization as Non- Executive, Non-Independent Directors. The Company has also received notice pursuant to Section 160 of the said Act from a member of the Company proposing the candidature of Mr. Balram H. Singh for appointment as a Non-Executive Non- Independent Director. The brief profile of Mr. Singh, as required under the Companies Act, 2013, the Secretarial Standards issued by the Institute of Company Secretaries of India and the SEBI Listing Regulations , 2015 is annexed herewith.

The Board recommends the resolution for the approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives except Mr. Balram Singh are concerned or interested, financially or otherwise, in the resolution at item No. 7 of the Notice.

ITEM NOS. 8

The Company has existing and prospective contracts / agreements / transactions with the following related parties :

a. Gufic Private Limited

b. Gufic Lifesciences Private Limited

c. Gufic Chem Private Ltd

d. Jal Private Limited

As part of its regular business, the Company enters into commercial transactions on an ongoing basis with the said related parties, for purchase and sale of goods, rendering and availing of services related to business mainly for products, sales support, testing charges, labour work; or leasing of properties etc. The said contracts / agreements / arrangements are in the business interest of the Company considering manufacturing support, sales support and effective utilisation of resources.

The proposed related party transactions of the Company together with the transactions already entered with the abovementioned related party are expected to exceed the materiality threshold as prescribed in Section 188 of the Companies Act, 2013 read with the rules framed thereunder and Regulation 23 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. Thus, these transactions would require the approval of the members by way of an Ordinary Resolution.

The proposed transactions with the said related parties play a significant role in the Company's business operations. These transactions are critical to the business interest of the Company considering the domestic / international / export potential strategic value to the Business, technology support, administrative support, sales support, manufacturing support, requirements of third-party customers, strategic outsourcing, strategy based on location and customers and similar reasons. Accordingly, the Board recommends the Resolution for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Jayesh P. Choksi, Mr. Pranav Choksi, Mrs. Hemal M. Desai and Mr. Pankaj Gandhi being director/shareholder of the said companies are concerned or interested, financially or otherwise, in the said Resolution.

By order of the Board of Director

Ami N. Shah
Company Secretary
Membership No. A39579

Place : Mumbai
Date :29th May 2018

Details of the Directors seeking appointment/re-appointment at 34th Annual General Meeting (pursuant to Regulation 36(3) of the SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India

Name of Director	**Mr. Pranav J.Choksi**	**Mr. Shrirang V. Vaidya**	**Mr. Balram H. Singh**
DIN	00001731	03618800	06918085
Date of Birth	01.02.1983	06.05.1956	25.07.1958
Age	35 Years	62 Years	60 Years
Qualification	Bachelor Degree in Pharmacy from Mumbai University, Masters degree in Biotechnology from The John Hopkins University, USA	B.Com, CAIIB and Diploma in Financial management	M.sc (Lifesciences, Major Biochemistry), M.Phil (Lifesciences, Major Biophysical chemistry), Phd (Chemistry, major Biophysical Chemistry)
Experience	About 11 years	About 37 Years	About 36 Years
Expertise in specific functional areas	Mr. Pranav J. Choksi is associated with the Company for more than 11 years and has immensely contributed to the growth of the Company. He is a Chief Executive Officer & Whole Time Director of the Company. He is also one of the Promoters of the Company. He has a rich knowledge and experience in pharma sector.	Mr. Shrirang Vaidya has over 37years of experience in Banking Industry. He joined as a Banker in a nationalized Bank for three years. Then, he joined as a DRO in one of the largest Co-Operative Bank in India.Due to his valuable contribution and meritorious performance, he rose to the post of Assistant General manager in the said Bank. His main expertise lies in credit and audit compliance. Mr. Vaidya retired from the said bank in the year 2016.	Mr. Balram Singh is an Overseas Citizen of India. He is currently President in the Institute of Advanced Sciences and Prime Bio Inc., He is also a professor in many US universities and associated with Research Institutes. Mr. Singh has been conducting research on botulinum and tetanus neurotoxins, vaccines, antidotes, drug delivery, and also on Yoga, mind and consciousness, along with Ayurvedic biotechnology. He has also published 13 Books and nearly 300 Articles, latest being Protein Toxins in Modelling Biochemistry (Springer,2016).
Terms & Conditions of Appointment /Re-Appointment	Mr. Pranav J. Choksi is a Chief Executive Officer & Whole Time Director of the Company. As per Section 152 of the Companies Act, 2013, he is liable to retire by rotation and offers himself for re-appointment on the same terms and conditions as appointed as a Whole Time Director.	He is appointed as an Independent Director of the Company with effect from February 12, 2018 for a term of Three years. The remuneration payable to him is specified in the Corporate Governance Section of the Annual Report.	He is appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotationwith effect from May 29, 2018 for a term of three years.
Date of First Appointment on the Board	25.06.2004	12.02.2018	29.05.2018
Shareholding in the Company	Mr. Choksi holds 69,75,826 equity shares of the Company	NIL	NIL
Relationship between Directors inter-se	Mr. Pranav J. Choksi is the son of Mr. Jayesh P. Choksi who is Chairman & Managing Director of the Company.	There is no inter-se relationship between Mr. Vaidya and the other Board of Directors of the Company	There is no inter-se relationship between Mr. Singh and the other Board of Directors of the Company
Directorships in other Companies	1.Gufic Chem Private Limited 2.Gufic Private Limited 3.Gufic Stridden Bio-Pharma Private Limited 4. Jal Private Limited 5.Gufic Lifesciences Private Limited 6.Zircon Finance and Leasing Private Limited	Large & Mid Corporate Financial Services Private Limited	NIL
No. of Meetings of Board attended during the year	ENTITLED TO ATTEND : 6 ATTENDED : 6	ENTITLED TO ATTEND : 1 ATTENDED : 1	N. A.
Membership / Chairmanship of committees of all public limited companies including Gufic Biosciences Limited	Member of Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee	NIL	NIL

The particulars of the Contract/arrangement/transaction for item no. 8 are as under:

Name of the related party	Gufic Pvt. Ltd.	Gufic Lifesciences Pvt. Ltd.	Gufic Chem Pvt. Ltd.	Jal Pvt.Ltd
Name of the Director or Key Managerial Personnel who is related, if any and nature of	Mr. Jayesh P. Choksi & Mr. Pranav J. Choksi are Directors in both the Company	Mr. Jayesh P. Choksi, Mr. Pranav J. Choksi & Mrs. Hemal M. Desai are Directors in both the Company	Mr. Jayesh P. Choksi & Mr. Pranav J. Choksi are Directors in both the Company	Mr. Jayesh P. Choksi & Mr. Pranav J. Choksi are Directors in both the Company
Nature, material terms, monetary value and particulars of the contract or arrangement	Commercial transactions on an ongoing basis with the said related parties, for purchase and sale of goods ,rendering and availing of services related to business mainly for products, sales support, testing charges. labour charges; sale, purchase or leasing of premises etc.			
Material Terms of contracts /arrangements/ transactions	Terms and conditions for transaction between the Company and the above related party a. Delivery of materials – Mainly FOB b. Services – On satisfactory completion c. Leasing of property – Rent as per the agreement entered into by the party d. Taxes as applicable Currency – INR			
Duration of these transactions	These transactions are undertaken from time to time depending on needs of business. Sale and purchase of goods are against specific orders. Services and leasing of properties are based on Agreements for a period, as mutually agreed between the parties.			
The value of each type of transactions in the last 2 years	This information forms part of the Notes to the Audited financial statements to the extent they are executed in the respective years.			
Estimated Monetary value of transactions	Not exceeding Rs. 250 crore , per related party, in the three consecutive financial year from 2017-18. This includes contracts or arrangements entered into for delivery/receipt of products which are likely to continue beyond a financial year and hence not fully comparable to the executed projects value reported in the audited financial statements. The annual value of the transactions proposed is estimated on the basis of the Company's current level of business operations and future business projections.			
Whether the transactions have been approved by the Audit Committee	Yes.			
Any other information relevant or important for the members to make a decision on proposed transaction	The company, over and above the standard products, operates in manufacture of core pharmaceutical products like tablets, capsules injections, bulk drugs, etc., through loan licensing agreement, third party agreement, tri-parties agreement, etc. The amount sought to be approved takes this aspect into consideration. The enabling Resolution will permit the company to accept large value orders for such major projects which is executable over several years.			

GUFIC
BIOSCIENCES LIMITED

CIN. L65990MH1984PLC033519
Regd. Office: 37, First Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai – 400 069, Maharashtra, India.
Corp. Office: SM House, 11 Sahakar road, Vile Parle (East), Mumbai -400 057, Maharashtra, India.
• Ph.: 022 – 6726 1000 • Fax: 022 – 6726 1067 / 68 • E-mail:- info@guficbio.com • website:www.gufic.com

ATTENDANCE SLIP

I hereby record my presence at the **34th ANNUAL GENERAL MEETING** of the Company held on Friday 28th September, 2018 at 2:30 p.m. at VITS - Luxury Business Hotels, Andheri Kurla Road, International Airport Zone, Andheri (East), Mumbai 400 059.

Regd. Folio/DPID & Client ID	
Name and address of the Shareholder	
Joint Holders	

SIGNATURE OF THE MEMBER/
JOINT MEMBER(S) / PROXY

Note:

1. Sign this attendance slip and hand it over at the attendance verification counter at the entrance of meeting hall.
2. Electronic copy of the Annual Report for the year ended 31st March, 2018 and Notice of the Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance slip.
3. Physical copy of the Annual Report for the year ended 31st March, 2018 and Notice of the AGM along with the attendance slip and proxy form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

E-Voting Information

EVEN (Electronic Voting Event Number)	**User ID**	**PASSWORD/PIN**

GUFIC
BIOSCIENCES LIMITED

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	
Registered address :	
E-mail ID :	
Folio No/ DP ID-Client ID :	

I/ We, being the member (s) of ……..……. shares of the above named company, hereby appoint:

1. Name: ..... Address : .....
   E-mail ID:..... Signature: .....or failing him;
2. Name: ..... Address : .....
   E-mail ID: ..... Signature: ..... or failing him;
3. Name: ..... Address : .....
   E-mail ID: ..... Signature: .....or failing him;

As my/ our proxy to attend and vote (on poll) for me/us and on my/ our behalf at the 34th Annual General Meeting of the Company, to be held on Friday, 28th September, 2018 at 2:30 p.m. at VITS - Luxury Business Hotels, Andheri Kurla Road, International Airport Zone, Andheri (East), Mumbai 400 059. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	ptional For	Against
	ORDINARY BUSINESS.		
1.	To adopt Audited Standalone Financial Statements for the year ended 31st March, 2018.		
2.	Approval of Final Dividend for the financial year ending March 31, 2018		
3.	Appointment of Mr. Pranav J. Choksi (DIN: 00001731), who retires by rotation and being eligible, offers himself, for re-appointment as a director		
4.	Ratification of the Appointment of M/s. SHR & Co, Chartered Accountants (FRN 120491W) as Statutory Auditor of the Company for the financial year 2018-19		
	SPECIAL BUSINESS		
5.	Ratification of Remuneration of M/s. Kale & Associates, Cost Auditor of the Company		
6.	Appointment of Mr. Shrirang Vaidya as an Independent Director of the Company for a term of three consecutive years w.e.f February 12, 2018		
7.	Appointment of Mr. Balram Singh as a Non-Executive Non- Independent Director for a term of three consecutive years w.e.f May 29, 2018		
8.	Approval of Related Party Transactions		

Signed this ..... day of 2018

Signature of shareholder: .....

Signature of Proxy holder(s): .....

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the **Registered Office** of the company not less than 48 hours before the commencement of the meeting. Proxy need not be a member of the company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. For the Resolution, Explanatory Statement and Notes, please refer to Notice of the 34th Annual General Meeting forming part of the Annual report.
4. Please complete all details including details of member(s) in above box before submission.

Map for the Venue of 34th Annual General Meeting



THE BENCHMARK IN TECHNOLOGY, QUALITY & WORLDWIDE SERVICE



GUFIC
BIOSCIENCES LIMITED

34TH ANNUAL REPORT 2017-2018

GUFIC CRITI CARE / CRITI CARE LIFE DIVISION PRODUCTS











BOARD OF DIRECTORS

Mr. Jayesh P. Choksi	Chairman & Managing Director
Mr. Pranav J. Choksi	Chief Executive Officer & Whole-time Director
Mr. Pankaj J. Gandhi	Whole-time Director
Ms. Hemal M. Desai	Chief Financial Officer & Whole-time Director
Mr. Sharat S. Gandhi	Independent Director
Mr. Gopal M. Daptari	Independent Director
Mr. Jagdish D. Shah	Independent Director
Mr. Shreyas K. Patel	Independent Director
Mr. Shrirang V. Vaidya	Additional Independent Director
Mr. Balram H. Singh	Additional Non-Executive Director

COMPANY SECRETARY AND COMPLIANCE OFFICER
Ms. Ami N. Shah

STATUTORY AUDITOR
S H R & Co

COST AUDITOR
Kale & Associates

SECRETARIAL AUDITOR
Gajanan D. Athavale

INTERNAL AUDITOR
Mittal Agarwal & Company

BANKERS
The Saraswat Co-operative Bank Limited
State Bank of India
ICICI Bank
HDFC Bank
Bank of Baroda

REGISTERED OFFICE ADDRESS
37, First Floor, Kamala Bhavan II, S. Nityanand Road,
Andheri (East), Mumbai – 400 069, Maharashtra, India.
• E-mail: info@guficbio.com • website: www.gufic.com
• CIN. L65990MH1984PLC033519

CORPORATE OFFICE
SM House, 11 Sahakar Road, Vile parle (East),
Mumbai – 400 057, Maharashtra, India.
•Tel.: 022 – 6726 1000 • Fax: 022 – 6726 1067 / 68

PLANT
National Highway No. 8, Near Grid,
Kabilpore Navsari, Gujarat 396 424
Tel.: 91 - 02637 - 239946 / 329424

REGISTRAR AND TRANSFER AGENTS
LINK INTIME INDIA PVT. LTD.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083.
Tel No.: (022) 4918 6270
Fax (022) 2594 6969
Email: rnt.helpdesk@linkintime.co.in

34th Annual General Meeting

DAY & DATE
Friday, 28th September, 2018

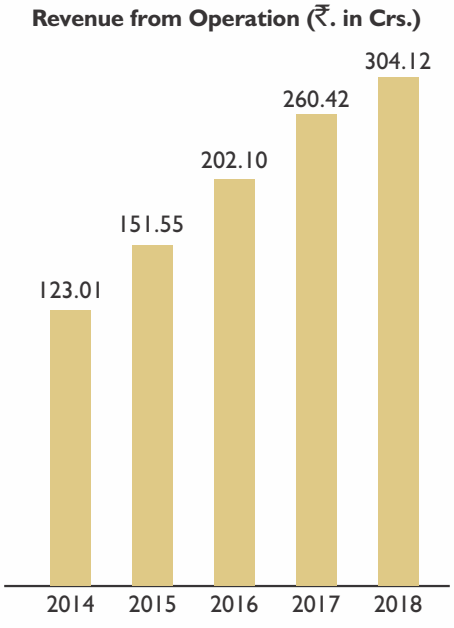
TIME
2.30 PM.

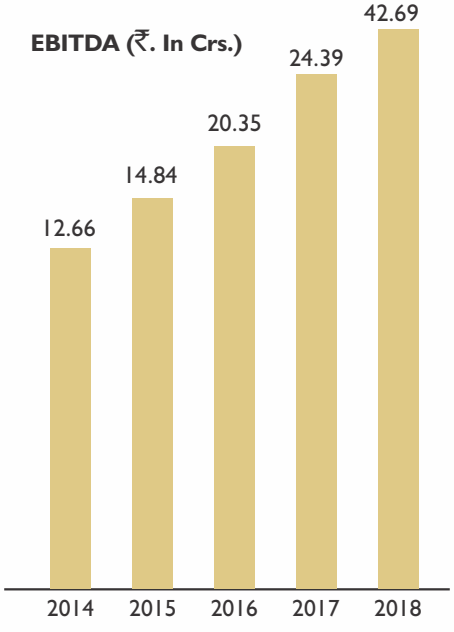
VENUE
VITS - Luxury Business Hotels,
Andheri Kurla Road,
International Airport Zone,
Andheri (East), Mumbai 400 059,
Maharashtra, India

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FINANCIAL HIGHLIGHTS





The above graph shows the performance of the Company in the last five years through its sales and Earnings before Interest, Depreciation and Amortization. The graph reflects the growth of the Company which is going upwards year over year and thus shows the commitment of the Company to grow high. With total operational revenue at ₹ 304.12 crores and EBITDA of ₹ 42.69 crores, the Company have been able to post a considerable growth of 16.78 % and 75.02 % respectively.

Chairman's Message



Dear Shareholders,

It gives me immense pleasure to share with you that the financial year 2017-18 has been an eventful year for the Company and has given us the turnover crossing ₹. 300.00 crores.

In the financial year 2017-18, the Company has reached total revenue of ₹. 307.06 crores over ₹. 261.85 crores in the previous year and net profit of ₹. 1602.17 lakhs over ₹. 901.06 lakhs in the previous year, respectively. The EBIDTA growth of the Company was 75.02%. The growth of the Company was mainly attributed to the performance of the Criticare & Criticare Life and Infertility division. During the year under review, your Company launched around twenty new products and made continuous efforts for improvising the existing products.

The implementation of GST in July 2017 had also impacted the financial position of your Company, which is reflected in the results of the first quarter of FY 2017-18. In the recent past, the pharma industry also experienced slow growth rate due to implementation of new Government policies and control measures. Also, the increase in demand of regulatory and compliance issues, globally, has challenged the growth of the pharma sector. Despite of the challenges faced by the Company, your Company strives to give its best performance year over year.

Your Company received two new patents viz., Micafungin and Rifabutin in the year under review. We have started the process of filing the said patents in other countries as well, having market value for the product.

Gufic is well known and respected for Innovative and high Quality pharmaceutical and Herbal Products along with a wide range of APIs and our core competency also lies in manufacturing and marketing top end lyophilized injectable antibiotics at an affordable prices. We have penetration to more than 123 leading hospitals. As on date, your Company is having five divisions viz., Healthcare, Spark, Criticare, Criticare Life and Ferticare which caters to the needs of the people. We are in the process of expanding our business and stepping into oncology and dermatology in the near future.

We continue our journey of excellence by investing in our growth drivers that will steer future success and we strive to fulfill our aim of achieving leadership in the specialized medicinal segments and make products available at a cost-effective rate using innovation and technology to enhance the welfare of the population worldwide.

Looking ahead, we will continue to focus our efforts on the specialized area of Lyophilized injections & API's and to contribute to society.

We kindly ask for the continued support of all our stakeholders.

Yours faithfully,
For Gufic Biosciences Limited

Jayesh P. Choksi
Chairman & Managing Director

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 34th Annual Report of the Company and the Standalone Audited Financial Statements for the financial year ended March 31, 2018.

FINANCIAL SUMMARY :

The financial performance of the Company, for the year ended March 31, 2018 is summarized below :

₹ in Lakhs

Particulars	2017-18	2016-17
Total Revenue	**30,706.26**	**26,185.80**
Total Expenses	27,911.07	24,749.06
Profit Before Interest, Tax, Depreciation and Amortization (PBITDA)	4268.96	2439.06
Profit After Tax	1602.17	902.08
Other Comprehensive Income	(2.10)	(1.02)
Total Comprehensive Income	1600.07	901.06
Transfer to General Reserve	134.71	134.71
Earnings Per Share (EPS)	**2.07**	**1.17**

The above Table gives the Standalone financial highlights of the Company based on Ind AS for the financial year 2017-2018 as compared to the previous financial year.

PERFORMANCE REVIEW:

The Company's total revenue for the year was ₹ 30,706.26 lakhs as compared to ₹ 26,185.80 lakhs in the previous year thus making an increase of about 17.26%.

During the year under review, the Net Profit of the Company also increased to ₹ 1602.17 lakhs as against ₹. 902.08 lakhs in the previous year, thus marking a growth of about 77.61%. The increase in the Net Profit is mainly due to the increase in the operational revenue of the Company in the financial year 2017-18.

The Company has also progressed in the export market by making a growth of about 20.81 %, however its main focus lies with the Domestic market, which has shown a significant progress in the last three quarters of the financial year 2017-18 after the GST impact in its very first quarter.

TRANSFER TO RESERVES:

During the financial year 2017-18, ₹ 134.71 lakhs was transferred to General Reserve.

DIVIDEND:

Your Directors are pleased to recommend a dividend of Re. 0.05/- (5%) on every equity share of Re. 1/- for the financial year ended March 31, 2018. The dividend if approved at the 34th Annual General Meeting (AGM), will be paid to those shareholders whose name appear on the Register of Members of the Company as of end of the cut off date as specified in the Notice to the AGM.

The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked with long term growth objectives of the Company to be met by internal cash accruals.

SCHEME OF AMALGAMATION

The Board of Directors at its meeting held on November 24, 2016 had approved the Scheme of Amalgamation of Gufic Stridden Bio-Pharma Private Limited ("Transferor Company") with Gufic Biosciences Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme of Amalgamation").

The Scheme was approved by the shareholders on May 28, 2018. Further, all the Regulatory authorities viz. ROC, Regional Director and Official Liquidator shall submit their report to National Company Law Tribunal (NCLT), Mumbai bench after which matter shall be heard by NCLT.

SHARE CAPITAL:

The paid up equity capital as on March 31, 2018 was ₹ 773.50 Lakhs. During the year under review, the company has not issued any shares with differential voting rights nor granted stock options nor sweat equity nor made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

FINANCE:

Cash and cash equivalents as at March 31, 2018 was ₹ 367.12 lakhs. The Company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE

COMPANY:

There have been no material changes affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report. There has also been no change in the nature of business of the Company.

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans, guarantees and investments covered under section 186 of the Companies act, 2013 have been disclosed in the Notes to the financial statements forming part of the Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal Audit team together with external audit consultants review the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. Audits are conducted on an ongoing basis and significant deviations are brought to the notice of the Audit Committee of the Company following which corrective action is recommended for implementation. All these measures facilitate timely detection of any irregularities and early remedial steps.

The Statutory Auditor of the Company has reported on the internal financial reporting system in Annexure B to the Independent Auditors' Report, which forms part of this Report. They have reported that the Company has maintained in all material respects except few material weaknesses, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

The Company is putting its best efforts to get in place an adequate internal financial control framework without any material weaknesses.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Your Company understands its responsibilities as a Corporate citizen and strives to fulfill the same. In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee & the meetings held for the financial year 2017-18 are detailed in the Corporate Governance Report, forming part of this Report. The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is available on the website of the Company and can be accessed through the web link: http://gufic.com/wp-content/uploads/2016/09/corporate-social-responsibilitypolicy.pdf

The details of the CSR activities undertaken by the Company during the year under review, is annexed to this report as "Annexure A".

LISTING:

Your Company is listed with the Bombay Stock Exchange Limited situated at P. J. Towers, Dalal Street, Mumbai 400 001, bearing Scrip Code No. **509079** and with the National Stock Exchange of India Limited situated at Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, bearing Scrip Code **GUFICBIO**. The listing fees for the year 2018-19 has already been paid by the Company.

CONSERVATION OF ENERGY:

1.Steps taken by the Company or impact on conservation of energy:

a. Ensured that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

b. In place an Online Energy Monitoring System to monitor day to day energy consumption and taking the remedial steps accordingly.

c. Replaced Conventional CFL lights with LED lights in phased manner. Primarily all new purchases of lights are done of LED lights.

d. Provided PRV (Pressure Reducing Valve) & Steam trap Valve wherever required to reduce excess consumption of steam and also improved quality of the steam by removing moistures from the line.

e. Involved in water recycling projects to reduce consumption of waters

f. Utilized of energy efficient motors.

g. Replaced old plant steam lines with new ones to stop steam losses, as and when required.
h. Utilized chilled water system
i. Treated high salt content in waste water system
j. Installed Variable Speed Drive (VSD) technology for HVAC to reduce power consumption and improve quality of air in the surroundings for preventing air contamination.

2. Steps taken for utilizing alternate source of energy

a. Used Biomass Briquettes instead of conventional fuels
b. Used Generator for procuring electric power through open access power

3. Capital investment on energy conservation equipment:

The Company has spent approximately 125 lakhs for conservation of energy in the financial year 2017-18

CONSERVATION AND CONSUMPTION OF ENERGY:

I. (A) CONSERVATION OF ENERGY Details of conservation of energy are as follows: Power & Fuel Consumption		Year ended 31.03.18	Year ended 31.03.17
(a) Electricity			
Purchased Units	Kwh	4020270	5455160
Total amount	₹ in Lakhs	241.91	217.85
Rate per unit (average)	₹	6.02	3.99
(b) Furnace Oil			
Quantity	Ltrs	2785	5700
Total Cost	₹. In Lakhs	0.89	1.70
Average Cost	₹	31.90	29.79
(c) Briquettes			
Quantity	Kgs	1792755	1563830
Total Cost	₹. In Lakhs	97.99	82.92
Average Cost	₹	5.47	5.30

TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption;

The company has a full-fledged R&D division continuously engaged in research on new products and process improvement on existing products as part of continuous improvement As a part of technology absorption and adoption, once technology is developed for a product, it is tested in its plant and then the commercialization of the product commences. In the financial year 2017-18, the Company inter alia developed patient friendly formulations for the convenience of the patients, developed Oral dosage form like tablets and capsules. R&D is also engaged in development of External preparation and major parenteral products using new molecules.

(ii) the benefits derived as a Result of R & D :

- Twenty New Products were launched
- Two New Patents were Granted
- Continuous Improvisation on the Quality of the Product

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);

Details of technology imported	Year of Import	whether the technology been fully absorbed;	if not fully absorbed, areas where absorption has not taken place, and the reasons there of
Ulinastatin JP	2017	Fully Commercialized	-
Arbekacin JP	2017	No	Under development
Botulinum Toxin	2017	No	Under development

(iv) the expenditure incurred on Research and Development : ₹. 528.82 lakhs

FOREIGN EXCHANGE EARNINGS AND OUT-GO:

Earnings in foreign currency: ₹ 1794.15 lakhs

Out-go in foreign currency: ₹ 76.74 lakhs

DIRECTORS & KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Shrirang V. Vaidya (DIN: 03618800) was appointed as an Additional Independent Director of the Company effective from February 12, 2018 by the Board of Directors of the Company, who holds office upto the date of the ensuing Annual General Meeting of the Company. The Board recommends appointment of Mr. Vaidya as an Independent Director of the Company for a term of three years w.e.f February 12, 2018 by the shareholders at the forthcoming 34th Annual General Meeting of the Company.

The Board of Directors at its Meeting held on May 29, 2018 have appointed Mr. Balram Singh (DIN : 06918085) as an Additional Non-Executive Non-Independent Director of the Company for a term of three years with immediate effect, subject to the approval of the shareholder at the ensuing Annual General Meeting. The Board recommends his appointment.

In accordance with the provisions of the Section 152(6) of the Companies Act, 2013 read with the rules made thereunder and in terms of Articles of Association of the Company, Mr. Pranav J. Choksi (DIN 00001731), Whole Time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there is no change in the circumstances which may affect their status as Independent Director during the year under review.

FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS :

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Directors in the Company.

The Company continued with its Independent directors' familiarization programme for familiarizing them with company's operations, regulatory and critical aspects which would enable them to effectively discharge responsibilities and functions conferred on them.

The details of the familiarization programme imparted to Independent Directors have been put on the website of the Company. The link can be accessed at http://gufic.com/wpcontent/uploads/2016/18/Familarisation%20programme%20for%20Independent%20Directors%202017-18.pdf

BOARD EVALUATION

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations").

An annual evaluation was carried out by the Board of its own performance as also of its Committees and individual Directors. The evaluation was done by the Board after seeking inputs from all Directors, inter-alia covering different aspects viz. composition and structure of the Board, attendance including participation of the Directors at the Board and Committee meetings, observance of governance, quality of deliberations and effectiveness of the procedures adopted by the Board. In compliance with Regulation 17(10) of the SEBI Listing Regulations, the Board carried out performance evaluation of Independent Directors without the participation of the Director being evaluated.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated.

AUDIT COMMITTEE

The composition of the Audit Committee of the Company is in compliance with the provisions of Section 177(8) of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The functions performed by the Audit Committee, details of meetings held and attendances thereat are given in the Corporate Governance Report, which forms part of this Annual Report. The Board have accepted all the recommendations made by the Audit Committee.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

For the purpose of selection of any Director, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the

incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013, SEBI Listing Regulations or other applicable laws in force. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, appointment and remuneration of Directors & Senior Management. The details of the criteria laid down for appointment of the Directors of the Company and the Policy on Remuneration of Directors is disclosed in the Corporate Governance Report, which forms a part of this Report.

MEETINGS

During the year under review, six Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report, which forms part of this Report. The intervening gaps between the Meetings were within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with the provisions of Section 134(3)© read with Section 134(5) of the Companies Act, 2013 your Directors confirm: -

a. that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

b. that they had 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 your Company at the end of the financial year March 31, 2018 and of the profit of your Company for that year;

c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that they had laid down proper internal financial controls and that the same are adequate and were operating effectively; and

f. that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

RELATED PARTY TRANSACTIONS:

In lines with the requirement of the Companies Act, 2013 and SEBI Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at the link: http://gufic.com/wp-content/uploads/2016/08/POLICY-ON-RELATED-PARTY-TRANSACTION.pdf

Prior omnibus approval was obtained for Related Party Transactions from Audit Committee at the beginning of the financial year for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions were placed before the Audit Committee for review and approval.

The related party transactions entered into by the Company for the financial year 2017-18, are well within the limits as approved by the Audit Committee of the Company at its duly convened Audit Committee Meeting and the Members at the last Annual General Meeting of the Company held on September 05, 2017.

All related party transactions that were entered into during the financial year under review were at arm's length basis and in the ordinary course of the business. There were no materially significant related party transactions entered into by the company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. As stipulated by Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form No. AOC - 2, as Annexure 'B' to this Report.

SUBSIDIARY / JOINT VENTURE /ASSOCIATE COMPANIES:

The Company does not have any subsidiary, joint venture and associate company. Hence, the statement in Form AOC-1 is not applicable to the Company.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website www.gufic.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established a Vigil Mechanism policy i.e. Whistle Blower Policy that enables the Directors and employees to report genuine concerns, unethical behavior, irregularities, if any, that would adversely affect the operation of the Company. The vigil mechanism provides for direct access to the Chairperson of the Audit Committee. The details of the policy is made available on the website of the Company i.e. www.gufic.com

The Vigil Mechanism Policy provides for (a) adequate safeguards against victimization of persons and (b) direct access to the Chairperson of the Audit Committee of the Company in appropriate or exceptional cases.

During the year under review, the Company did not receive any complaint against any Director or Senior Management Officials.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code can be accessed on the website of the Company at the web link : http://gufic.com/wp-content/uploads/2016/08/code-of-Conduct-Insider-Trading.pdf.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

AUDITORS:

a. STATUTORY AUDITOR:

Messrs. S H R & Co., Chartered Accountants, (FRN: 120491W) Mumbai, were appointed as the Statutory Auditor of the Company for a period of five years at the 30th Annual General Meeting of the Members of the Company. In terms of provisions of Section 139 (1) of the Companies Act, 2013, the continuation of their appointment as Statutory Auditors to audit the financials of the Company for the financial year 2018-19 shall be subject to ratification by the Members at the ensuing Annual General Meeting. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Regulation 33 of the SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Board recommends the ratification of their appointment as Statutory Auditor.

b. COST AUDITOR :

Pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Cost Records And Audit) Amendment Rules, 2014, the Company is required to appoint a Cost Auditor. to audit the cost records maintained by the Company. The Board, has on recommendation of Audit Committee, appointed M/s. Kale & Associates, Cost Accountants, Mumbai, (Firm Registration No. 101144) to audit the cost records of the Company for the financial year ending March 31, 2018. As required under the said Act and the Rules made thereunder, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders at the ensuing Annual General Meeting. Accordingly, a resolution seeking ratification by members for the remuneration payable to M/s. Kale & Associates is included in the Notice convening 34th Annual General Meeting.

In compliance with Section 148(6) of the Companies Act, 2013 and Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, Cost Audit Report, in Form CRA - 4 (XBRL mode), for the year ended March 31, 2017, was filed with the Ministry of Corporate Affairs on December 26, 2017.

c. SECRETARIAL AUDITOR:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Gajanan D. Athavale, a Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit report is annexed herewith as "**Annexure - C**"

d. INTERNAL AUDITOR :

The Board of Directors of the Company on the recommendation of the Audit Committee of the Company has appointed M/s. Mittal Agarwal & Co., Chartered Accountants (Firm Registration No. 0131025W) as an Internal Auditor of the Company for the financial year 2018-19.

During the year under review, the statutory auditors, secretarial auditors and cost auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the

Companies Act, 2013, details of which needs to be mentioned in this Report.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The explanation to the observation made in the Auditors' Report and the Secretarial Audit Report are as below as per Section 134 of the Companies Act, 2013.

1. INDEPENDENT AUDIT REPORT :

a. With reference to point no. 4(a) of Independent Auditor's Report:- The Company have implemented Pharma Cloud, a new ERP system in line with the Goods & Services Act, which came in force from July 01, 2018. There is no major impact, due to any pending reconciliation.

b. With reference to point no. 4(b) of Independent Auditors' Report : The Company states that it has physical inventory of Rs. 10,091.51 lakhs as at March 31, 2018, of Raw Material, Packing Material, Work in Progress, Finished Goods and Stock in transit. The internal auditors of the Company M/s. Mittal Agarwal & Company, Chartered Accountants have physically verified inventories of raw materials, packing material, finished goods, work in progress goods and stock in trade, for which a physical verification certificate has also been issued by them.

c. With reference to point no. 4(c) of Independent Auditors' Report: The Company has unearthed the fraud committed by one of its marketing employee along with his accomplice who has misappropriated amount of ₹. 124.04 lakhs in the financial year 2014-15. The Company has taken strict legal action against the employee as well as the accomplice. The case is still pending before the Court of law. The Company is expecting to recover the amount from the employee and his accomplice and hence in view of the management no provision is required.

d. With reference to point no. 4(d) of Independent Auditors' Report : The company is in the process of seeking confirmation and its reconciliation with the books of accounts of the balances in Trade Receivable, loans & advances, Employee Advance, Trade Payable and Security and Trade Deposits from Agents and Stockiest. It is an ongoing exercise and the company will make necessary provision on completion of the process.

e. With reference to point no. 4(e) of Independent Auditors' Report : As the GST return - 3B report generated by the ERP system is accurate, there is no major impact, due to pending reconciliation.

2. SECRETARIAL AUDIT REPORT :

a. With regards to the unspent amount towards CSR activity, the explanation is provided in Annexure A to the Board's Report.

b. With regards to the compliances with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the rules notified thereunder, the Company is in the process to implement the law in its entirety.

c. With regards to system and process to monitor and ensure compliance with the applicable laws/rules/regulations etc, the Company on a continuous basis strive to strengthen the system to have timely compliance with the applicable laws/rules/regulations.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure D".

GREEN INITIATIVE :

The Ministry of Corporate affairs had taken the Green Initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode. Your Company supports the Green Initiative and has accordingly decided to send all communications to its shareholders to their respective registered e-mail addresses.

Your Company appeals to all its shareholders, who are yet to register your e-mail addresses that they take necessary steps for registering the same to become a part of the initiative and contribute towards a Greener environment.

BUSINESS RISK MANAGEMENT:

Your Company has adopted a risk management policy for identification, evaluation and mitigation of business risk and threats. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Various risk traced by the Company during the financial year 2017-18, were minimized to its best. The risk management policy adopted by the Company can accessed on the Company's website at the link : http://gufic.com/wp-content/uploads/2016/08/Risk-Management-Policy-2017-18.pdf

HUMAN RESOURCES:

At Gufic, we value our employees and believe that they are the valuable assets of the Company and play a crucial role in the success and overall growth of the Company.

Your Company ensures strategic alignment of Human Resource practices to business priorities and objectives.

In today's competitive business world, attracting and retaining skilled employees have become difficult. Your Company has managed to retain many professional and skilled employees due to the work culture and environment adopted by the Company. Your Company continued to conduct various employee benefit, recreational and team building programs, social gatherings to foster team spirit.

During the year under review, the employees' strength of your Company increased to 1060 as compared to 1023, in the previous year.

Your Directors would also like to take this opportunity to express their appreciation for the hard work and commitment of the employees of the Company and looks forward for the sustained relationship between the Company and the employees.

On the Industrial front, your Company enjoyed cordial relationship with workers and employees at all levels.

PARTICULARS OF EMPLOYEES:

The information required under section 197 of the Act read with Rule 5[1] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014, is given in **"Annexure- E"**.

Further, the information as required under Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, pertaining to the names and other particulars of employees is available for inspection at the Corporate office of the Company and pursuant to the proviso to Section 136 (1) of the Act, the report and the accounts are being sent to the members excluding this. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary/Compliance Officer at the Corporate office address of the Company.

CORPORATE GOVERNANCE:

Your Company believes Corporate Governance is at the core of stakeholder satisfaction. Your Company's governance practices are described separately in this annual report. Mr. Deep Shroff, partner of M/s. S H R & Co., Chartered Accountant (FRN: 120491W) has issued Auditors' Report on Corporate Governance on Company's compliance with SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. This certificate forms part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

The Management discussion and analysis report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms a part of this report.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE:

Your Company has zero tolerance towards sexual harassment at work place and adhere to the safety of the women employees at the Company. Your Company believes in providing opportunity and key position to women professionals. It is the continuous endeavor of the Board of Directors to create a discrimination and harassment free environment for all its employees.

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the year under review, no complaints were received by any employee of the Company pertaining to sexual harassment.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards 1 & 2 as amended from time to time issued by the Institute of Company Secretaries Of India.

ACKNOWLEDGMENTS

Your Company and its Directors wish to extend their sincerest thanks to all its employees, stakeholders, medical professionals, clients, business partners, bankers, governments and other statutory authorities at all levels for their continuous co-operation and assistance.

The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

Place: Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

Jayesh Choksi
Chairman & Managing Director
DIN 00001729

ANNEXURE TO DIRECTORS REPORT :

Annexure 'A' to the Board's Report
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to section 134(3)(o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules,2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :

The Company has framed a CSR Policy in compliance with the provision of Section 135 of the Companies Act, 2013 read with the rules made thereunder.

The Company's CSR Policy intends to :

Strive for economic development that positively impacts the society at large with minimal resource footprint.

Encourage a positive impact through its activities on various social causes and the society at large

The Company has outline the following thrust areas in the CSR Policy:

a. Community Health Care, Sanitation & Hygiene

To assist in providing medical assistance to underprivileged and to the villages / towns where there are no adequate medical facility.

b. Education, Knowledge & Research

To assist in providing educational facilities to the underprivileged children, promote sports and upgrade research and development activities especially in pharma industries to provide better health to the people.

c. Social care and concern

To assist in eradicate poverty, generate employment, assistance for safe drinking water, welfare of victims of natural calamities etc.

Web Link : http://gufic.com/wp-content/uploads/2016/09/Corporate-Social-Responsibility-Policy.pdf

2.Composition of CSR committee:

i. Mr. Sharat S. Gandhi - Chairman
ii. Mr. Jagdish D. Shah - Member
iii. Mr. Shreyas K. Patel - Member
iv. Mr. Jayesh P. Choksi - Member
v. Mr. Pranav J. Choksi - Member

3. Average net profit of the company for last three financial years:

The average net profit of the company for the 3 financial Years calculated in accordance with the provisions of section 198 of the companies Act, 2013 was ₹.1161.22 Lakhs

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above) ₹. 23.22 Lakhs

5. Details of CSR spend for the financial year :

a. Total amount spent for the financial year: 20.22 Lakhs

b. Amount unspent if any: ₹. 3.00 Lakhs

c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Projects/ Activities	Sector in which the project is covered	Projects or Programs 1) Local area or other 2) Specify the state & Districts where projects or programs was undertaken	Amount outlay (Budgets) projects or programme wise	Amount spent on the projects/ programs Subheads: 1) Direct Expenditure on Projects/ programs 2) Overheads	Amount spent: Direct or through implementing agency*
1	Promoting education through Financial Assistance for renovation, upgradation and maintenance of undergraduate facilities at Educational Institutes	Promoting Education	Mumbai, Maharashtra	10,22,000	10,22,000	* Institute of chemical technology
2	Promoting education by providing financial Assistance	Promoting education	Mumbai, Maharashtra	10,00,000	10,00,000	*Smile foundation

*Details of implementing agency

6. **In case, the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report-**

   During the financial year 2017-18, the Company had spent ₹. 3.00 lakhs less than the amount as prescribed under the Companies Act, 2013. The Board of Directors of the Company on the recommendation of the CSR Committee had approved to contribute the said amount of ₹. 3.00 lakhs for promoting education through an educational institute that provides education for normal and differently-abled children, however the same could not materialize in the financial year 2017-18 and the amount was contributed in the first quarter of the financial year 2018-19.

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the company:**

   The Corporate Social Responsibility Committee of the Company hereby confirms that the implementation and monitoring of CSR policy of the Company is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Jayesh Choksi
Managing Director
DIN 00001729

For and on behalf of the CSR Committee

Sharat S. Gandhi
Chairman of CSR Committee

Place : Mumbai
Date : 29th May, 2018

ANNEXURE B TO BOARD'S REPORT

Form No. AOC-2

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

1 All contracts/arrangements/transactions entered into by the Company with related parties during the year ended March 31, 2018 were at arm's length basis.

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

(a) Name(s) of the related party and nature of relationship : Gufic Lifesciences Private Limited.
Mr. Jayesh P. Choksi,Mr. Pranav J. Choksi and Mrs. Hemal M. Desai are Directors in both the Companies.

(b) Nature of contracts/arrangements/transactions : Purchase and sale of Raw materials, packing materials and finished goods

(c) Duration of the contracts/arrangements/transactions : Ongoing/Continous

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Purchase and sale of Raw materials, packing materials and finished goods on need to need basis not exceeding amount of ₹. 750.00 lakhs in the financial year 2018-19.

(e) Date(s) of approval by the Board, if any: 29.05.2018

(f) Amount paid as advances, if any: N.A

For and on behalf of the Board of Directors

Jayesh Choksi
Managing Director
DIN 00001729

Place : Mumbai
Date : 29th May, 2018

ANNEXURE C TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2018
(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Members,
Gufic Biosciences Limited
Shop - 37, First Floor, Kamala Bhavan II,
S Nityanand Road, Andheri East, Mumbai - 400069

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gufic Biosciences Limited (CIN L65990MH1984PLC033519)(hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2018 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2018 according to the provisions of:

(I) The Companies Act, 2013(the Act)and the rules made thereunder.

(ii) The Securities Contracts(Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.

(iv) Foreign Exchange Management Act,1999 and the rules and regulations made thereunder. The provisions relating to Foreign Direct Investment and External Commercial Borrowings were not applicable to the Company during the audit period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **to the extent disclosures received under regulation 30 during the audit period under review.**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable during the audit period under review.**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- **Not applicable during the audit period under review.**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the audit period under review.**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client–**Not applicable during the audit period under review.**

(g) The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009 - **Not applicable during the audit period under review.**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable during the audit period under review;** and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Company:

(a) The Drugs and Cosmetics Act, 1940 and rules made thereunder.
(b) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made thereunder.
(c) Drugs (Prices Control) Order.
(d) The Legal Metrology Act, 2009 and rules made thereunder.
(e) The Trade Marks Act, 1999
(f) The Patents Act, 1970

I have also examined compliance with the applicable clauses of the following:

(a) The Secretarial Standards issued by the Institute of Company Secretaries of India; and
(b) The Listing Agreements entered into by the Company with Stock Exchanges.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

(a) The Company has spent an amount of ₹. 20.22 lacs against the amount of ₹. 23.22 lacs, the CSR obligation for the financial year 2017-2018, towards Corporate Social Responsibility.

(b) The Company was to comply with the applicable provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the rules notified thereunder.

I further report that the compliance by the Company of the applicable financial laws such as direct and indirect tax laws and the maintenance of records and/or books of accounts has not been reviewed by me, since the same has been subjected to review by statutory financial audit and other designated professionals.

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

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 *that the Company need to put in place an appropriate system & process for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.*

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

I further report that the Company need to strengthen systems and processes commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the events / actions, which were listed below, could have a major bearing on the Company's affairs:

(a) The Scheme of Amalgamation of Gufic Stridden Bio-Pharma Private Limited with the Company and their respective shareholders is pending for approval at the Hon'ble National Company Law Tribunal, Mumbai Bench.
(b) Financial audit observations / qualifications / qualified opinions by the statutory auditors of the Company.

For Gajanan D. Athavale
Company Secretaries

Gajanan D. Athavale
Proprietor

Membership No.: F-9177
Certificate of Practice No.: 10121

Place: Mumbai
Date: 29th May, 2018

This report is to be read with our letter dated 29May 2018, which is annexed as Annexure A and forms an integral part of this report.

Annexure A to Form No. MR-3 - SECRETARIAL AUDIT REPORT

for the Financial Year ended on 31st March 2018

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

To,

The Members,

Gufic Biosciences Limited
Shop - 37, First Floor, Kamala Bhavan II,
S Nityanand Road, Andheri East, Mumbai - 400069

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

1. Maintenance of secretarial record is the responsibility of the management of the Gufic Biosciences Limited (CIN L65990MH1984PLC033519) (herein called as 'the Company'). My responsibility is to express an opinion on these secretarial records based on my audit subject to the availability thereof.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which I have placed reliance on the report issued by the Independent Statutory Auditors Cost Auditors and the Internal Auditors of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Company's management. My examination was limited to the verification of procedures on test basis in respect of records that were made available to me for my examination.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management of the Company has conducted the affairs of the Company.

For Gajanan D. Athavale
Company Secretaries

Gajanan D. Athavale
Proprietor

Membership No.:F-9177
Certificate of Practice No.: 10121

Place: Mumbai
Date: 29th May, 2018

ANNEXURE D TO BOARD'S REPORT
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON
31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN:	L65990MH1984PLC033519
ii. Registration Date:	23/07/1984
iii. Name of the Company:	GUFIC BIOSCIENCES LIMITED
iv. Category / Sub-Category of the Company:	Company Limited by Shares / Non Govt Public Company
v. Address of the Registered office and contact details:	37, First, Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai – 400 069, Maharashtra, India. Tel: (022) 6726 1000 • Fax: (022) 6726 1067 Email ID: mgr_legal@guficbio.com
vi. Whether listed company:	YES
vii. Name, Address and Contact details of Registrar and Transfer Agent:	LINK INTIME INDIA PRIVATE LIMITED, C-101, 247 Park, LBS Marg, Vikhroli (west) Mumbai – 400 083, Tel No. (022) 4918 6000, • Fax: (022) 4918 6060, Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / service	NIC code of the product / service	% to total turnover of the company
1.	Pharmaceuticals	210	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) **Indian**									
a) Individual/ HUF	28273358	Nil	28273358	36.55	24986085	Nil	24986085	32.30	-4.2499
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	25854287	Nil	25854287	33.43	25854287	Nil	25854287	33.43	0.00
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)	54127645	Nil	54127645	69.98	50840372	Nil	50840372	65.73	-4.2499
(2) Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	54127645	Nil	54127645	69.98	50840372	Nil	50840372	65.73	0.00
(B) Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	5707489	Nil	5707489	7.38	7.38
b)Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)Alternate investment funds	Nil	Nil	Nil	Nil	905513	Nil	905513	1.17	1.17
d)Foreign Venture capital investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)Foreign portfolio investors	100000	Nil	100000	0.13	355213	Nil	355213	0.46	0.33
f) Finacial institutions/bank	53379	Nil	53379	0.07	55479	Nil	55479	0.07	0.0027
g)Insurance company	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) provident funds/pension funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	**153379**	**Nil**	**153379**	**0.20**	**7023694**	**Nil**	**7023694**	**9.08**	**8.88**
2. Central Government/ State Government(s)/ President of India	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3. Non- Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	9961912	194547	10156459	13.13	9155956	150546	9306502	12.03	-1.10
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2085983	Nil	2085983	2.70	6658024	Nil	6658024	8.61	5.91
b) NBFCs registered with RBI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)Employee trust	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)Overseas depositories (holding Drs) (balance figure)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)Any other (Specity)									
IEPF	Nil	Nil	Nil	Nil	120245	Nil	120245	0.16	0.16
Hindu Undivided Family	674203	Nil	674203	0.88	544452	Nil	544452	0.70	-0.17
Non Resident Indians (Non Repat)	266638	Nil	266638	0.34	196045	Nil	196045	0.25	-0.09
Non Resident Indians (Repat)	177999	Nil	177999	0.23	217880	Nil	217880	0.28	0.05
Clearing Member	623699	Nil	623699	0.80	105265	Nil	105265	0.14	-0.67
Market Maker	17530	Nil	17530	0.02	5157	Nil	5157	0.006	-0.01
Bodies Corporate	9055965	10500	9066465	11.72	2332364	Nil	2332364	3.02	-8.70
Sub-total (B)(3):-	**22863929**	**205047**	**23068976**	**29.82**	**19335388**	**150546**	**19485934**	**25.19**	**-4.63**
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	23017308	205047	23222355	30.02	26359082	150546	26509628	34.27	4.25
Total (A)+(B)	**77144953**	**205047**	**77350000**	**100**	**77199454**	**150546**	**77350000**	**100**	**Nil**
(C) Non Promoter -Non Public									
(1) Custodian/DR Holder	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2017)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (A)+(B)+ (C)	**77144953**	**205047**	**77350000**	**100**	**77199454**	**150546**	**77350000**	**100**	**Nil**

B. Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 2017			Shareholding at the end of the year 2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Zircon Finance & Leasing Pvt. Ltd.	20523330	26.53	Nil	20523330	26.53	Nil	0.00
2.	Jayesh P. Choksi	18010259	23.28	Nil	18010259	23.28	Nil	0.00
3.	Pranav J. Choksi	6975826	9.02	Nil	6975826	9.02	Nil	0.00
4.	Gufic Private Limited	5330957	6.89	Nil	5330957	6.89	Nil	0.00
	TOTAL	**50840372**	**65.73**	**Nil**	**50840372**	**65.73**	**0**	**0.00**

C. Change in Promoters' Shareholding (please specify, if there is no change)

Sr.N	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	54127645	69.98	N. A.	N. A.
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	N. A.	N. A.	3287273	4.25*
	At the end of the year	N. A.	N. A.	50840372	65.73

* Change in the shareholding of the Promoters of the Company during the year 2017-18, is due to re-classification of certain persons from Promoter Group Category to Public Category vide receipt of approval from the National Stock Exchange of India Limited on October 4, 2017 and BSE Limited on November 01, 2017, under Regulation 31A (7) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

D. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SBI Pharma Fund	0	0	5707489	7.38
2	Vipula Choksi	2885273	3.73	2885273	3.73
3	Jagdish N. Master	1535000	1.98	2000000	2.59
4	Sambhav Properties LLP	7745949	10.01	645949	0.84
5	SBI Active Select Fund	0	0	573513	0.74
6	Dhyuti Choksi	402000	0.52	402000	0.52
7	SBI Pipe Fund-1	0	0	332000	0.43
8	PPF II (PMG partners Funds II) – Padma India Fund	0	0	321000	0.41
9	Bharat Kanaiyalal Sheth	0	0	235000	0.30
10	The Master Clock and Watch Works Pvt. Ltd.	228406	0.30	228406	0.30

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 2017		Cumulative Shareholding during the year 2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Jayesh P. Choksi – Managing Director				
	At the beginning of the year	18010259	23.28	18010259	23.28
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	18010259	23.28	18010259	23.28
2	Mr. Pranav J. Choksi – Whole Time Director & Chief Executive Director				
	At the beginning of the year	6975826	9.02	6975826	9.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	6975826	9.02	6975826	9.02
3	Mrs. Hemal M. Desai – Whole Time Director & Chief Financial Officer				
	At the beginning of the year	10	0.00	10	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	10	0.00	10	0.00
4	Mr. Shreyas Patel – Independent Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	2600	0.003
	At the end of the year	0	0	2600	0.003

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	64,160,799	63,608,301	39,500,000	167,269,100
ii) Interest due but not paid	-	-	2,858,144	2,858,144
iii) Interest accrued but not due	545,872	-	-	545,872
Total (i+ii+iii)	**64,706,671**	**63,608,301**	**42,358,144**	**170,673,116**
Change in Indebtedness during the financial year				
* Addition	34,595,740	156,800,807	8,095,000	199,491,547
* Reduction	32,706,685	138,166,970	1,000,000	171,873,655
Net Change	**1,889,055**	**18,633,837**	**7,095,000**	**27,617,892**
Indebtedness at the end of the financial year				
i) Principal Amount	66,062,910	82,242,138	46,660,000	194,965,047
ii) Interest due but not paid	-		972,029	972,029
iii) Interest accrued but not due	566,458	-	-	566,458
Total (i+ii+iii)	**66,629,368**	**82,242,138**	**47,632,029**	**196,503,535**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In ₹)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Jayesh P. Choksi (MD)	Pranav J. Choksi (WTD & CEO)	Hemal Desai (WTD & CFO)	Pankaj Gandhi (WTD)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	40,00,008	20,00,004	9,20,944	8,43,520	77,64,476
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission - as 1% of profit - others, specify…	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	40,00,008	20,00,004	9,20,944	8,43,520	77,64,476
	Ceiling as per the Companies Act, 2013	Rs. 309.09 Lakhs				

B. Remuneration to other directors

(In ₹)

SN.	Particulars of Remuneration	Name of Directors					Total
		Dr. Sharat Gandhi	Mr. Shreyas Patel	Mr. Jagdish Shah	Mr. Gopal Daptari	Mr. Shrirang Vaidya*	Amount
1.	Independent Directors						
	Fee for attending board / committee meetings	30,000	25,000	10,000	30,000	5,000	1,00,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	30,000	25,000	10,000	30,000	5,000	1,00,000
2.	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	30,000	25,000	10,000	30,000	5,000	1,00,000

*Appointed as an Additional Independent Director w.e.f 12.02.2018

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(In ₹.)

SN	Particulars of Remuneration	CS	Total
		Ms. Ami N. Shah	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	6,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	-as % of profit	Nil	Nil
	others, specify…	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	6,00,000	6,00,000

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place: Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

Jayesh Choksi
Chairman & Managing Director
DIN 00001729

ANNEXURE E TO BOARD'S REPORT

Statement under Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of the remuneration of each director to the median employee's remuneration (MRE) of the Company and the percentage increase in remuneration of each director, CEO, CFO and CS for financial year 2017-18

1. Remuneration to Whole Time Executive Director & Key Managerial Personnel :

S. No.	Name	Designation	% increase remuneration in the year ended March 31, 2018	Ratio of the remuneration of each Director to the median remuneration of the employees
1.	Mr. Jayesh P. Choksi,	Chairman & Managing Director	0	16.45:1
2.	Mr. Pranav J. Choksi,	Chief Executive Officer & Whole Time Director	0	8.33:1
3.	Mrs. Hemal M. Desai,	Chief Financial Officer & Whole Time Director	7.43	3.47:1
4.	Mr. Pankaj J. Gandhi	Whole Time Director	0	3.31:1
5.	Ms. Ami N. Shah	Company Secretary	26.32	N.A

The remuneration of the Non-executive directors comprises of only sitting fees paid to them for attending the meetings of the Board. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

2. The percentage increase in the median remuneration of the employees for the financial year 2017-18 was 3.7 %

3. The Company has 1060 permanent Employees on the pay rolls of Company as on 31st March, 2018

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

Average percentile increase in the remuneration for all employees other than managerial personnel was 10.15 %, while the average increase in the managerial remuneration was 2.31%. The increase in salary of the employees of the company depend upon their respective performances and increase in the Managerial Remuneration has been recommended to the Board of Directors by the Nomination & Remuneration Committee based on various factors viz., involvement in the growth of the Company, experience, integrity, etc, which has been duly approved by the Board of Directors.

5. Affirmation that the remuneration is as per the remuneration policy of the Company :

The Board of Directors of the Company affirm that the remuneration paid is as per the remuneration policy of the Company

Place: Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

Jayesh Choksi
Chairman & Managing Director
DIN 00001729

REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Gufic believes that a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value. The company's corporate governance framework is based on timely disclosures, transparent accounting policies, proactive flow of accurate information, ethical business conduct, well developed systems of internal controls, risk management and protection and facilitation of shareholders' rights. It is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process.

The Company has guiding principles laid out through its Code of Business Conduct, duly adopted and adhered by the senior management personnel which has been posted on the website of Company.

At Gufic we aim to abide by the highest standards of good governance and ethical behaviour across all levels within the organisation with a zero-tolerance policy towards any deviation from these standards. Our ethical framework focuses on long-term shareholder value creation through responsible decision making. The Company believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices.

The governance system encourages the entrepreneurship, risk taking and growth orientation with an objective to lead full accountability enabled by appropriate empowerment.

The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. The Company tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

2. BOARD OF DIRECTORS :

(A) Composition and size of the Board

As on March 31, 2018, the Company had Nine (9) Directors comprising of (i) four executive directors including Chairman of the Board and one woman director and (ii) five independent directors which is in compliance with Regulation 17 of the Listing Regulations and the provisions of Section 149 of the Companies Act, 2013 ('Act') and the Rules made thereunder. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

Your directors have rich and diverse experience in fields of business management, medicine, banking & finance and financial management that brings expertise to the Board. Each Director brings to the Board, domain knowledge on different aspects/functions in accordance with the Company's policy on Board diversity. The board provides leadership, strategic guidance, objective and independent views to the company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

(B) Non executive directors' compensation and disclosures

All non-executive directors are independent directors in the Company. No fees or compensations are paid to them , which requires previous approvals of shareholders in a general meeting, except reimbursement of expenses incurred by them on behalf of the Company and travelling expenses for attending the board meeting.

The Non-Executive Directors are entitled to payment of sitting fees only, which is made within the limits prescribed under the Companies Act, 2013 read with the rules made thereunder.

(C) Board Meetings held, attendance of each Director at the Board Meeting and AGM and other details

Six (6) Board Meetings were held during the financial year 2017-2018 and the gap between the two Board Meetings did not exceed the limit as prescribed under Companies Act, 2013 and the SEBI Listing Regulations. The Board meetings were held on 3rd April, 2017, 29th May, 2017, 14th September, 2017, 9th November, 2017, 14th December, 2017 and 12th February, 2018.The names of members of the Board, No. of Board Meeting held during the financial year 2017-2018, their attendance at the Company's Board Meetings, Last Annual General Meeting, the number of Directorship and Chairmanship / Membership in the Companies are given below:

Name of the Director	Category	No. of Board Meeting held & attended during 2017-2018		No. of Shares held in the Company	Whether attended Last AGM Companies	*No. of Directorship in other Companies	No. of Chairmanship / Membership in Committees	
		Held	Attended				Chairmanship**	Membership**
Mr. Jayesh P. Choksi	Promoter & Managing Director	6	6	180,10,259	Yes	1	Nil	3
Mr. Pranav J. Choksi	Promoter, Whole Time Director & Chief Executive Officer	6	6	69,75,826	Yes	Nil	Nil	3
Mr. Pankaj J. Gandhi	Whole-Time Director	6	6	0	Yes	Nil	Nil	Nil
Mrs. Hemal M. Desai	Whole Time Director & Chief Financial Officer	6	6	10	Yes	Nil	Nil	Nil
Dr. Sharat S. Gandhi	Non-Executive Independent Director	6	6	0	Yes	Nil	2	2
Mr. Shreyas Patel	Non-Executive Independent Director	6	5	2600	No	Nil	2	2
Mr. Jagdish Shah	Non-Executive Independent Director	6	2	0	Yes	Nil	Nil	4
Mr. Gopal Daptari	Non-Executive Independent Director	6	6	0	Yes	Nil	Nil	1
Mr.Shrirang Vaidya#	Additional Non-Executive Independent Director	1	1	0	No#	Nil	Nil	Nil

*The above list of other directorships does not include Directorships in Private and Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

**The Memberships and Chairmanships of Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship's Committee and Corporate Social Responsibility Committee of all Public Limited Companies, including this Company are included.

#Mr. Shrirang V. Vaidya was appointed as an Additional Independent Director on 12th February, 2018 and hence he was not entitled to attend the last Annual General Meeting held on September 05, 2017 as a Director of the Company.

(D) Disclosure of Relationship between Directors inter-se

Mr. Pranav J. Choksi, Chief Executive Officer & Whole Time Director is the son of Mr. Jayesh P. Choksi, Chairman & Managing Director of the Company. Except Mr. Pranav J. Choksi and Mr. Jayesh P. Choksi, none of the Directors are related to any other Director of the Company.

(E) Compliance as to applicable laws

Pursuant to the provisions of Section 165(1) the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors holds Directorships in more than 20 companies (Public or Private), 10 public companies, Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board in excess of 5. None of the Directors serve as Independent Director in more than 7 listed companies. None of the Director who serves as Whole Time Director in any listed company serves as Independent Director in more than three listed companies.

As per the requirements of Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has met at least four times a year and a maximum time gap between any two meetings were not met more than one hundred and twenty days. At least one board meeting was conducted in a calendar quarter, as prescribed under Secretarial Standards I issued by Institute of Company Secretaries of India. The meeting of the Board of Directors and Annual General Meeting are always held in Mumbai, where the registered office of the Company is situated. Board Meeting dates are finalized in consultation with all the directors and the agenda and the papers for consideration at the Board meeting are circulated to the Directors well in advance before the meeting. During the year under review, the Company has complied with the Secretarial Standards 1 and 2 as prescribed by the Institute of the Company Secretaries of India.

Each director informs the Company on an annual basis about the board and board committee positions she/he occupies in other companies, and notifies the Company of any changes regarding their directorships. In addition, the independent directors provide an annual confirmation that they meet the criteria of independence as defined under the provision of the Companies Act, 2013 and the SEBI Listing Regulations. Section 152 of the Companies Act, 2013, states that one-third of the board members other than independent directors who are subject to retire by rotation, shall do so every year and be eligible for reappointment, if approved by the shareholders. Mr. Pranav J. Choksi, retires by rotation at the forthcoming annual general meeting and, being eligible, seeks re-appointment.

(F) INDEPENDENT DIRECTOR FAMILIARISATION PROGRAMME

A formal letter of appointment explaining the roles, responsibilities and duties to be undertaken by him/her is given to the Independent Director, at the time of appointment.

The details of the familiarization programme imparted to Independent Directors have been posted on the website of the

Company. The link can be accessed at: http://gufic.com/wp-content/uploads/2016/08/Familiarisation-of-Independent Director.pdf

3. COMMITTEE OF THE BOARD:

Terms of reference covers all matters prescribed under Regulation 18 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company. The major functions undertaken by the Audit Committee as covered under the Listing Regulations and Companies Act, 2013 are as follows

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing and examining with management the quarterly financial results before submission to the Board;
- Reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon;
- Review management discussion and analysis of financial condition and results of operations;
- Scrutiny of inter-corporate loans and investments made by the Company;
- Reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- Approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post audit discussion to ascertain area of concern, if any;
- Reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- Reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries
- Recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- Evaluating internal financial controls and risk management systems;
- reviewing the functioning of the Whistle Blowing mechanism;

I) Composition:

The Audit Committee comprises of six Directors, out of which four are Independent Directors. The Committee currently comprises of Mr. Sharat S. Gandhi – Chairman, Mr. Jagdish Shah- Member, Mr. Shreyas K. Patel – Member, Mr. Jayesh P. Choksi – Member and Mr. Pranav J. Choksi – Member. The Company Secretary acts as the Secretary to the Committee.

In the financial year 2017-18, five Board meetings were held i.e. on May 29, 2017; September 14, 2017; November 09, 2017, December 14, 2017 and February 12, 2018 and the members attendance during the year are as under :

Name of the Members	Category	No. of Meetings Entitled To Attend	No of Meetings Attended
Mr. Sharat Gandhi	Independent Director	5	5
Mr. Jagdish Shah	Independent Director	5	1
Mr. Shreyas Patel	Independent Director	5	5
Mr. Gopal Daptari	Independent Director	5	5
Mr. Jayesh Choksi	Managing Director	5	5
Mr. Pranav Choksi	CEO & Whole Time Director	5	5

The gaps between two Audit Committee Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings

A. Nomination & Remuneration Committee:

In compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, the Board has constituted a "Nomination and Remuneration Committee" [NRC].

The Terms of reference of the said NRC is specified in clause A of Part D of Schedule II of the SEBI Listing Regulations which are mentioned hereunder:

1. To identify the persons, who are qualified to become Directors of the Company or who may be appointed in Senior Management.
2. To recommend to the Board, appointment and removal of the Director[s] and evaluation of each Director's performance,
3. To formulate criteria for determining qualifications, positive attributes and independence of a Director,
4. To review on annual basis the compensation to the Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and recommend to the Board the remuneration and incentive payable to each of them,
5. Ensure that level and composition of remuneration is reasonable and sufficient, its relationship with performance is clear and meets appropriate performance benchmarks, and
6. To develop and review the succession plan for the Board.

Composition of NRC Committee :

The committee currently comprises of three Independent Directors viz. Mr. Sharat S. Gandhi – Chairman, Mr. Jagdish Shah- Member and Mr. Shreyas Patel – Member. During the financial year 2017-18, the committee met two times i.e., May 29, 2017 and February 12, 2018. The attendance record of the members at the meeting were as follows:

Name of the Members	No. of Meetings Entitled To Attend	No of Meetings Attended
Mr. Sharat Gandhi	2	2
Mr. Jagdish Shah	2	1
Mr. Shreyas Patel	2	1

The Company Secretary acts as the Secretary to the Committee

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated on the basis of level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors :

The details of remuneration for the year ended March 31, 2018 to the Executive Directors are as follows

Sr. No	Name of Director	Salary/ Remuneration (p.a) in ₹.	Perquisites / Allowances (₹)	Performance Linked Bonus / Commission (₹)	Stock Options
1	Mr. Jayesh P. Choksi	40,00,008	0	0	0
2	Mr. Pranav J. Choksi	20,00,004	0	0	0
3	Ms. Hemal M. Desai	9,20,944	0	0	0
4	Mr. Pankaj J. Gandhi	8,43,520	0	0	0

No stock option or performance linked incentive were given to the Executive Directors for the financial year 2017-18.

Service contracts, Notice Period and Severance Fees :

The employment of the Chairman & Managing Director and the Executive Directors of the Company is contractual. The employment of Mr. Jayesh P. Choksi , Mr. Pranav J. Choksi , Mr. Pankaj J. Gandhi and Mrs. Hemal M. Desai is for the period of five years beginning from the date of their appointment/re-appointment. The Executive Directors can resign from the Directorship of the Company by giving not less than three months' prior notice in writing. Moreover, there is no separate provision for payment of severance fees to the Directors.

The Company has paid sitting fees of ₹ 5,000/- per Board meeting to Non-Executive Directors during the financial year 2017-18. None of the Non-executive directors of the Company, have any pecuniary relationship or transactions with the Company other than sitting fees paid for attending the board meetings.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors have adopted a "Policy On Criteria For Appointment Of Directors, KMPs And Senior Management Personnel And Evaluation Of Their Performance" determining the criteria for appointment of Directors, KMPs and Senior Management Personnel and formulating Remuneration Policy for Executive and Non-Executive Directors of the Company. The policy can be accessed on the following link :http://gufic.com/wp-content/uploads/2016/08/AppointmentofdirectorsKMP201718.pdf

Remuneration of Executive Directors at the time of appointment/re-appointment is approved by Members. The remuneration of the Executive Directors are revised annually considering the experience and performance of the individual, Company's performance and industry standards. The revision so made are well within the limits prescribed by the Companies Act, 2013 read with rules framed thereunder. While deciding the remunerations, Nomination & Remuneration Committee ensures that they are reasonable and sufficient to attract, retain, reward and motivate the best and qualified managerial personnel. Executive Directors are not paid sitting fees for attending Board/Committee meetings.

The Non-Executive Directors are entitled to receive remuneration only by way of sitting fees for participation in the Board meetings, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. They are also entitled to receive traveling and other expenses they incur for attending to the Company's affairs.

B.Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is constituted in lines with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The composition of the Committee comprises of five directors out of which three are Non-Executive Independent Directors. The Stakeholders' Relationship Committee looks into the grievances of the security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc., and redress the same.

Ms. Ami N. Shah, Company Secretary acts as the Compliance Officer of the Company.

During the year under review, the committee met four times. The attendance at the Shareholders/Investors Grievance Committee is given below :

Name of the Members	Category	Designation	No of Meetings Attended
Mr. Shreyas K. Patel	Independent Director	Chairman	3
Mr. Jagdish D. Shah	Independent Director	Member	2
Dr. Sharat S. Gandhi	Independent Director	Member	4
Mr. Jayesh P. Choksi	Managing Director	Member	4
Mr. Pranav J. Choksi	CEO & Whole Time Director	Member	4

During the financial year 2017-2018, the Stakeholder Committee Meetings were held on May 29, 2017, September 14, 2017, November 9, 2017 and February 12, 2018

Summary of Investors Complaints received and resolved to the satisfaction of the shareholders during the financial year 2017-2018

Complaints pending at beginning of the year	NIL
Complaints received during the year	4
Complaints resolved during the year, to the satisfaction of the Members	4
Complaints pending at the end of the year	NIL

C. CORPORATE SOCIAL RESPONSIBILTY (CSR) COMMITTEE:

The Company has a Corporate Social Responsibility Committee in lines with the provisions of the Companies Act, 2013. The Committee comprises of five members viz., Mr. Sharat Gandhi – Chairman, Mr. Jagdish Shah – Member, Mr. Shreyas Patel – Member, Mr. Jayesh Choksi – Member and Mr. Pranav Choksi – Member

The terms of reference of the Corporate Social Responsibility Committee inter alia include the following :

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy,
- Monitor the Corporate Social Responsibility Policy of the company from time to time,

- Recommend the amount of expenditure to be incurred on the activities,
- Monitor amount spent on the CSR initiatives of the Company as per the CSR policy,
- Discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time.

The committee met Two times during the financial year ended March 31, 2018 viz., on May 29, 2017 and February 12, 2018. The attendance record of the members at the meeting were as follows

Name of the Members	Category	Designation	No of Meetings Attended
Mr. Sharat Gandhi	Independent Director	Chairman	2
Mr. Jagdish Shah	Independent Director	Member	1
Mr. Shreyas Patel	Independent Director	Member	1
Mr. Jayesh Choksi	Managing Director	Member	2
Mr. Pranav Choksi	CEO & Whole Time Director	Member	2

INDEPENDENT DIRECTORS MEETING:

During the year under review, one separate Independent Directors Meeting without the presence of the Executive Directors was held on September 14, 2018 inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

4. SHAREHOLDERS

A GENERAL BODY MEETINGS

Details of Venue, Date and Time of the Last Three Annual General Meetings are as Follows:

Year	Venue	Date and Time	Special Resolution passed
2014-2015	Hotel Parle International, Vile Parle (East), Mumbai – 400 057	30th September, 2015, 2.30 p.m.	1. Approval of related party transactions 2. Approval under section 180(1)(a) of the Companies Act, 2013
2015-2016	Hotel Parle International, Vile Parle (East), Mumbai – 400 057.	28th September, 2016, 2.30 p.m.	1. Re-appointment of Mr. Pankaj J. Gandhi as a Whole Time Director for a term of five years w.e.f September 07, 2016. 2. Approval u/s 180(1) (a) of the companies Act, 2013, 3. Approval of related party transaction
2016-2017	Hotel Parle International, Vile Parle (East), Mumbai – 400 057	5th September, 2017, 2.30 p.m.	1. Adoption of new set of Articles of Association 2. Approval of Re-classification of Promoters of the Company 3. Approval for keeping and maintaining registers and documents as required under Section 94 of the companies Act, 2013 to place other than the registered office of the Company

All the resolutions including special resolutions , set out in the respective notices , in the last three annual general meetings , were duly passed and approved by the shareholders.

During the year under review, no special resolution was passed through postal ballot and no special resolution is proposed to be conducted through Postal Ballot in the ensuing Annual General Meeting.

B. MEANS OF COMMUNICATION :

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board of Directors at its Board Meeting. These results are published within 48 hours in the Business Standard (English Edition) and Mumbai Lakshadweep (Marathi Edition). These are not sent individually to the shareholders.

The Company's results, annual reports and official news releases are also displayed on the Company's website www.gufic.com . The Company's website also contains basic information about the Company including information

about the company's business, financial information, shareholding pattern, compliance with corporate governance, company's director, registrar & transfer agent, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances etc. Official news releases and presentations made to Institutional investors/analysts are also posted on the website of the company.

The Management Discussion and Analysis Report forms part of this Annual Report

All price sensitive information and announcements are communicated immediately after the approval of the Board at their duly convened Board Meeting to the Stock Exchanges, where the Company's shares are listed, for dissemination to the shareholders.

C. INDEPENDENT DIRECTORS :

None of the Independent Directors have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its senior management and/or associates companies.

D. CEO AND CFO CERTIFICATION :

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, The CEO and CFO certification is provided in this Annual Report.

E. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting: Date, Time and Venue	25th September, 2018 at 2.30 PM at VITS - Luxury Business Hotels, Andheri, Kurla Road, International Airport Zone, Andheri (East), Mumbai 400 059, Maharashtra, India
Financial year	1st April 2017 to 31st March, 2018
Date of Book Closures	As mentioned in the Notice to the Annual General Meeting
Financial Calendar: Results for quarter ended 30th June, 2017 Results for quarter ended 30th September, 2017 Results for quarter ended 31st December, 2017 Results for quarter ended 31st March, 2018	 Third Week of September, 2017 Second Week of December, 2017 Third Week of February, 2018 Fifth Week of May, 2018
Dividend Payment Date	Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.
The Company is Listed at	**Bombay Stock Exchange Limited** 25th floor, P. J. Towers, Dalal Street,Mumbai 400 001 **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Demat ISIN	INE742B01025 (NSDL & CDSL)
Stock Code	BSE - 509079 NSE -GUFICBIO
Name, Address, Telephone No. Fax and Email of Registrar & Share Transfer Agents	Link Intime (I) Private Limited C- 101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai – 400 083. Tel No: (022) 4918 6000 Fax No: (022) 4918 6060 Email: rnt.helpdesk@linkintime.co.in
CIN	L65990MH1984PLC033519
STATUS	Active

The annual listing fees for the financial year 2018-19 to the Stock Exchanges on which the shares of the Company are listed , has been paid before the due date

F. DISTRIBUTION OF SHAREHOLDING AS ON 31st March 2018

CATEGORY	DEMATERIALISED		PHYSICAL		TOTAL		% ISSUED CAPITAL
	No. of Shares	No. of Shares holders	No. of Shares	No. of Shares holders	No. of Shares	No. of Shares holders	
Corporate Bodies (Promoter Co)	25854287	2	0	0	25854287	2	33.43
Clearing Member	105265	116	0	0	105265	116	0.14
Other Bodies Corporate	2332364	255	0	0	2332364	255	3.02
Directors	24988685	4	0	0	24988685	4	32.30
Hindu Undivided Family	544452	398	0	0	544452	398	0.70
Market Maker	5157	7	0	0	5157	7	0.0067
Non Resident Indian	217880	195	0	0	217880	195	0.28
Non Resident (Non Repatriable)	196045	66	0	0	196045	66	0.25
Financial Institutions	44188	1	0	0	44188	1	0.06
Foreign Portfolio Investors (Corporate)	355213	3	0	0	355213	3	0.46
Non Nationalized Bank	11191	2	0	0	11191	2	0.01
Alternate Investment Fund	905513	2	0	0	905513	2	1.17
Government Companies	120245	1	0	0	120245	1	0.16
Mutual Funds	5707489	6	0	0	5707489	6	7.38
Nationalised Banks	100	1	0	0	100	1	0.0001
Public	15811380	15814	150546	34	15961926	15848	20.64
Total	**77199454**	**16873**	**150546**	**34**	**77350000**	**16907**	**100**

G. Market Highs and Lows for the period April 2017 to March 2018

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Monthly volume	High (₹)	Low (₹)	Monthly volume
April, 2017	74.15	65.05	1798512	74.00	65.75	4730332
May, 2017	77.40	60.10	15114364	77.15	62.70	15917648
June, 2017	76.50	65.80	1909852	76.40	65.50	5382854
July, 2017	79.55	69.55	810375	81.50	70.00	3215853
August, 2017	75.60	64.25	411651	75.50	72.55	1861135
September, 2017	86.30	67.00	1621497	86.50	67.50	7100114
October, 2017	99.60	80.25	2804861	99.60	80.10	9539585
November, 2017	103.00	83.25	1563563	103.00	83.50	4898006
December, 2017	137.25	93.95	3103476	137.40	94.00	11641399
January, 2018	144.30	121.00	1635106	144.35	120.80	5383013
February, 2018	135.00	92.50	456369	137.30	95.00	2059208
March, 2018	123.50	102.00	384578	121.00	103.00	1526164

On March 31, 2018, the closing price of the shares of the Company on BSE was Rs. 108.25/- and NSE was Rs. 108.50/-

H. Distribution of Shareholding (As on 31st March 2018)

Shares - Range From- To	No. of shareholders	% of total shareholders	Total shares for the range	% of Issued Capital
1 – 500	13253	78.39	2124992	2.75
501 – 1000	1966	11.63	1628697	2.11
1001 – 2000	793	4.69	1249179	1.61
2001 - 3000	321	1.90	841122	1.09
3001 – 4000	113	0.67	416510	0.54
4001 – 5000	126	0.75	602661	0.78
5001 – 10000	178	1.05	1332837	1.72
10001 & ABOVE	157	0.93	69154002	89.40
TOTAL	**16907**	**100**	**77350000**	**100**

I. ADDRESS FOR CORRESPONDENCE

All shareholders' correspondence should be forwarded to the following address:

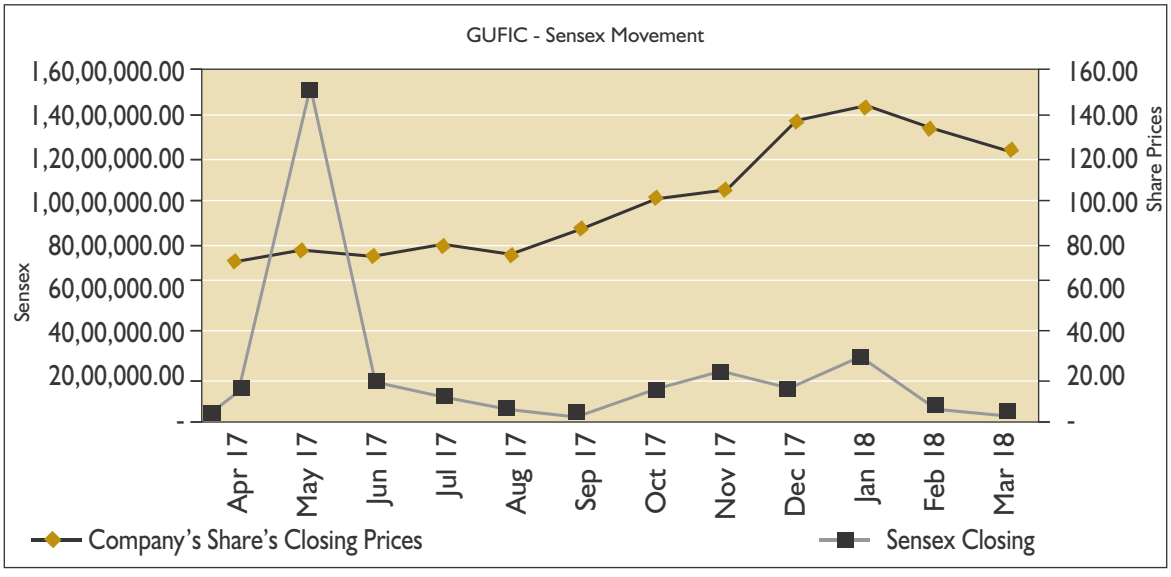
Registrar & Share Transfer Agent

M/s Link Intime India Private Limited,
C- 101, 247 Park, L.B.S Marg, Vikhroli (West) Mumbai – 400 083
Tel No: (022) 4918 6000 Fax No: (022) 4918 6060 • Email: rnt.helpdesk@linkintime.co.in

Company

M/s. Gufic Biosciences Limited
37, First Floor, Kamala Bhavan II, S. Nityanand Road, Andheri (East), Mumbai – 400 069, Maharashtra, India.
• Tel No : 022 67261000 • Email : corprelations@guficbio.com

J. PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX :



K. SHARE TRANSFER SYSTEM :

Shares in the physical form are sent to the Registrar & Transfer Agent M/s. Link Intime India Private Limited, for registering transfer and the transfer is normally processed within the stipulated period of time, if the documents are complete in all respects.

Transfer of shares in electronic mode are done through the depositories with no involvement of the Company.

L. DEMATERIALISATION OF SHARES AND LIQUIDITY

99.81 % of total equity capital shares are held in dematerialised form with CDSL and NSDL as on March 31, 2018. All shares of the Company are liquid and traded in normal volume on BSE & NSE. Shares held by Promoters are all in dematerialised form. The demat security (ISIN) code for the equity share is INE742B01025.

M. OUTSTANDING GDRs / ADRs / WARRANTS / ANY OTHER CONVERTIBLE INSTRUMENTS

The Company has not issued any GDRs/ ADRs / Warrants or Any other convertible instruments, as on date

N. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES :

The Company has not entered into any material derivative contracts to hedge foreign exchange risk/ exposure to fluctuations in commodity prices.

O. PLANT LOCATION

The Company has a manufacturing plant located at Navsari, Gujarat. The full address of which can be stated as below:

National Highway No. 8, Near Grid, Kabilpore Navsari, Gujarat 396 424. Tel.: 91-02637-239946/3294254

P. OTHER DISCLOSURES:

I) During the year under review besides the transactions reported in Notes to Accounts there were no other related transactions with the promoters, directors, management and subsidiaries that have potential conflict with the interest of the Company at large.

ii) During the last three years, there were no strictures or penalties imposed by SEBI or the stock Exchange or any statutory authority for non-compliance of any matter related to capital markets.

iii) The Board of Directors of the Company has adopted and put in place a Whistle Blower Policy and no personnel have been denied access to the Audit Committee. The details of vigil mechanism / whistle blower policy has been provided on the website of the Company www.gufic.com and have also been provided in the Directors' Report.

iv) The Company has complied with all the mandatory requirements of the Companies Act, 2013 as well as the SEBI Listing Regulations, including all the requirements of the Corporate Governance Report.

v) The Company has complied with the requirements of the corporate governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

vi) The Company has no subsidiary , associate or joint venture company, hence policy on material subsidiary is not applicable to the Company

vii) Details of Related Party Transactions and policy are provided in the Directors' Report. The policy is made available on the Company's website at the given link : http://gufic.com/wp-content/uploads/2016/08/POLICY-ON-RELATED PARTY-TRANSACTION.pdf

Q. NON-MANDATORY REQUIREMENTS OF REGULATION 27 (1) & PART E OF SCHEDULE II OF THE LISTING REGULATIONS:

i) The Company has an Executive Chairman.

ii) The quarterly/half yearly results are not sent to the shareholders. However, the same are published in the newspapers and are also posted on the Company's website.

iii) The Chairperson & Managing Director and the Chief Executive Officer of the Company are separate individuals

iv) The internal auditors report to the Audit Committee.

CEO/CFO CERTIFICATION:

The Chief Executive Officer and Chief Financial Officer have certified to the Board with regard to the compliance made by them in Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II and the certificate forms part of the Annual Report.

For and on behalf of the Board of Directors

Place: Mumbai
Date:29th May, 2018

Jayesh Choksi
Chairman & Managing Director
DIN 00001729

DECLARATION ON CODE OF CONDUCT PURSUANT TO SCHEDULE V OF THE SEBI LISTING REGULATIONS

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is available on the website of the Company www.gufic.com In accordance with Schedule V of the SEBI Listing Regulations, 2015, I hereby declare that the Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review.

For and on behalf of the Board of Directors

Place: Mumbai
Date:29th May, 2018

Pranav J. Choksi
Chief Executive Officer & Whole Time Director
DIN 00001731

MANAGEMENT DISCUSSION AND ANALYSIS

a)Industry Structure And Developments

Indian Pharma Industry – an overview

Globally, the largest provider of generic drugs is India which accounts for 20% of the global exports in terms of volume. Around 70 to 80 % of the Indian pharmaceutical market are dominated by the branded generics. By 2022, India is likely to be the 9th largest market globally in absolute size. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immuno Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The Indian pharmaceuticals market witnessed growth at a CAGR of 5.64%, during FY11-16, with the market increasing from US$ 20.95 billion in FY11 to US$ 27.57 billion in FY16. The pharmaceutical sector was valued at US$ 33 billion in 2017. Indian pharmaceutical market grew 5.5% in CY2017 in terms of moving annual turnover. In March 2018, the market grew at 9.5% year-on-year with sales of ₹ 10,029 crore (US$ 1.56 billion).By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and 6th largest market globally in absolute size. Increase in the size of middle class households coupled with the improvement in medical infrastructure and increase in the penetration of health insurance in the country will also influence in the growth of pharmaceuticals sector.[1]

Indian pharma companies are capitalising on export opportunities in regulated and semi-regulated markets. The Government of India plans to set up a US$ 640 million venture capital fund to boost drug discovery and strengthen pharmaceutical infrastructure. The 'Pharma Vision 2020' by the government's Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery.[2]

The government's vision of starting insurance for the general public if executed well can be a good shot in the arm for the domestic industry as it will increase access to affordable quality medicines.

The Goods and Service Tax had both negative and positive impacts on this industry. GST has subsumed all the previous indirect taxes, including the service tax, with a single tax system. Also, there is no Central Sales Tax in GST which reduces the assembling and storage costs for medical companies. The cost of life-saving treatments has increased under GST, thus directly impacting the budget of the common man. Even though it helps to make the tax system less complex and prompts business growth in this sector, the common individuals are not very happy with the increased burden of healthcare on their pockets.

Increase in the size of middle-class households coupled with the improvement in medical infrastructure and jumping the penetration of health insurance in the country are expected to boost domestic demand for pharmaceutical products. India's focus on providing complex and speciality products, customer centricity, regulatory compliance, quality improvement and operational efficiency are expected to enhance exports.

Pharma Sector Overview – Global

The pharmaceutical industry is developing at an unusually rapid pace. Manufacturing companies are confronted with enormous challenges due to high market growth, new medicines and therapy forms, changing regulations and progressing digitization.

The total global spends for pharmaceuticals through 2021 will increase by $367 billion on a constant-dollar basis, according to Quintiles IMS. Spending is measured at the ex-manufacturer level before adjusting for rebates, discounts, taxes and other adjustments that affect net sales received by manufacturers. The impact of these factors is estimated to reduce growth by $127 billion, or approximately 35% of the growth forecast through 2021.

The global spending growth will mainly increase in developed countries due to innovations in oncology, Auto-immune an diabetes treatment. As per market study, developed market spending growth will be driven by original brands while pharma emerging markets will continue to be fueled by non-original products that make up an average 91% of pharmerging market volume and 78% of spending. Specialty medicines are projected to increase their share in

1. IBEF India Brand Equity Foundation, June 2018 2.FICCI – Trends & Opportunities for Indian Pharma

globally, particularly in developed markets. Specialty medicines' share of global spending has risen to less than 20% ten years ago to 30% in 2016 and to 35% by 2021, approaching half of total spending in US and European markets, according to the study.

The growth of pharmaceutical market is improving year on year. As per the Quintiles IMS Institute, expenses for drugs will amount to 1.5 trillion U.S. dollars globally in 2021 that equals to an average annual growth rate of between four and seven percent in medication expenses or three percent in doses. The actual reason for the growth is the increase in population. The proportion of people aged 65 to 80 years in 2030 will be high by 6-7% as compared to the people in 2000. Increasing urbanization, population, pollution and work stress would lead to increase in diseases and thus making drugs available and affordable for more people and higher demand for medication. According to the 2017 World Preview report of Evaluate Pharma, prescription drug and OTC sales are forecast to grow at an impressive compound annual rate of 5.4%, rising from US$ 803 billion in 2016 to US$ 1.1 trillion worldwide in 2022.

According to the 2017 World Preview report of Evaluate Pharma, prescription drug and OTC sales are forecast to grow at an impressive compound annual rate of 5.4%, rising from US$ 803 billion in 2016 to US$ 1.1 trillion worldwide in 2022.

Market of Interest for Gufic

Gufic foresees the healthcare business in India changing. Trade will always be the majority but at the onset of a lot of investment in Hospitals especially in tier 1 and 2 towns, the healthcare channel for the people will be serviced via speciality centres, nursing homes or primary, secondary and tertiary hospitals. Also medical tourism being on the rise, this channel will be more prominent in the years to come. Gufic would like to forge a strength in this channel as a specialty healthcare provider and via a launch of a new division every year provide a complete basket of medical needs.

Also Gufic expects that the healthcare market in the Africa (Kenya, Nigeria, Tanzania, Egypt and Francophone) South east Asia, CIS, South Africa, Australia, Canada and Middle East will mature a lot and apart from generics, a market will open for high end lifesaving products which is a great opportunity to be targeted. Gufic via its innovation would like to provide high end injections to these markets at a fraction of the price thereby making the treatment affordable and increase access to a higher base of population.

Apart from above Gufic's export growth is expected to be led by increasing generic penetration in the regulated markets Like Europe, UK, Canada, Australia, Brazil, Russia and South Africa on the back of enhanced focus on the niche and complex product segments, targeting molecules where patents are expiring and enabling licensing agreement with pharmaceutical companies.

In the financial year 2017-18, Gufic developed and launched about 20 new products and expects to launch more than 28 products in the next financial year. With the amalgamation of Gufic Stridden Bio-Pharma Private Limited being effective in this year, subject to approval of the regulatory authorities, door to more export countries will get open for Gufic. However, Gufic's main focus shall always lies with the domestic market.

OPPORTUNITIES AND CHALLENGES

The pharmaceutical industry is one of the biggest and fastest growing industries in India as well as abroad. The Indian pharmaceutical market size is expected to grow to US$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanization, and raising healthcare insurance among others.

The Government of India to create opportunities for Indian Pharma Sector has taken many initiatives such as starting a single window facility to provide consents and approvals to give a push to the Make in India initiative, unveiling of "Pharma Vision 2020" that aims at making India a global leader in manufacturing of pharmaceutical products and introduced mechanism to deal with the issue of affordability and availability of medicines.

With rising income levels, growing health awareness and better access to healthcare, emerging markets offer significant growth potential for the pharmaceutical industry. In recent times, there is an increase in occurrence of non-communicable diseases such as cardiovascular illnesses, diabetes, and oncologic disorders. It is estimated that incidence of diabetes and on cologic diseases will grow by around 20% by 2030.

India is among the leaders in the clinical trial market. Due to a genetically diverse population and availability of skilled

3. IBEF February 2018

doctors, India has the potential to attract huge investments to its clinical trial market. From 2009 to 2015, 3043 clinical trial has been carried out in India. As of June 2017, the Clinical Trials Registry – India had 8,950 trials registered. Due to increasing population and income levels, demand for high-end drugs is expected to rise. Growing demand could open up the market for production of high-end drugs in India. With 70 per cent of India's population residing in rural areas, pharma companies have immense opportunities to tap this market. Demand for generic medicines in rural markets has seen a sharp growth. Various companies are investing in the distribution network in rural areas[3].

By Goods and Service Tax coming into picture, the growth of the Indian pharma company staggered in the first quarter of its implementation which brought a big challenge to the pharma company, however seen from a long run basis, the single tax system shall provide as an opportunity to the industry as well as shall bring availability and affordability to general public.

The Indian Pharma sector faces uncertainty in generic pricing. According to a study, The profit margins of Indian pharma industries which are selling generics in the United States will remain in pressure in 2018 with channel consolidation and USFDA fast tracking approvals through Generic Drug User Fee Act (GDUFA). Also compliances of current good manufacturing practices (cGMP) by USFDA are a challenge. The Indian pharma company selling in US shall comply with the cGMP and any non-compliance would lead to loss of market value, fresh approvals getting stuck and cost of remediation.

Another challenge faced by the Indian Pharma is that expectation of higher level of compliance of FDA at sterile manufacturing facilities (vs. orals) and this has manifested in several aseptic processing observations. Many do believe that a combination of prevailing hygiene culture and rising quality benchmarks have led this segment to be a difficult proposition. However, given the healthy product margins, most still remain committed to the longer term.

EXPORT MARKET

As per the survey, India accounts for 20 per cent of global exports in generics. India's pharmaceutical exports stood at US$ 16.84 billion in 2016-17 and are expected to reach US$ 20 billion by 2020. As per the survey, India exported pharmaceutical products worth ₹. 549.56 billion (US$ 8.49 billion) during the period of April to November 2017. India is the largest exporter of formulations in terms of volume, with 14 per cent market share and 12th in terms of export value and around US $ 9.57 billion drug formulation were exported from India during April – December 2017.

As per Assocham report, the drugs exported by India to USA is worth USD 1.65 trillion which shall increase at a compounded annual growth rate of about 30%. This growth is based on several patented drugs going off-patent in USA over the next few years. However, intensification of competition in generics resulting in price erosion, frequent regulatory scrutiny leading to slowdown of exports and channel consolidation impacting manufacturers' ability to charge higher prices are the current challenges being faced in this market.

Over the last five years on an average Indian Pharma companies have bagged over one third of the total USFDA ANDA (Abbreviated New Drug Approvals) approvals. During CY2016 Indian Pharma companies have managed to secure US FDA final approval for 201 ANDAs out of the total 598 approvals granted by the health regulator of the country. Despite the increasing competition in the U.S. generic market and the increased due-diligence by the health regulator, Indian Pharma Inc. has managed to secure a dominant position, on the back of the increasing R&D investment.

The share of the exports from India towards the highly regulated markets (including USA and UK) has increased to 36% during FY16 (FY15: 31%) which shows the competency of the Indian Pharma companies and the improving compliance aspects with highly regulated markets.

Research & Development (R&D)

The company has a full-fledged R&D division continuously engaged in research on new products and process improvement on existing products as part of continuous improvement. Gufic's R & D team believes in continuous advancement via innovation and it focuses on developing new products using new formulations, updating and improving the processes used for existing products, strategic collaboration with independent teams for introducing new products and strategies, developing and focusing new technologies for enhancing efficacy, bio-availability and the potency of the existing as well as new products. The Company in the recent years has filed multiple Process Patents

for many life-saving drugs injections and also for herbal treatment for chronic ailments. In the financial year 2017-18, Company has received two process patents on its invention on formulation viz., Micafungin and Rifabutin.

In the financial year 2017-18, the Company inter alia developed patient friendly formulations for the convenience of the patients, developed Oral dosage form like tablets, capsule. R&D is also engaged in development of External preparation and major parenteral products using new molecules. The total investment made by the Company in its R & D division during the financial year 2017-18 amounted to ₹. 528.82 lakhs.

Gufic's collaboration with companies in USA, Italy and China has given Gufic a strong pipeline to fuel the growth for the next decade. We forsee entering in the field of cosmetics, immune-oncology , diabetes and Neuropsychiatry in the years to come.

Also keeping in mind the trade conditions prevailing in the market, Gufic has started focusing in backward integration for our core molecules via in house or leased API plants. This will ensure Gufic stays competitive and self reliant in times global trade uncertainty.

Government Initiatives

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

The Union Cabinet has approved the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US$ 15.59 billion between April 2000 and December 2017, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- The government is planning to set up eight mini drug-testing laboratories across major ports and airports in the country to monitor the standards of imported and exported drugs and reduce the overall time spent on quality assessment.
- The government is working on steps to reduce India's dependence on large scale import of active pharmaceutical ingredients (APIs). The government is quite seized of the issue of the country's dependence on import of API
- Initiative of Make in India by the Drug Controller General of India (DCGI) by starting a single-window facility to provide consents, approvals and other information.
- The health ministry is planning to set up an online portal to regulate and plug gaps in the sale of medicines in India through all platforms, including e-pharmacies. The objective of such regulation would be to ensure availability of right drugs that meet the standards of quality to every person in need of medicines, curbing anti-microbial resistance and also regulating supply of medicines through online/internet. The ministry proposes to establish a 'robust e-enabled' structure to regulate the sales of medicines through an autonomous body.

Since Gufic focuses mainly of high end injectables and life saving molecules, majority of our products do not fall under the scheme. However in the interest of the people of India and our honorable Prime ministers vision, we continue to use our innovative strengths to bring down the cost of our drugs at a fraction of the prices in the market and help the mass population avail the benefit via affordability of the best quality medicines.

BUSINESS REVIEW

Over the past many years, Gufic has been known and respected for innovative and high quality pharmaceutical and herbal products along with a wide range of Active Pharmaceutical Ingredients (APIs). Gufic is one of the largest manufacturers of Lyophilized injections in India and have a fully automated lyophilization plant. Its lyophilized product includes Antibiotic, Antifungal, Cardiac, Infertility, Antiviral and proton-pump inhibitor segments. Gufic is now augmenting its global focus by deepening its presence in the priority markets of India, Germany, Switzerland, South Africa, Russia, Europe and key countries within the emerging market territories. Gufic aims at providing lifesaving

drugs to people at affordable prices with no compromise in its quality.

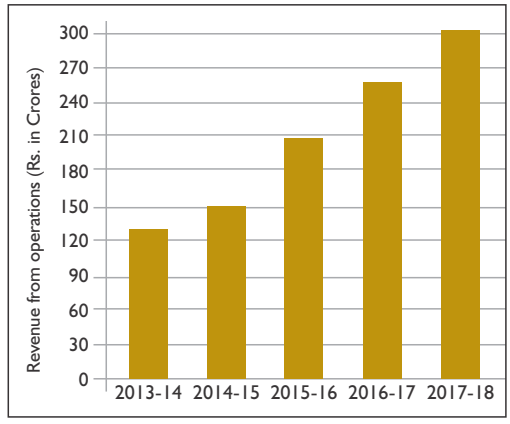
GUFIC offers a varied therapeutic basket in its Bulk drugs/API division. The categories of API's manufactured are antifungals, antibacterials, anesthetics and intermediates for antifungals

Gufic continued to outperform in the domestic market in the financial year 2017-18. While the implementation of GST in the year under review did impact the performance of the Company in the first quarter, but the Company's focus and aim enabled it to transition seamlessly to the new tax regime. The Company launched 20 new products, improvised many of its existing products through its R & D Division.

Financial performance with respect to operational performance:

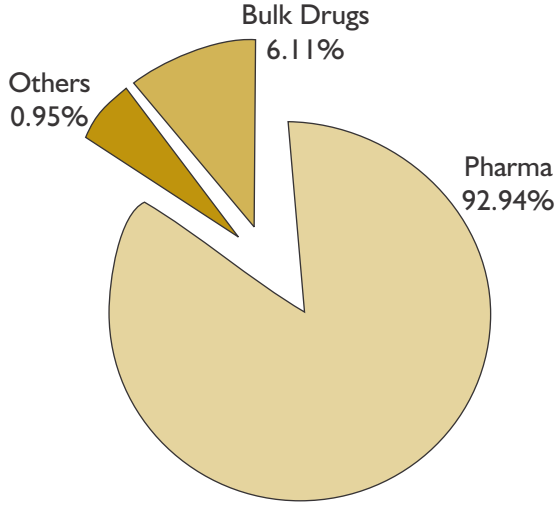
During the year under review, the total revenue increased to ₹. 30,706.26 lakhs in comparison to previous year's ₹. 26,185.80 Lakhs and net profit after tax increased to ₹. 1602.17 lakhs from ₹. 902.08 lakhs, in previous year. The domestic sales of the Company constituted to around 94% of the operational revenue and the balance 6% constituted to export turnover.

The Company, during the year, also launched about 20 new products in the market, which also boosted the sales of the Company. Due to launch of new products, improvisation made to the existing products and providing medicine at affordable prices to the consumer without compromising on the quality of the product, the Company has able to achieve the target of achieving a turnover of ₹. 300.00 crores. The growth of the Company was mainly attributed to the performance of the Criticare & Criticare Life and Infertility. During the year under review, the total expenses of the Company increased by 12.78%.



SEGMENT WISE PERFORMANCE

The turnover of the Company for the fiancial year 2017-18 increased by 17.26%. As on March 31, 2018, The sales of the pharma segment of the Company was ₹. 28537.24 lakhs and that of bulk drugs was ₹. 1874.72 lakhs. The Company did not operate in consumer segment during the year under review.



HUMAN RESOURCES DEVELOPMENT







**"You can have the best strategy and the best building in the world,
but if you don't have the hearts and minds of the people who work with you, none of it comes to life."**

– Renee West

The backbone of any successful company is its Human Resource (HR). Employees as rightly said are the Company's most important and valuable assets. HR of Gufic has its complete focus on organizational development and employee engagement. Gufic is built on the strong foundation of its people. The performance of the Company has a direct relationship with that of the performance of its employees.

Bearing the above in mind, Gufic has always strived to achieve the best for its employees. The Company, on a regular basis, organizes social gatherings, outings, celebration of special days, employee performance based awards to motivate the employees. The Company also take into consideration the health of the Company by taking medi-claim policies of the employee along with their dependent family member. Also, your Company have sponsored its employees for specialized educational courses, seminars and programmes to enhance their knowledge and skills in the areas of their expertise.

Gufic gives its employees a work culture that motivates people to give their best performance for the Company's growth and also enhance their skill sets. Gufic always believes in team spirit and focus on enhancing the same. The employees have helped the Company to scale new heights and success over the years. No material developments in Human Resources/ Industrial Relations front have occurred during the year under review.

During the year under review, the employees' strength of your Company increased to 1060 as compared to 1023, in the previous year.

Internal Control Framework

At Gufic, we continuously strive to integrate the entire organisation from strategic support functions like finance, information technology, human resources, and regulatory affairs to core operations like research, manufacturing and supply chain. The internal audit function is further strengthened in consultation with Statutory Auditors for monitoring statutory and operational issues.

The internal controls and governance process are duly reviewed for their adequacy and effectiveness through periodic audits by the Internal Auditors of the Company. The issues relating to the working of the internal financial control of the Company, reported by the Auditors are addressed and looked upon , from time to time. Gufic assures maintenance of a system that provides reasonable assurance regarding the effectiveness and efficacy of operations, adequacy of safeguarding of assets, preventions and detection of frauds and so on.

Gufic has changed our ERP system in July 2017 to cope with the post GST regime and also meet international regulatory requirement. The implementation of the same had its own challenges in the previous year and due to the committed effort of the implementation team ,we will get the benefit of the system form this year onwards.

Outlook

of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented. The Indian pharmaceutical market is expected to grow exceptionally by 2025 on the back of increasing consumer spending, raising healthcare insurance and rapid urbanization. Government effort steps to reduce costs and bring down healthcare expenses too will help the sector in coming time. Moreover, government's steps to reduce India's dependence on large scale import of active pharmaceutical ingredients and increasing production of active ingredients used in drugs to meet the country's need also augurs well for the pharmaceutical companies. Significant increase in exports and well controlled imports will also provide strength to the sector, supported by government's several initiatives to boost exports and domestic production. Moreover, higher spending on research and development by pharmaceutical companies too will support the sector in coming time.

Threats, Risks & Concerns

The risk and concerns is associated with the pharmaceutical industries both in India and internationally with the volume and complexity of change having greatly intensified the implication of risk. Be it regulatory risk, competitive risk, new product developmental risk or litigation risk, pharma sector is associated with many concerns. The Union Health Ministry in India plans to amend the Drugs And Cosmetics Act and make prescription of generic medicines mandatory. This change will definitely help people to buy medicines at affordable price but at the same time is a challenge for pharma industry to ensure access and affordability of medicines without compromising on its quality.

Gufic has a risk management policy in place which is reviewed by the Board from time to time. The Board of Directors of the Company are involved in monitoring of risk assessment and mitigation, thus ensuring immediate resolution mechanism. The Company has a work philosophy of doing business with high ethical standards and topmost integrity. The Management has identified many risks such as business risk, competition risk, price risk, international operational risk, financial risk etc. The Board has made its best efforts to mitigate the risk concerning the company if the risk cannot be eliminated. Some of the steps adopted by the Company to mitigate the risk can be enumerated as below :

- Deriving revenue from products at different locations all over the world, incase the product does not do well at one location
- Meeting the challenges of competition by providing customers with product quality, timely supplies and following best industrial practices in providing services.
- Working on cost control, improving yields etc., to maintain the profit margin
- Insurance cover from reputed insurance companies to keep insured the products, properties and its employees

CAUTIONARY STATEMENT

Certain statements in the Management & Discussion Analysis describing the Company's objectives, goals, current expectations or projections may be 'forward looking statements" within the definition of applicable laws and regulations in force. The results of the statement may vary due to the risk and uncertainties involved with these statements. These risk factors include but are not limited to changes in local and global economic conditions, volatility of interest rates, new Governmental regulatory policies, the market acceptance of and demand for the product and the Company's ability to implement the strategy.

We'll close this section of our annual report with a quote from William Ford Jr. who said, "A good company delivers excellent products and services, and a great company does all that and strives to make the world a better place." Through our various initiatives, we at Gufic hope to become and remain a part of the latter category for many more decades to come.

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2018

We, Mr. Pranav J. Choksi, Chief Executive Officer & Whole Time Director and Mrs. Hemal M. Desai Chief Financial Officer & Whole Time Director, of Gufic Biosciences Limited, certify that:

a) We have reviewed financial statements and cash flow statement for the financial year ended March 31, 2018 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed the auditors and the audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies

d) We have indicated to the auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;

   iii. during the year there were no instances of fraud which we have become aware. The management and its employees have a significant role in the Company's internal control system.

For and on behalf of the Board of Directors

Pranav J. Choksi
Chief Executive Officer &
Whole Time Director
DIN 00001731

For and on behalf of the Board of Directors

Hemal M. Desai
Chief Financial Officer &
Whole Time Director
DIN 07014744

Place : Mumbai
Date : 29th May, 2018

AUDITORS' REPORT ON CORPORATE GOVERNANCE

Independent Auditors Certificate on Corporate Governance for the financial year 2017-18 to the Members of Gufic Biosciences Limited

1. This certificate is issued in accordance with the terms of our engagement with Gufic Biosciences Limited.
2. We, S H R & CO, Chartered Accountants, the Statutory Auditors of Gufic Biosciences Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

10. This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership Number: 122592
Place : Mumbai
Date : 29th May, 2018

INDEPENDENT AUDITORS' REPORT

To

The Members of Gufic Biosciences Limited

1. Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Gufic Biosciences Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statement in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.

4. Basis for Qualified Opinion

(a) During the year the company has switched over to new ERP system on account of GST implementation, which has been implemented in stages and only certain modules are operational, accuracy of which are yet to be tested by management. The audited financial statements for the year ended March 31, 2018 has been compiled from primary as well subsidiary or other records maintained by the management pending testing of accuracy of newly introduced ERP system. As a result, Debtors ledger control accounts and accounts as per subsidiary records are under reconciliation. We are unable to ascertain the impact on the financial statements of the company pending such reconciliation. (Refer Note No. 55)

(b) We have not participated in physical verification inventories of raw material, packing material, finished goods, work in progress goods, stock in trade. We have relied on physical verification certificate issued by internal auditors of the company, a firm of chartered accountants as well as certificate of the valuation of finished goods, stock in transit and work in progress. (Refer Note No.49)

(c) Amount of ₹. 124.04 lakhs (2016 – 2017: ₹. 124.04 lakhs) has been shown as recoverable relating to the misappropriation done by the employee of the company in the earlier years. However, no provision has been made against the said amount as the management has initiated legal steps for the recovery of the said amount and is confident of recovery. In our opinion the recovery of the amount is doubtful and consequently the profit is over stated by ₹. 124.04 lakhs (2016 – 2017: ₹. 124.04 lakhs) with consequential impact on Shareholders Fund and other non-current assets which are over stated by the said amount. (Refer Note 54).

(d) Balance of Trade Receivable, loans & advances, Employee Advance, Trade Payable and Security and Trade Deposits from Agents and Stockists, are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Adjustments required upon such confirmations, if any, are not ascertainable and hence not provided for.

(e) We have not been provided with reconciliation of purchase, sales, input credits shown in books of account with GST

return filed by the company. Hence, we are unable to comment on effect of the same on the financial statements of the company pending such reconciliation.

The cumulative impact of the above said modification on the standalone financial statement are not ascertainable, except para 4© where the profit is over stated by ₹. 124.04 lakhs.

5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter specified in para 4 in the Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements, read together with notes to the accounts thereon, 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 March 31, 2018, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

6. Emphasis of Matter

For the purpose of segment reporting we have relied upon the segment wise report prepared by the management based on the nature of product, risk and returns, organization structure. The figures have been regrouped and reclassified wherever necessary by the management.

7. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("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 paragraphs 3 and 4 of the Order.

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

(a) We have sought and except for the matters described in the para 4 (a), 4 (d) and 4 (e) of the Basis for Qualified Opinion paragraph, 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 including the statement of other comprehensive Income, the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) The matter described in the Basis for Qualified Opinion paragraph 4 above in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) 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

(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 Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 44 to the standalone Ind AS 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 S H R & Co.
Chartered Accountants
FRN : 120491W

Deep N. Shroff
Partner
Membership No. 122592
Mumbai : 29th May, 2018

ANNEXURE A TO THE AUDITOR'S REPORT

Annexure Referred to in Paragraph 7 Of Our Report of Even Date on The Standalone Ind AS Financial Statements For The Year Ended March 31, 2018 Of Gufic Biosciences Limited:

I. In respect of Fixed Assets:

(a) The company has not updated its records showing quantitative details and situation of the fixed assets.

(b) According to information and explanations provided to us, the fixed assets are physically verified by the management according to phased programme designed to cover all the items over a period of five years which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year. We have been informed that necessary adjustments in respect of discrepancies if any between physical asset and book record have already be made in the books upon reconciliation.

(c) According to information and explanations provided to us there are no immovable property is in the name of the company and as regards the building shown in fixed asset schedule represents capital expenditure incurred on extension/renovation of factory building acquired on lease. Hence question of title deeds of immovable properties in the name of the company does not arise.

ii. In respect of Inventories:

As explained to us, inventory have been physically verified by the management during the year. The discrepancies if any between physical verification of inventory as compared to book records have been be adjusted in the books of account.

iii. In respect of Granting of Loan:

According to the information and explanations given to us, the Company has not granted any loans to parties covered in the register maintained u/s. 189 of the Companies Act, 2013 ("The Act"). (other than interest free security deposits or advances given for its business purpose. Refer Note No. 52& 53)

Thus, the clause relating to terms and conditions of grant of loan, schedule repayment of principal and interest and amount overdue are not applicable to the company.

iv. In our opinion and according to information and explanations provided to us, the company has not granted any loan, made any investment or provided any securities covered under section 185 and 186 of the Act during the year under review, except loans to employees as part of condition of services.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provision of the Companies Act and the rule framed there under during the year. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.

vi. We have broadly reviewed the cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examination of records with a view to determine whether they are accurate.

vii. In respect of Statutory dues:

(a) According to the information and explanations given to us and according to the records of the company examined by us, the company is generally regular in depositing undisputed statutory dues in respect of excise duty and custom duty with appropriate authorities. However, we have observed delays in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Services Tax, Service Tax and Profession tax applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date they became payable except the Income Tax – Dividend Distribution Tax ₹. 26.68 lakhs, Income Tax ₹. 20.87 lakhs, Sales tax ₹. 67.49 lakhs, Profession Tax ₹. 21.27 lakhs, ESIC ₹. 30.54 lakhs, Service Tax ₹. 23.70lakhs and Provident Fund ₹. 44.11 lakhs, Goods and Service Tax Act.There are certain old Income Tax / TDS demand outstanding of ₹. 151.07 lakhs, as appearing on the website of the Income Tax Department. However in view of the company no such demand is payable and it will initiate necessary steps to get the said demand rectified.

(b) According to the information and explanations given to us, there are no dues of Wealth Tax, Service Tax, Customs Duty or Cess, Goods & Service Tax outstanding on account of any dispute except the following dues which have not been deposited with appropriate authorities on account of dispute:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it relates	Forum where matter is pending
Income Tax Act, 1961	Income Tax	32.76	2010 – 2011	Appeal preferred by the company to the Income Tax Appellant Tribunal
		22.00	2010 – 2011	Appeal preferred by the company to the Commissioner of Income Tax (Appeal) against penalty order
		211.58	2011 – 2012 & 2013 – 2014	Appeal preferred by the company to the Commissioner of Income Tax (Appeal) against penalty order
Central Excise Act, 1944	Central Excise Duty	8.21	2000	Departmental Authority
		86.61	2001 – 2008	Appeal preferred by the company to the Tribunal
		14.04	2008 – 2009	Appeal preferred by the company to the Commissioner Appeal
Gujarat Value Added Tax Act, 2003	Sales Tax	29.15	2010 – 2011	Appeal preferred by the company to the Commissioner Appeal

viii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks.

ix. According to the information and explanations given to us, the company has obtained term loans during the year under review which has been utilized for the purpose of which it was raised. The company has not raised any moneys by way of further public offer (including debt instruments).

x. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on the company by its officers or employees or by the Company have been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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 him.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to registered under section 45-IA of the Reserve Bank of India Act 1934.

For S H R & Co.
Chartered Accountants
FRN : 120491W

Deep N. Shroff
Partner
Membership No. 122592
Mumbai : 29th May, 2018

ANNEXURE: B REFERRED TO IN PARA 14(g) OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENT OF GUFIC BIOSCIENCES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of **Gufic Biosciences Limited** (the "Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements for the year ended on that date.

2. **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.

3. **Auditors' Responsibility**: Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

   We have 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 ICAI. 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 to the extent applicable.

   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 Qualified audit opinion on the Company's internal financial controls system over financial reporting.

4. **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.

5. **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.

6. **Qualified opinion:** According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

The company did not have an appropriate internal control system in respect of:

a) for review of Trade Receivables, other recoverable including loans and advances,Trade Payable and Security and Trade Deposits from Agents and Stockists, obtaining their confirmations and reconciliation of their outstanding balances with the books of accounts. This could potentially affect the balance in the trade receivable, other recoverable, trade payable, Security Deposit account and income and expenses account balances.

b) for reconciliation of purchase, sales, input credits shown in books of account with GST return filed by the company. This could potentially affect the income, expenses and receivable account balances.

c) segregation of duties to effectively monitor and operate the control of depositing undisputed statutory dues including Provident Fund, Income Tax, TDS, Sales-Tax, Wealth tax, VAT, duty of customs, Service tax, Cess and other material undisputed statutory dues with the appropriate authorities. This could potentially result in levy of interest and other penal provisions of statutes and have a significant impact on functioning of the Company.

d) There is a material weakness with regard to control over advances given to suppliers for goods and services. The controls with regard to subsequent settlement of advances are ineffective and as a result many parties to whom advances have been given are very old and remain unsettled. Further there is no control system over confirmation and reconciliation of balance with parties. These could potentially result in write off of advances and have an impact on financial statements of the Company.

e) The company during the year has implemented the new ERP system in stages and only certain modules are operational, accuracy of which are yet to be testes by the management. The system control requires strengthening, so that complete and accurate reports generated can be relied upon.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

7. **Opinion:** In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018, 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.

8. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2018 and these material weaknesses do not affect our opinion on the standalone financial statements of the Company, other than qualification reported by us in our Independent Audit Report.

For S H R & Co.
Chartered Accountants
FRN : 120491W

Deep N. Shroff
Partner
Membership No. 122592
Mumbai : 29th May, 2018

GUFIC BIOSCIENCES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	As at 31.3.2018 ₹ in Lakhs	As at 31.3.2017 ₹ in Lakhs	As at 1.4.2016 ₹ in Lakhs
ASSETS				
Non-current Assets				
(a) Property, plant and equipment	6	2,221.40	2,195.41	2,212.54
(b) Capital work-in-progress	7	205.03	3.60	-
(c) Intangible assets	8	10.80	1.08	2.13
(e) Financial assets				
(i) Investments				
a) Other investments	9	0.50	0.93	0.93
(ii) Loans	10	266.68	360.79	319.00
(iii) Other Financial Assets	11	298.72	234.86	202.75
(f) Current Tax Asset (net)		-	2.79	2.79
(g) Deferred Tax Assets (net)	12	254.89	379.45	194.15
(h) Other non-current assets	13	645.72	342.75	328.29
Total Non-current Assets		**3,903.74**	**3,521.66**	**3,262.58**
Current Assets				
(a) Inventories	14	9,388.28	6,301.63	5,026.31
(b) Financial assets				
(i) Trade receivables	15	8,101.51	5,212.13	5,568.95
(ii) Cash and cash equivalents	16	367.12	287.27	428.24
(iii) Other Bank Balances	17	359.68	276.62	193.42
(v) Loans	10	1.43	2.87	2.39
(c) Other current assets	13	1,485.67	2,244.13	677.93
Total Current Assets		**19,703.69**	**14,324.65**	**11,897.24**
Total Assets		**23,607.43**	**17,846.31**	**15,159.82**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	18	773.50	773.50	773.50
(b) Other Equity	19	4,578.09	2,959.23	2,103.91
Total Equity		**5,351.59**	**3,732.73**	**2,877.41**
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(I) Borrowings	20	827.29	662.32	745.79
(ii) Other financial liabilities	21	476.32	404.77	366.40
(b) Provisions	22	226.48	228.78	139.05
Total Non-current Liabilities		**1,530.09**	**1,295.87**	**1,251.24**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	6,916.79	4,696.72	3,228.20
(ii) Trade and other payables	24	7,454.80	4,373.87	5,334.70
(iii) Other financial liabilities	21	1,010.99	1,209.02	872.84
(b) Provisions	22	357.36	1,016.69	686.11
(d) Other current liabilities	25	726.83	865.57	537.11
(c) Current tax liabilities (Net)	26	258.98	655.84	372.21
Total Current Liabilities		**16,725.75**	**12,817.71**	**11,031.17**
Total Liabilities		**18,255.84**	**14,113.58**	**12,282.41**
Total Equity and Liabilities		**23,607.43**	**17,846.31**	**15,159.82**

Notes to Accounts 1 to 5
The accompanying notes including other explanatory information form an integral part of the financial statements.
As per our Report of even date attached
For S H R & Co
Chartered Accountants
FRN : 120491W

For and on behalf of the Board of Directors

Deep N Shroff
Partner
Membership No. 122592
Mumbai - 29th May, 2018

Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Hemal Desai (DIN 07014744)
Chief Financial Officer & Whole Time Director

Ami Shah
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note No.	Year Ended 31.3.2018 ₹ in Lakhs	Year Ended 31.3.2017 ₹ in Lakhs
Revenue from Operations	27	30,411.96	26,041.78
Other income	28	294.30	144.02
Total Income (I)		**30,706.26**	**26,185.80**
Expenses			
Cost of Material Consumed	29	10,794.11	7,773.05
Purchase of Stock in Trade	30	6,745.56	5,451.60
Changes in inventories of Finished goods,- Work-in-Progress and Stock-in-Trade	31	(3,317.03)	(1,145.63)
Excise Duty Collected		315.52	1,490.18
Employee benefits expense	32	4,446.48	4,103.22
Finance costs	33	884.68	633.99
Depreciation and amortisation expense	34	430.21	368.33
Other expenses	35	7,611.54	6,074.32
Total expenses (II)		**27,911.07**	**24,749.06**
Profit before exceptional items and tax		2,795.19	1,436.74
Exceptional Items		158.88	-
Profit before tax		**2,954.07**	**1,436.74**
Less: Tax expense			
(1) Current tax	36	1,227.35	719.95
(2) Deferred tax	36	124.55	(185.29)
		1,351.90	**534.66**
Profit for the period (III)		**1,602.17**	**902.08**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(b) Remeasurements of the defined benefit plans		(2.10)	(1.02)
Total other comprehensive income (IV)		**(2.10)**	**(1.02)**
Total comprehensive income for the period (III+IV)		**1,600.07**	**901.06**
Earnings per equity share (for continuing operation):	41		
(1) Basic (in Rs.)		2.07	1.17
(2) Diluted (in Rs.)		2.07	1.17

Notes of Accounts 1to 5

The accompanying notes including other explanatory information form an integral part of the financial statements.

As per our Report of even date attached

For S H R & Co
Chartered Accountants
FRN : 120491W

For and on behalf of the Board of Directors

Deep N Shroff
Partner
Membership No. 122592

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Mumbai - 29th May, 2018

Hemal Desai (DIN 07014744)
Chief Financial Officer & Whole Time Director

Ami Shah
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	For Year Ended 31.03.2018		For Year Ended 31.03.2017	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. Cash flows from operating activities				
Profit for the year		1,602.17		902.08
Adjustments for:				
Income tax expense recognised in profit or loss	1,351.90		534.66	
Depreciation	430.21		368.33	
Dividend	(0.08)		-	
Interest income on fixed deposits with banks	(23.78)		(17.69)	
Interest income on financial assets carried at amortised cost	(37.74)		(47.55)	
Interest costs on financial liabilities measured at amortised cost	884.68		633.99	
Non Current Security Deposits at amortised cost	33.35		38.29	
Sundry credit balances written back	(92.56)		-	
Operating profit before movements in working capital		**2545.98**		**1510.03**
		4,148.15		**2,412.11**
Movements in working capital:				
(Increase)/decrease in trade and other receivables	(2,250.36)		(1,236.50)	
(Increase)/decrease in inventories	(3,086.65)		(1,275.32)	
Increase/ (Decrease) in trade and other payables	2,331.15		141.65	
		(3,005.86)		**(2,370.17)**
Cash generated from operations		**1,142.29**		**41.94**
Income taxes paid		(1,627.45)		(454.91)
Net cash generated by operating activities (A)		**(485.16)**		**(412.97)**
B. Cash flows from investing activities				
Purchase of property, plant and equipments including capital advances		(810.77)		(414.89)
Purchase of intangibles		(13.68)		-
Sale of property, plant and equipments		0.02		-
Other dividends received		0.08		-
Balance in earmarked accounts		(72.88)		(66.11)
Interest income on fixed deposits with banks		13.60		12.18
Net cash (used in)/generated by investing activities (B)		**(883.62)**		**(468.82)**
C. Cash flows from financing activities (Note 20.3)				
Proceeds from borrowings		2,500.90		1,708.31
Repayment of borrowings		(199.99)		(299.51)
Processing Fees Paid		(2.53)		(1.86)
Dividends paid on equity shares		(38.76)		(38.98)
Interest paid		(810.98)		(627.14)
Net cash used in financing activities (c)		**1,448.64**		**740.82**
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)		**79.85**		**(140.97)**
Cash and cash equivalents at the beginning of the year (Note 16)		**287.27**		**428.24**
Cash and cash equivalents at the end of the year		**367.12**		**287.27**

As per our Report of even date attached
For S H R & Co
Chartered Accountants
FRN : 120491W

For and on behalf of the Board of Directors

Deep N Shroff
Partner
Membership No. 122592
Mumbai - 29th May, 2018

Jayesh P. Choksi (DIN 00001729)
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Chief Executive Officer & Whole Time Director

Hemal Desai (DIN 07014744)
Chief Financial Officer & Whole Time Director

Ami Shah
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

All amounts are in Rs. Lakhs unless otherwise stated

a. Equity share capital (Refer Note 18)

(Rs. in Lakhs)

	No. of Shares	Amount
Balance at April 1, 2016	77,350,000.00	773.50
Changes in equity share capital during the year	-	
Balance at March 31, 2017	**77,350,000**	**773.50**
Changes in equity share capital during the year	-	-
Balance at March 31, 2018	**77,350,000**	**773.50**

b. Other equity (Refer Note 19)

Particulars	Reserves and surplus					
	Capital reserve	General reserve	Retained earnings	Others (Note 19)	Other comprehensive Income	Total
Balance at April 1, 2016	**12.5**	**134.71**	**1943.12**	**13.58**	**-**	**2,103.91**
Profit for the year	-	-	902.08	-	-	902.08
Transaction during the year	-	-	-	0.81	-	0.81
Other comprehensive income for the year, net of income tax	-	-	-	-	(1.02)	(1.02)
Dividend on equity shares	-	-	(38.68)	-	-	(38.68)
Corporate tax on dividend paid	-	-	(7.87)	-	-	(7.87)
Balance at March 31, 2017	**12.50**	**134.71**	**2,798.65**	**14.39**	**(1.02)**	**2,959.23**
Profit for the year	-	-	1,602.17	-	-	1,602.17
Transaction during the year	-	-	-	65.34	-	65.34
Other comprehensive income for the year, net of income tax	-	-	-	-	(2.10)	(2.10)
Dividend on equity shares	-	-	(38.68)	-	-	(38.68)
Corporate tax on dividend paid	-	-	(7.87)	-	-	(7.87)
Balance at March 31, 2018	**12.50**	**134.71**	**4,354.27**	**79.73**	**(3.12)**	**4,578.09**

As per our Report of even date attached
For S H R & Co
Chartered Accountants
FRN : 120491W

For and on behalf of the Board of Directors

Deep N Shroff
Partner
Membership No. 122592

Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Mumbai - 29th May, 2018

Hemal Desai (DIN 07014744)
Chief Financial Officer & Whole Time Director

Ami Shah
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 -Continued..
All amounts are in Rs. lakhs unless otherwise stated

NOTE 1 Corporate Information

The Standalone financial statements comprise financial statements of Gufic Biosciences Limited (the company) for the year ended March 31, 2018. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at 37, 1st Floor, Kamala Bhavan II, Swami Nityanand Road, Andheri (East), Mumbai - 400 069 and the corporate office is located at 1st to 4th Floor, S.M. House,11 Sahakar Road, Vile Parle (East),Mumbai – 400 057.

The Company is principally engaged in manufacturing and marketing of active pharmaceutical ingredients, generic pharmaceuticals and related services. These financial statements were authorized for issue in accordance with the resolution of the Directors on May 29, 2018 and are subject to the approval of the shareholders at the Annual General Meeting.

NOTE 2 Significant Accounting Policies

2.1 Statement of Compliance

The Standalone financial statements of the company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as ammended by the Companies (Indian Accounting Standard) (Amendment) Rules, 2017.

These Standalone Financial Statements are Company's first Ind AS Financial Statements and the transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2016 being the transition date.

In accordance with Ind As 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation in note 56, from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at April 1, 2016 and March 31, 2017, total comprehensive income and cash flow for the year ended March 31, 2017.

2.2 Basis of preparation and presentation

2.2.1 Historical cost convention

The Standalone financial statements have been prepared on accrual basis and under the historical cost basis, except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Company's Board of Directors approves the financial statements for issue on May 29, 2018. The aforesaid financial statement have been prepared in Indian Rupee (INR) which is the functional currency for the Company.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs.

2.2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

2.3 Revenue recognition

Revenue is measured on at the fair value of the consideration received or receivable and recognised as follows:

(i) Sale of Goods

Revenue from the sale of goods is recognised when the goods are delivered and the titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of products, has been recogniesd, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Provision is made for the non-sellable returns of goods from the customers estimated on the basis of historical data of such returns. Such provision for non-sellable sales returns is reduced from sales for the year.

Export sales are accounted for on basis of the dates of bill of lading and Export benefits under duty exemption scheme is being accounted in the year of exports

(ii) Sales of Services

Revenues from services are recognized when such services are rendered.

(iii) Interest and dividend income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net

carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.4 Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Employee benefits

2.6.1 Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

2.6.2 Post-Employment Benefits:

I. Defined Contribution plans:

Employee benefits in the form of contribution to Provident Fund, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the same is charged to the statement of profit and loss for the year when the contributions to the respective funds are due.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such re measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

III. Other Long Term Employee Benefits:

The company provides for the encashmnet of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for furture encashment. Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss.

2.7 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT Credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the company will pay normal income tax during the specified period.

2.8 Property, plant and equipment

These are carried at cost of acquisition net of any discounts and rebates and depreciated in accordance with the policy stated below:

These are amortised over the useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an asset life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or

method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on assets with finite lives is recognised in the statement of profit and loss.

When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation on assets is provided on Straight Line Method, pro-rata to the period of use, based on the useful life of the assets as prescribed under the Schedule II of the Companies Act, 2013.

Capital Expenditure incurred on the assets not owned by the company are amortised over a period of five years.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

2.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows; Brands and Technical Know-how are amortised on a straight line basis over a period of ten years. Software cost is amortised on Straight line basis over a period of three years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the

carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i)Raw materials and Packing Material : purchase cost on a first in, first out basis

(ii)Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

(iii) Traded goods are valued on First in First Out basis.

(iv) Consumable stores are charged to the profit and loss account in the year of its purchases.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2017, the date of inception is deemed to be April 1 ,2016 in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standard.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Company as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant

lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.14 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, overdrawn bank balances, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.16 Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,&

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the company After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 15.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; & either

(a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the compnay's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the

associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Lease receivables under Ind-AS 17

(d) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- All lease receivables resulting from transactions within the scope of Ind-AS 17

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

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

o All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

o Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the

basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.17 Financial liabilities and equity instruments

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business

model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the compnay either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original Classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised inOCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.18 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, which are considered as the Chief Operating Decision Maker (CODM).

2.19 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

NOTE 3 Application of new Revised Ind AS

3.1 Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting

Estimates and Errors.

- Retrospectively with cumulative effect of initially applying, the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018. The Company is under the process of evaluating the impact of Ind AS 115.

3.2 Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

NOTE 4 Critical estimates and judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

4.1 Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the management.

ii. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A tax assessement can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainities is assessed individually by the management based on the specific facts and circumstances

vi. Defined Benefit Obligations

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and

mortality rates. The same is disclosed in Note 40, 'Employee benefits'.

vii. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including

management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

NOTE 5 First-time adoption – mandatory exceptions, optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption –mandatory exceptions and optional exemptions have been explained in detail.

5.1 Derecognition of financial assets and financial liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

5.2 Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

5.3 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

5.4 Deemed cost for property, plant and equipment, investment property and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

5.5 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

5.6 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind Ass shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

NOTE 6. Property, plant and equipment

₹ in Lakhs

Description of assets	Factory Building	Plant & Equipment	Plant & Equipment (R&D)	Furniture & Fixtures	Vehicles	Office Equipment	Electrical Installation	Computer	Total
Deemed cost									
As at April 1, 2016	**99.50**	**1,643.74**	**111.45**	**19.45**	**127.47**	**88.41**	**75.14**	**47.38**	**2,212.54**
Additions	22.07	77.23	52.31	0.09	151.57	18.01	-	28.90	350.18
Disposals/ reclassifications	-	-	-	-	-	-	-	-	-
Prior period adjustment							(0.05)		(0.05)
As at March 31, 2017	**121.56**	**1,720.97**	**163.76**	**19.54**	**279.04**	**106.43**	**75.09**	**76.29**	**2,562.67**
Additions	-	35.74	324.39	-	-	80.10	-	13.00	453.23
Disposals/ reclassifications	-	-	-	-	-	-	-	(3.44)	(3.44)
As at March 31, 2018	**121.56**	**1,756.71**	**488.15**	**19.54**	**279.04**	**186.52**	**75.09**	**85.85**	**3,012.47**
Depreciation									
As at April 1, 2016									
Depreciation expense for the year	34.73	217.27	9.36	4.63	34.71	26.16	15.75	24.65	367.27
Eliminated on disposal of assets/ reclassifications	-	-	-	-	-	-	-	-	-
As at March 31, 2017	**34.73**	**217.27**	**9.36**	**4.63**	**34.71**	**26.16**	**15.75**	**24.65**	**367.27**
Depreciation expense for the period	38.80	242.30	18.89	2.97	45.79	38.21	12.43	26.86	426.26
Eliminated on disposal of assets/ reclassifications	-	-	-	-	-	-	-	(2.46)	(2.46)
As at March 31, 2018	**73.54**	**459.58**	**28.24**	**7.60**	**80.50**	**64.36**	**28.18**	**49.06**	**791.07**
As at March 31, 2018	**48.03**	**1,297.14**	**459.91**	**11.93**	**198.54**	**122.16**	**46.91**	**36.79**	**2,221.40**
As at March 31, 2017	**86.83**	**1,503.69**	**154.41**	**14.90**	**244.33**	**80.27**	**59.34**	**51.63**	**2,195.41**
As at April 1, 2016	**99.50**	**1,643.74**	**111.45**	**19.45**	**127.47**	**88.41**	**75.14**	**47.38**	**2,212.54**

6.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

6.2 Assets pledged as security

6.2.1 : Plant and Equipments, Plant & Equipments (R & D), Furniture and Fixture, office equipments, Electrical Installations and Computers having carrying value of Rs. 1974.84 lakhs (as at March 31, 2017: Rs. 1864.25 lakhs and as at April 1, 2016: Rs. 1985.57 lakhs) have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity, except items specifically pledged to others.

6.2.2 : Vehicles having carrying value of Rs. 122.16 lakhs (as at March 31, 2017: Rs. 80.27 lakhs and as at April 1, 2016: Rs. 88.41 lakhs) have been hypothecation by way of first charge on the vehicles acquired under the specific facility granted.

6.2.3 : Computers having carrying value of Rs. 4.15 lakhs (as at March 31, 2017: Rs. 13.01 lakhs and as at April 1, 2016: Rs. 21.23 lakhs) have been obtained on Finance Lease and hypothecated accordingly.

NOTE 7.Capital Working Progress

Description of assets	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deemed cost			
Opening	3.60	-	-
Additions	205.03	3.60	-
Reclassifications	(3.60)	-	-
TOTAL	**205.03**	**3.60**	**-**

NOTE 8. Other intangible assets

Description of assets	Computer Software	Technical Know How	Total
Deemed cost			
As at April 1, 2016	**-**	**2.13**	**2.13**
Additions	-	-	-
Disposals/ reclassifications	-	-	-
Prior period adjustment			
As at March 31, 2017	**-**	**2.13**	**2.13**
Additions	13.68	-	13.68
Disposals/ reclassifications	-	-	-
As at March 31, 2018	**13.68**	**2.13**	**15.81**
Depreciation			
As at April 1, 2016	**-**	**-**	**-**
Depreciation expense for the year	-	1.06	1.06
Eliminated on disposal of assets/ reclassifications	-	-	-
As at March 31, 2017	**-**	**1.06**	**1.06**
Depreciation expense for the period	2.90	1.05	3.95
Eliminated on disposal of assets/ reclassifications	-	-	-
As at March 31, 2018	**2.90**	**2.11**	**5.01**
As at March 31, 2018	**10.78**	**0.02**	**10.80**
As at March 31, 2017	**-**	**1.08**	**1.08**
As at April 1, 2016	**-**	**2.13**	**2.13**

NOTE 9. Other investments

Non-current

Particulars	March 31, 2018		March 31, 2017		April 1, 2016	
	Qty	Amount	Qty	Amount	Qty	Amount
Non Trade						
Unquoted (at FVTOCI)						
(I) Equity Instruments -Saraswat Co-op Bank Ltd	4,990	0.50	4,990	0.50	4,990	0.50
(ii) Government Securities (at Amortised Cost) National Saving Certificates [Deposited with Government Authority]	-	-	-	0.43	-	0.43
Total aggregate unquoted Investments		**0.50**		**0.93**		**0.93**
Total non-current investments		**0.50**		**0.93**		**0.93**
Aggregate carrying amount of unquoted investments		**0.50**		**0.93**		**0.93**

NOTE 10. Loans (Unsecured, considered good unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
(a) Deposit with Related Parties	266.68	360.79	319.00
Total	**266.68**	**360.79**	**319.00**
Current Loans to Staff	**1.43**	**2.87**	**2.39**
Total	**1.43**	**2.87**	**2.39**

Note: These financial assets are carried at amortised cost.

NOTE11. Other Financial Assets(Unsecured, considered good unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current Security Deposits (at Amortised Cost)	298.72	234.86	202.75
Total	**298.72**	**234.86**	**202.75**

NOTE 12. Deferred Tax : Deferred Tax Relates to the following :

Particulars	Balance Sheet			Profit & Loss	
	As at March 31, 2018	As at March 31,2017	As at April 1,2016	For the year ended March 31,2018	For the year ended March 31,2017
Property, plant and equipment	(278.49)	(203.12)	(228.61)	(75.37)	25.48
Borrowing Cost	(3.73)	(5.80)	(7.13)	2.06	1.34
Trade Receivables	188.65	104.10	82.82	84.56	21.27
Employee benefits **(net of OCI)**	186.20	122.30	65.91	63.91	56.39
Provision for Sales	102.90	324.70	220.70	(221.80)	104.00
Other items	59.36	37.27	60.46	22.09	(23.19)
Deferred Tax Expense/(Income) in Statement of Profit and Loss				**(124.55)**	**185.29**
Net Deferred Tax Assets/(Liabilities)	**254.89**	**379.45**	**194.15**		

Reflected in the Balance Sheet as Follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets	537.12	588.36	429.89
Deferred tax liabilities	(282.23)	(208.92)	(235.74)
Net	**254.89**	**379.45**	**194.15**

Reconciliation of Deferred Tax Assets/(Liabilities) (net):

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Opening balance	379.45	194.15
Tax income during the period recognised in statement of profit and loss	(124.55)	185.29
Closing balance	**254.89**	**379.45**

NOTE 13. Other Assets (Unsecured, considered good unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Non Current			
(i) Capital Advances	265.90	109.80	48.69
(ii) Others			
(a) Balances with Statutory/Revenue Authorities like excise, customs, service tax and value added tax, Goods and service tax etc.	41.39	51.32	51.03
(b) Prepaid Rent			
- For Finance lease (factory building)	97.57	-	32.53
- For leave & license Agreement (office premises)	75.56	7.68	13.44
- Finance Charges	37.47	46.12	54.77
(c) Others			
- Others **(Refer Note 54)**	127.83	127.83	127.83
Total	**645.72**	**342.75**	**328.29**
Current			
(I) Advances other than Capital Advances			
- Employees Imprest Advance	259.64	209.79	120.04
- to Related Parties **(Refer Note 53)**	348.35	1,717.74	267.24
Total	**607.99**	**1,927.53**	**387.28**
(ii) Others			
Advance to Vendors	355.99	189.62	214.21
Balances with Statutory/Revenue Authorities like excise, customs,service tax and value added tax, Goods and service tax etc.	498.15	17.73	8.54
Cenvat Recoverable	7.22	92.49	44.97
Prepaid Expenses	15.71	16.71	22.88
Others	0.61	0.05	0.05
Total	**1,485.67**	**2,244.13**	**677.93**

NOTE 14. Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Inventories (lower of cost and net realisable value)			
(As verified, valued & certified by the Management)			
a) Raw Materials	1,780.09	2,021.72	1,931.39
b) Work-in-Process	1,829.43	2,244.29	1,662.66
c) Finished Goods	4,248.29	545.25	535.78
d) Packing Materials	558.75	547.50	508.14
e) Stock-in-Trade	971.72	942.87	388.34
Total	**9,388.28**	**6,301.63**	**5,026.31**

The cost of inventories recognised as an expense during the year was ₹ 14222.64 lakhs (2016 - 2017: ₹ 12079.02 lakhs). This is included as part of Cost of Materials Consumed and Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade in the Statement of Profit and Loss.

The mode of valuation of inventories has been stated in note 2.11.

Included above, Stock-in-Transit			
a) Raw Materials	50.48	267.43	100.87
b) Finished Goods	564.64	-	-
Total	**615.13**	**267.43**	**100.87**

NOTE 15. Trade receivables (Unsecured, considered good unless stated otherwise)

Current			
Outstanding for a period exceeding six months from the date they are due for paymemt			
Unsecured, considered doubtful	585.64	314.65	253.19
Allowance for doubtful debts (expected credit loss allowances)	(585.64)	(314.65)	(253.19)
	-	-	-
Outstanding for a period less than six months from the date they are due for paymemt			
Unsecured, considered good	8,101.51	5,212.13	5,568.95
Total	**8,101.51**	**5,212.13**	**5,568.95**

15.1 Trade receivables

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period. The average credit period allowed to the customers is in the range of 30-90 days.

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period as follows.

Ageing	Expected credit loss(%)
Within the credit period	0.86%
1 - 90 days past due	4.34%
91 - 270 days past due	14.61%
271 - 630 days past due	17.41%
631 - 990 days past due	37.50%
More than 990 days past due	100.00%

Age of receivable	**As at March 31, 2018**	**As at March 31,2017**	**As at April 1,2016**
Within the credit period	5,711.03	4,068.74	3,982.76
1 - 90 days past due	802.65	517.67	1,295.95
91 - 270 days past due	1,275.94	457.92	171.07
271 - 630 days past due	286.15	147.49	115.04
631 - 990 days past due	25.73	20.31	4.14
More than 990 days past due	-	-	-
TOTAL	**8,101.51**	**5,212.13**	**5,568.95**

Movement in the expected credit loss allowance

	For the year ended March 31,2018	**For the year ended March 31,2017**
Balance at beginning of the year	314.65	253.19
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	270.99	61.46
Balance at the year End	**585.64**	**314.65**

NOTE 16. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	**As at March 31, 2018**	**As at March 31,2017**	**As at April 1,2016**
(a) Balances with Banks			
In Current Accounts	359.17	53.22	209.18
(b) Cheques, drafts on hand	-	193.72	180.39
(c) Cash on hand	7.95	40.33	38.67
Cash and cash equivalents as per balance sheet	**367.12**	**287.27**	**428.24**

NOTE 17. OTHER BANK BALANCES

Particulars	As at March 31, 2018	As at March 31,2017	As at April 1,2016
Earmarked Balances with Banks			
- Unpaid dividend accounts	4.10	4.20	4.52
- Deposits against guarantees & other commitments	355.58	272.42	188.9
TOTAL	**359.68**	**276.62**	**193.42**

Other Bank Balances - Earmarked Balances with Banks includes deposit ₹ 5.00 lakhs (2016 - 2017 : ₹ Nil, April 1, 2016 : ₹ Nil) which have an original maturity of more than 12 months.

NOTE 18. Equity Share Capital

Authorised Share capital	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Equity Shares of Re.1 Each	100,000,000	1,000.00	100,000,000	1,000.00	100,000,000	1,000.00
Issued & subscribed capital comprises:						
Equity Shares of Rs.1 Each, Fully Paid Up	77,350,000	773.50	77,350,000	773.50	77,350,000	773.50
	77,350,000	**773.50**	**77,350,000**	**773.50**	**77,350,000**	**773.50**

18.1 Fully paid equity shares

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Equity Shares outstanding at the beginning of the year	77,350,000	773.50	77,350,000	773.50	77,350,000	773.50
Equity shares issued during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	**77,350,000**	**773.50**	**77,350,000**	**773.50**	**77,350,000**	**773.50**

18.2 : The Company has only one class of equity shares having a par value of Re. 1 per shares. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

18.3 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares held	% holding in the class of shares	No. of Shares held	% holding in the class of shares	No. of Shares held	% holding in the class of shares
Fully paid equity shares						
a) Zircon Finance and Leasing Pvt. Ltd.	20,523,330.00	26.53	20,523,330.00	26.53	20,523,330.00	26.53
b) Jayesh Pannalal Choksi	18,010,259.00	23.28	18,010,259.00	23.28	18,010,259.00	23.28
c) Sambhav Properties LLP	645949	0.84	7,745,949.00	10.01	7,745,949.00	10.01
d) Pranav Jayesh Choksi	6,975,826.00	9.02	6,975,826.00	9.02	6,975,826.00	9.02
e) Gufic Private Limited	5,330,957.00	6.89	5,330,957.00	6.89	5,330,957.00	6.89
f) SBI Pharma Fund	5707489	7.38	0	0	0	0

NOTE 19. Other equity excluding non-controlling interests

Particulars	As at March 31, 2018	As at March 31,2017	As at April 1,2016
General reserve (Refer Note 1)			
Balance at beginning of the year	134.71	134.71	134.71
Movements			
Balance at end of the year	**134.71**	**134.71**	**134.71**
Capital Reserve (Refer Note 2)			
Balance at beginning of the year	12.50	12.50	12.50
Movements	-	-	-
Balance at end of the year	**12.50**	**12.50**	**12.50**
Retained earnings			
Balance at beginning of year	2,797.63	1,943.12	1,257.24
Add : Profit for the year	1600.07	901.06	732.43
Less : Final Dividend on equity shares [Refer note 19.3]	(38.68)	(38.68)	(38.68)
Less : Corporate Tax on Dividend	(7.87)	(7.87)	(7.87)
Balance at end of the year	**4,351.15**	**2,797.63**	**1,943.12**
Others (Refer Note 19.4)			
Contribution towards Capital	79.73	14.39	13.58
Balance at end of the year	**79.73**	**14.39**	**13.58**
Total	**4,578.09**	**2,959.23**	**2,103.91**

Nature of Reserves

Note19.1: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Note 19.2: The Capital reserve is created on receipts of government grants for setting up of tissue culture division in the earlier years.

Note 19.3: The company has paid dividend of ₹ 0.05 per share on September 5, 2017 (totalling to ₹ 38.68 lakhs) was paid to the holders of fully paid equity shares. Further on September 28, 2016 the company had paid dividend of ₹ 0.05 per share (totalling to ₹ 38.68 lakhs)

In respect of the year ended March 31, 2018, the directors propose that a dividend of ₹ 0.05 per share be paid on the fully paid equity shares. The equity dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these standalone financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated dividend to be paid is ₹ 38.68 lakhs)

Note19.4: Others Includes the notional interest charged to the Statement of Profit & Loss account on account of interest free loan given by the directors of the company.

NOTE 20. Non-current Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non current	Current	Non current	Current	Non current	Current
Secured – at amortised cost						
(A) From Banks						
(a) Term loans (Refer Note 20.1)	381.35	161.17	204.41	255.17	407.60	257.46
(b) Vehicle Loans (Refer Note 20.1)	14.47	34.28	45.11	31.40	37.49	17.34
(B) From Others						
(a) Vehicle Loans (Refer Note 20.1)	40.61	18.30	59.82	12.03	1.37	0.70
(c) Long term maturies of finance lease obligation {Refer Note 20.1 (IV)}	3.79	6.99	10.78	6.27	17.05	5.62
TOTAL (I)	**440.22**	**220.74**	**320.12**	**304.87**	**463.51**	**281.12**
Unsecured – at amortised cost						
From Directors **{Refer Note 20.1 (V)}**	387.07	-	342.20	-	282.28	-
TOTAL (II)	**387.07**	**-**	**342.20**	**-**	**282.28**	**-**
Total Non-current borrowings	**827.29**	**220.74**	**662.32**	**304.87**	**745.79**	**281.12**

20.1 : Summary of borrowing arrangements

The terms of repayment of term loans and other loans are stated below:

I. As at March 31, 2018

Particulars	Amount outstanding (₹. in Lakhs)	Terms of Repayment	Rate of Interest
(A) Term Loans from Bank Security (i) The loan are secured by first pari passu charge on all the present and furture plant & machineries/ equipments / air conditioners / computers and Accessories / Electric Installation & Furniture & Fixture. (ii) Further the loan is also secured by Legal mortgage of land and factory building of Gufic Private Limited to the extent of ₹ 2000 lakhs (Company in which directors are interested), situated at Navsari. (iii) It is also secured by personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee (restricted to the exposure of ₹ 3640 lakhs) from Gufic Private Limited (Company in which directors are interested). (iv) Carrying value of the fixed assets pledged is ₹ 1974.84 lakhs.	542.52	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹. 42,000/- to ₹. 7,56,000/- (excluding interest),over a period of 1 to 24 months.	The Rate of Interest is between 9.70 % to 12.50 % p.a. and shall be payable on monthly basis
(B) Vehicle Loans from Bank and Others Security (I) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted. (ii) Carrying value of the fixed assets pledged is ₹ 98.54 lakhs.	107.66	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 7,850 to ₹ 1,49,000 (including Interest), over a period of 1 to 60 months.	The Rate of Interest is between 8.18 % to 11.47 % p.a. and shall be payable on monthly basis.

II. As at March 31, 2017

Particulars	Amount outstanding (₹. in Lakhs)	Terms of Repayment	Rate of Interest
(A) Term Loans from Bank Security (i) The loan are secured by first pari passu charge on all the present and furture plant & machineries/ equipments / air conditioners / computers and Accessories / Electric Installation & Furniture & Fixture. (ii) Further the loan is also secured by Legal mortgage of land and factory building of Gufic Private Limited to the extent of ₹ 2000 lakhs (Company in which directors are interested), situated at Navsari. (iii) It is also secured by personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee (restricted to the exposure of ₹ 3640 lakhs) from Gufic Private Limited (Company in which directors are interested). (iv) Carrying value of the fixed assets pledged is ₹ 1864.25 lakhs.	459.58	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 42,000/- to ₹ 7,56,000/- (excluding interest),over a period of 1 to 24 months.	The Rate of Interest is between 12.5 % to 13.65 % p.a. and shall be payable on monthly basis
(B) Vehicle Loans from Bank and Others Security (i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted. (ii) Carrying value of the fixed assets pledged is ₹ 244.33 lakhs.	148.36	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 7,850 to ₹ 1,49,000 (including Interest), over a period of 1 to 60 months.	The Rate of Interest is between 8.18 % to 11.47 % p.a. and shall be payable on monthly basis.

III. As at April 1, 2016

Particulars	Amount outstanding (₹ in Lakhs)	Terms of Repayment	Rate of Interest
(A) Term Loans from Bank Security (i) The loan are secured by first pari passu charge on all the present and furture plant & machineries/ equipments / air conditioners / computers and Accessories / Electric Installation & Furniture & Fixture. (ii) Further the loan is also secured by Legal mortgage of land and factory building of Gufic Private Limited to the extent of ₹ 2000 lakhs (Company in which directors are interested), situated at Navsari. (iii) It is also secured by personal guarantee of Managing Director and Chief Executive Officer and a corporate guarantee (restricted to the exposure of ₹ 3640 lakhs) from Gufic Private Limited (Company in which directors are interested). (iv) Carrying value of the fixed assets pledged is ₹ 1938.19 lakhs.	665.06	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 62,500/- to ₹ 11,60,000/- (excluding interest),over a period of 1 to 24 months.	The Rate of Interest is between 13.65 % to 13.65 % p.a. and shall be payable on monthly basis
(B) Vehicle Loans from Bank and Others Security (i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted. (ii) Carrying value of the fixed assets pledged is ₹127.47 lakhs.	56.90	Amount disbursed under the term loan shall be repaid in monthly installements varying from ₹ 7,850 to ₹ 82,000 (including Interest), over a period of 1 to 47 months.	The Rate of Interest is between 8.90 % to 22.30 % p.a. and shall be payable on monthly basis.

IV. Obligations under finance leases

Interest rates underlying the lease obligations are fixed at respective contract dates at 11.0688 % (2016 - 2017 : 11.0688 % and April 1, 2016 : 11.0688 %)

Reconciliation between the total of future minimum lease payments and their present value.

Authorised Share capital	**As at March 31, 2018**		**As at March 31, 2017**		**As at April 1, 2016**	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments	Minimum payments	Present value of payments
With One Year	7.90	7.90	7.90	7.90	7.90	7.90
After one year but not more than five years	3.95	3.95	11.85	11.85	19.75	19.75
More than five years	-	-	-	-	-	-
Total minimum lease payments	**11.85**	**11.85**	**19.75**	**19.75**	**27.65**	**27.65**
Less: Amounts representing finance charges	1.07	1.07	2.70	2.70	4.98	4.98
Present Value of minimum lease payments	**10.78**	**10.78**	**17.05**	**17.05**	**22.67**	**22.67**

V. The company has received unsecured and interest free loan from the directors of the company. The loans are repayable on 1st August, 2023 .The company has provided interest on the loan @ 11 % p.a. (2016 - 17 and April 1, 2016: 13% p.a.). Thus the company during the year has accounted the interest expenses of ₹ 65.34 lakhs (2016 - 2017 : ₹ 0.82 lakhs) and shown the same under the head "Other equity excluding non controlling interests" as owners contribution towards equity.

20.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2018, March 31, 2017 and April 1, 2016.

20.3 Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated of cash flows as cash flows from financing activities.

Particulars	**Term loans from financial institutions**
As at 1st April, 2016	4,536.23
Financing cash flows	1,408.80
Non-cash changes	
Interest accruals on account of amortisation	23.75
As at 31st March, 2017	**5,968.78**
Financing cash flows	2,300.91
Non-cash changes	
Interest accruals on account of amortisation	(84.13)
As at 31st March, 2018	**8,185.56**

NOTE 21. Other financial liabilities (At Amortised Cost)

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Non Current			
Unsecured			
(a) Security & Trade Deposits from Agents & Stockists	476.32	395.00	355.00
(b) Other	-	9.77	11.40
Total	**476.32**	**404.77**	**366.40**
Current			
(a) Current maturities of long-term debt (Refer note 20)	213.75	298.60	275.50
(b) Current Maturities of Finance lease of obligation (Refer note 20)	6.99	6.27	5.62
(c) Interest accrued and not due on Borrowings	1.03	1.21	0.42
(d) Interest accrued and due on Borrowings	4.65	4.77	8.17
(e) Unpaid dividends	4.13	4.21	4.51
(f) Others :-			
(i) Interest payable on Security Deposit	9.45	28.58	13.48
(ii) Employee Benefits Payable	770.99	865.38	565.14
Total	**1,010.99**	**1,209.02**	**872.84**

NOTE 22. Provisions

Non Current			
Provision for Employee Benefits (Refer Note 40)			
(i) for Gratuity	122.90	122.75	96.54
(ii) for Compensated Absences	103.58	106.03	42.51
TOTAL	**226.48**	**228.78**	**139.05**
Current			
(a) Provision for Employee Benefits (Refer Note 40)			
(i) for Gratuity	51.08	66.91	39.32
(ii) for Compensated Absences	8.98	11.62	9.12
	60.06	**78.53**	**48.44**
(b) Others			
(i) Provision for Sales Returns (Refer Note 57)	297.30	938.16	637.67
	297.30	**938.16**	**637.67**
TOTAL (a + b)	**357.36**	**1,016.69**	**686.11**
TOTAL	**583.84**	**1,245.47**	**825.16**

NOTE 23. Current Borrowings

Loans repayable on demand			
Secured - at amortised cost			
(a) Loans from banks **(Refer Note (1) below)**	6,481.44	4,402.83	3,055.13
Unsecured - at amortised cost			
(a) Foreign Currency Loan **(Refer Note (2) below)**	435.35	293.89	173.07
TOTAL	**6,916.79**	**4,696.72**	**3,228.20**

Note 1 Secured loans comprise of Bank Overdraft, and are secured by hypothecation of all stocks and book debts. The facilities granted to the company are further secured by Equitable / Legal mortgage of land and factory building of Gufic Private Limited to the extent of ₹ 2000 lakhs (Company in which directors are interested), situated at Navsari, against the credit facilities sanctioned to the company. The loans are secured by personal guarantee of Managing Director and Chief Executive Officer and the loan are secured by a corporate guarantee (restricted to the exposure of ₹ 3640 lakhs) of Gufic Private Limited.

Rate of Interest @ 9.70% and repayable on demand.

Note 2 Unsecured Loan comprises of Foreign Currency Loan (Buyers Credit) of ₹ 435.35 lakhs (March 31, 2017 ₹ 293.89 lakhs and April 1, 2016 ₹173.07 lakhs)

Foreign Currency loans carry interest rate at 3 months LIBOR plus 0.48 %

NOTE 24. Trade payables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Total outstanding dues of micro enterprises and small enterprises	260.15	-	8.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,194.65	4,373.87	5,325.76
Total	**7,454.80**	**4,373.87**	**5,334.70**

The average credit period on purchases is 45 to 90 days. No interest is charged by the trade payables.

Sundry Creditors - Dues to Micro and Small Enterprises

Pursuant to disclosure of amount due to Micro, Small and Medium Enterprises as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED ACT) included under the head "Trade Payable", the Company has initiated process of seeking necessary information from its suppliers. Based on the information available with the company regarding the total amount due to supplier as covered under MSMED Act is given below. The company is generally regular in making payment of dues to such enterprise. There are no overdues beyond the credit period extended to the company which is less than 45 days hence liability for payment of interest or premium thereof and related disclosure under the said Act does not arise. This has been relied upon by the auditors.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	260.15 (interest ₹ nil)	Nil (interest ₹ nil)	8.94 (interest ₹ nil)
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
v. The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil

NOTE 25. Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)Statutory Dues Payables (includes Excise Duty, Provident Fund, Withholding Taxes, etc.)	544.68	700.25	464.10
(b)Advances from customers	154.77	147.45	64.42
(c)Others	27.38	17.87	8.59
Total	**726.83**	**865.57**	**537.11**

NOTE 26. Current Tax Liabilities (Net)

Current Tax Liabilities			
Provision for Income tax (Net)	258.98	655.84	372.21
Total	**258.98**	**655.84**	**372.21**

NOTE 27. Revenue from operations

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
a) Sale of Products (Net of Returns and GST)	29,701.07	25,500.44
b) Other Operating Revenue		
i) Processing Charges	689.59	528.45
ii) Other Operating Revenues	21.30	12.89
Total	**30,411.96**	**26,041.78**

NOTE 28. Other Income

a) Interest Income (at amortised Cost)		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
(i) Bank deposits (at amortised cost)	23.78	17.69
(ii) Other financial assets carried at amortised cost	37.74	47.55
Total (a)	**61.52**	**65.24**
b) Dividend Income		
Dividends from equity investments	0.08	-
Total (b)	**0.08**	**-**
c) Other Non-Operating Income (Net of expenses directly attributable to such income)		
Scrap Sales	27.67	17.01
Sundry Balance Written Back	92.56	-
Miscellaneoues Income	63.56	3.38
Total (c)	**183.79**	**20.39**
d) Other gains and losses		
Gain/(loss) on disposal of property, plant and equipment	-	-
Net foreign exchange gains/(losses)	48.91	58.39
Total (d)	**48.91**	**58.39**
TOTAL (a+b+c+d)	**294.30**	**144.02**

₹ in Lakhs

NOTE 29. Cost of Material Consumed

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
(A). Consumption of Raw Material		
Opening Stock	2,021.61	1,931.39
Add: Purchases	9,040.31	6,526.45
(Less) : Closing Stock	(1,777.59)	(2,021.72)
TOTAL (A)	**9,284.33**	**6,436.12**
(B). Consumption of Packing Material		
Opening Stock	547.50	508.14
Add: Purchases	1,521.03	1,376.29
Less : Closing Stock	(558.75)	(547.50)
TOTAL (B)	**1,509.78**	**1,336.93**
Total (A + B)	**10,794.11**	**7,773.05**

NOTE 30. Purchases of Stock - in - Trade

Purchase of Stock - In - Trade	6,745.56	5,451.60
Total	**6,745.56**	**5,451.60**

NOTE 31. Changes in Inventories of Finished goods Work-in-Progress and Stock-in-Trade

Opening stock of		
i) Work-in-progress	2,244.29	1,662.66
ii) Finished goods	545.25	535.78
iii) Stock-in-trade	942.87	388.34
	3,732.41	**2,586.78**
Less: Closing stock of		
i) Work-in-progress	1,829.43	2,244.29
ii) Finished goods	4,248.29	545.25
iii) Stock-in-trade	971.72	942.87
	7,049.44	**3,732.41**
Net increase	**(3,317.03)**	**(1,145.63)**

NOTE 32. Employee benefits expense

Salaries and Wages	3,894.51	3,376.89
Contribution to provident and other funds **(Refer Note 40)**	115.68	192.80
Staff Welfare Expenses	436.29	533.53
Total	**4,446.48**	**4,103.22**

NOTE 33. Finance costs

Interest on Financial Liabilities - borrowing carried at amortised cost	733.97	575.32
Other Borrowing Costs (includes bank charges, etc.)	18.71	12.49
Interest on Owners Contribution	65.34	0.82
Interest on Income Tax	66.66	45.36
Total	**884.68**	**633.99**

NOTE 34. Depreciation and amortisation expense

Depreciation of property, plant and equipment **(Refer Note 6)**	426.26	367.27
Amortisation of intangible assets **(Refer Note 8)**	3.95	1.06
Total depreciation & amortisation	**430.21**	**368.33**

NOTE 35. Other expenses

₹ in Lakhs

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Consumable Stores	64.43	51.86
Power and Fuel	357.87	350.57
Labour Charges	1,233.52	1,041.15
Factory Expenses	19.15	6.60
Rent	197.85	155.84
Rates and Taxes (Excluding Taxes on Income)	17.83	12.45
Repairs and Maintenance		
- Building	167.45	17.29
- Machinery	80.42	56.03
- Others	51.19	52.64
Sales Tax Expenses	2.24	32.56
Printing and Stationery	95.41	86.90
Communication Expenses	63.75	72.45
Director Sitting Fees	2.65	0.69
Insurance Charges	47.28	51.60
Travelling, Conveyance and Vehicle Exps	2,180.45	1,775.84
Legal & Professional Fees	494.06	546.96
Testing and Laboratory Expenses	17.90	179.08
Transport and Forwarding	659.43	477.42
Commission and Brokerage	492.15	391.13
Sales Promotion Expenses	116.38	0.49
Advertisement	15.98	9.16
Loss on sale of Asset (Net)	0.96	-
Donation	9.05	8.77
Research & Development Expenses **(Refer Note 47)**	528.82	152.86
Corporate Social Responsibility Activity **(Refer Note 48)**	20.22	6.80
Bad Debts & Provision for Bad Debts	271.11	107.97
Miscellanous Expenses	403.99	429.21
Total	**7,611.54**	**6,074.32**

NOTE 36. Income Taxes

a. Tax expense recognised in profit and loss:		
Current Tax Expense for the year	1,101.40	652.80
Tax expenses of prior years	125.95	67.15
Fringe Benefit Tax of prior years	-	-
Net Current Tax Expenses	**1,227.35**	**719.95**
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	124.55	(185.29)
TOTAL	**1,351.90**	**534.66**
b. The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	2954.07	1436.74
Tax using the Company's domestic tax rate	1022.26	497.18
(March 31, 2018: 34.61%, March 31, 2017: 34.61%)		
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	342.09	20.04
Incremental deduction allowed for Research and Development costs(146.96)	(54.38)	
Others	8.57	4.67
Current and Deferred Tax expense (excluding prior year taxes)	**1,225.96**	**467.51**

I. During the year ended March 31, 2018 and March 31, 2017 the Company has paid dividend to share holders, this has resulted in payment of dividend distribution tax to the taxation authorities. The Company believes that dividend distribution tax represents additional payment to tax authorities on behalf of shareholders. Hence, dividend distribution tax paid is charged to equity.

ii. There are no unrecognized deferred tax assets and liabilities as at March 31, 2018 and March 31, 2017.

NOTE 37. Segment information

37.1 Products and services from which reportable segments derive their revenues

Based on the "management approach" as defined in IND AS 108, the Chief Operating Decision Maker (CODM) evaluate the company's performance." The company has two reportable operating segment i.e Pharma and Bulk Drugs.First Pharma segment include manufacturing and trading of Tablets, capsules, ointment , Syrups/suspension,powder,injection and Lotion etc. and second Bulk Drugs segment is Chemical manufacturing segment.

Specifically, the Company's reportable segments under Ind AS 108 are as follows:

37.2 Segment revenues and results

The following is an analysis of the Company's revenue and results from operations by reportable segment.

₹ in Lakhs

Particulars	Segment revenue	
	For the year ended March 31,2018	For the year ended March 31,2017
Good and services provided		
Pharma	28,537.24	25,496.82
Consumer	-	544.96
Bulk Drugs	1,874.72	
Unallocable income	294.30	144.02
Total for operations	**30,706.26**	**26,185.80**
	Segment profit	
Good and services provided		
Pharma	5,136.70	4,589.43
Consumer	-	32.70
Bulk Drugs	262.46	
Total for operations	**5,399.16**	**4,622.13**
Less: Unallocable Overhead	814.68	692.89
Financial charges	884.68	633.99
Excise Charges	315.52	1,490.18
Depreciation	430.21	368.33
	2,445.09	**3,185.39**
Profit/(loss) before tax	**2,954.07**	**1,436.74**
Tax expenses	1,351.90	534.66
Profit/(loss) after tax	**1,602.17**	**902.08**

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sates in the current year (2016-2017: Nil).

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2. Segment profit represents the profit before tax earned by each segment without allocation of unallocated expenses and income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

37.3 Segment assets and liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment assets			
Pharma	13,676.56	11,300.97	11,660.95
Consumer	-	373.45	635.24
Bulk Drugs	1,455.23	-	832.6
Add: Unallocated Assets	8475.64	6171.89	2,031.03
Total segment assets	**23,607.43**	**17,846.31**	**15,159.82**
Total assets	**23,607.43**	**17,846.31**	**15,159.82**
Segment liabilities			
Pharma	3437.18	3643.23	5,161.05
Consumer	-	295.33	30.39
Bulk Drugs	1,125.31	-	102.11
Add: Unallocated Liabilities	13693.35	10175.02	6,988.86
Total segment liabilities	**18,255.84**	**14,113.58**	**12,282.41**
Total liabilities	**18,255.84**	**14,113.58**	**12,282.41**

37.4 Other segment information

Particulars	Depreciation & amortisation	
	For the year ended March 31,2018	For the year ended March 31,2017
Capital Expenditure Incurred	566.12	328.12
Unallocated Capital Expenditure	105.82	27.79
Depreciation	422.76	332.53
Unallocated Depreciation	7.45	35.79
Total	**1,102.15**	**722.10**
	Additions to non-current assets	
Property, plant and equipment		
(a) Factory Buildings not Owned by the company	-	22.07
(b) Plant and Equipment	35.74	77.23
(c) Plant and Equipment (R & D)	324.39	52.31
(d) Furniture and Fixtures	-	0.09
(e) Vehicles	-	151.57
(f) Office equipment	80.10	18.01
(g) Electrical Installations		
(h) Computers	13.00	28.90
Intangible assets		
Computer Software	13.68	
Technical Know How		2.13
Capital Work in Progress	205.03	3.60
	671.94	**355.91**

37.5 Information about geographical areas

The Company presently caters to only domestic market i.e. India and hence there is no revenue from external customers outside India nor any of its non-current asset is located outside India.

37.6 Information about major customers

Inculded in revenue arising from direct sales of trading goods of ₹ 12,896.79 Lakhs (year ended 31 March, 2017: ₹ 11,846.30 Lakhs) which arose from sales to its fifteen (fifteen) major customers which accounts for 42.41 percent (year ended 31 March, 2017: 44.87 percent) of the total revenue from trading operation. No other single customer contributed 10% or more to the company's revenue for year ended 31March, 2018 and year ended 31 March, 2017.

NOTE 38. Operating lease arrangements

38.1 The Company as lessee

38.1.1 Leasing arrangements

The Company's significant leasing arrangementa are in respect of operating lease for premises. The period of agreement is generally from one year to five year and is renewable by mutual consent. The Company does not have an option to purchase the leased assets at the expiry of the lease periods.

38.1.2 Payments recognised as an expense

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Minimum lease payments	181.94	117.80
Contingent rentals	-	-
Sub-lease payment received	-	-
Total	**181.94**	**117.80**

38.1.3 Non-cancellable operating lease commitments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Not later than 1 year	276	125.4	121.6
Later than 1 year and later than 5 years	1038	41.8	167.2
Total	**1,314.00**	**167.20**	**288.80**

Note 39. Related Party Disclosures

39.1 Names of the related parties and related party relationships

Names	Relationship as at		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Jayes P Choksi (chairman & Managing Director)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Pranav J Choksi (CEO & Whole-time Director)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Pankaj Gandhi (Whole Time Director)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Hemal Desai (CFO & Whole - time Director)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Ami Shah (Company Secretary)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Vipula J Choksi	Relatives of KMP	Relatives of KMP	Relatives of KMP
Parth Gandhi	Relatives of KMP	Relatives of KMP	Relatives of KMP
Khushboo Desai	Relatives of KMP	Relatives of KMP	-
Pooja Choksi	Relatives of KMP	Relatives of KMP	-

Company in which KMP/Relatives of KMP can exercise influence

As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Comfrey Pharmaceuticals Private Limited	Comfrey Pharmaceuticals Private Limited	Comfrey Pharmaceuticals Private Limited
Gufic Private Limited	Gufic Private Limited	Foxglove Securities Private Limited
Gufic Chem Private Limited	Gufic Chem Private Limited	Gufic Chem Private Limited
Gufic Lifescience Private Limited	Gufic Lifescience Private Limited	Gufic Lifescience Private Limited
Gufic Stridden Bio- Pharma Private Limited	Gufic Stridden Bio- Pharma Private Limited	Gufic Stridden Bio- Pharma Private Limited
Jal Private Limited	Jal Private Limited	Jal Private Limited
Motif Hotels LLP	Motif Hotels LLP	Motif Hotels LLP
Zircon Finance and Leasing Private Limited	Zircon Finance and Leasing Private Limited	Zircon Finance and Leasing Private Limited
Zire Realty Limited	Zire Realty Limited	Zire Realty Limited
Zire Rushi Construction	Zire Rushi Construction	Zire Rushi Construction
Manshi Gandhi Enterprise	Manshi Gandhi Enterprise	Manshi Gandhi Enterprise
Parth Gandhi Enterprises	Parth Gandhi Enterprises	Parth Gandhi Enterprises
Viraj Enterprise	Viraj Enterprise	
Shraddha Enterprise	Shraddha Enterprise	

39.2 Details of related party transactions

39.2.1 Key Management Personnel & Relatives

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	As at 1st April,2016
(a) Remuneration	91.81	84.21	68.56
(b) Reimbursement of Expenses	40.5	5.66	24.11
(c) Payment of Services	-	-	1.42
Outstanding Balance as on March 31,2018 Cr	387.22	342.35	286.13
Outstanding Balance as on March 31,2018 Dr	0.91	15.3	4.44

39.2.2 Enterprises In Which Key Management Personnel Have Significant Influence

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	As at 1st April,2016
(a) Payment of Service	27.58	1059.70	737.7
(b) Purchase of Goods & reimbursement Exp	1827.71	1047.45	1142.87
(c) Payment of rent rate and taxes	25.74	1.21	1.2
(d) Sale of Goods	3310.61	221.17	342.62
(e) Service Rendered	996.94	25.48	21.94
(f) Gurantee given	450.00	450.00	450
License Purchased	17.21	-	-
outstanding balance as on march 31,2018 Cr.	84.40	38.53	46.89
outstanding balance as on march 31,2018 Dr.	595.75	2298.39	826.26

Sales of goods to related parties were made at the usual list prices. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.

The amount outstanding are unsecured and will be settled in cash. No guarantee have been given or received. No expense has been recognized in the current period or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

39.3 Loans from related parties

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
JAYESH P. CHOKSI	367.75	326.14	164.71
PRANAV J. CHOKSI	19.32	16.05	117.56

The loan is repayable on 1st August 2023 and is interest free. These loan is unsecured.

39.4 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	Year ended March 31, 2018 ₹ in Lakhs	Year ended March 31, 2017 ₹ in Lakhs
Short -term- benefit	64.87	59.57
Post-employment benefit	16.23	15.06
Other long -term benefit	2.54	2.37
Termination benefit	-	-

The remuneration of the directors and key management personnel is determined by the remuneration committee having regard to the performance of individual and market trends.

NOTE 40. Employee benefit plans

40.1 Defined contribution plans

The Company operates defined contribution retirement benefit plans for all qualifying employees of its Company. The assets of the plans are held of the company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the company are reduced by the amount of forfeited contributions.

The company has recognised the following amounts in the profit and loss accounts.

	For the year ended 31.03.2018 ₹ in Lakhs	For the year ended 31.03.2017 ₹ in Lakhs	As at April 1,2016 ₹ in Lakhs
Employer's contribution to provident fund & ESIC Fund	117.75	101.73	97.9

40.2 Defined benefit plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The board of the Fund is composed of an equal number of representatives from both employers and (former) employees. The board of the Fund is required by law and by its articles of association to act in the interest of the Fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the Fund is responsible for the investment policy with regard to the assets of the Fund.

These plans typically expose the Company to acturial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Life Insurance Corporation of India .
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2018. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	**Valuation as at**		
	As at March 31, 2018	**As at March 31, 2017**	**As a April 1, 2016**
Discount rate(s)	7.83%	7.20%	8.06%
Expected rate(s) of salary increase	5.00%	5.00%	5.00%
Average longevity at retirement age for current beneficiaries of the plan (years)*			
Males	58 years	58 years	58 years
Females	58 years	58 years	58 years
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)*			
Males	58 years	58 years	58 years
Females	58 years	58 years	58 years

* Based on Indian Assured Lives Moratlity (2006-08) Ult.table

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.

Particulars	For the year ended March 31,2018	For the year ended March 31,2017	As at April 1,2016
Service cost:			
Current service cost	24.98	13.28	12.70
Past service cost and (gain)/loss from settlements	-	-	-
Net interest expense	9.96	9.25	10.38
Components of defined benefit costs recognised in profit or loss	**34.94**	**22.53**	**23.08**
Actuarial (gains) / losses arising from experience adjustments	-	1.02	(38.08)
Adjustments for restrictions on the defined benefit asset	-	-	-
Components of defined benefit costs recognised in other comprehensive income	**-**	**1.02**	**(38.08)**
Total	**34.94**	**23.55**	**(15)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Present value of funded defined benefit obligation	(164.55)	(179.83)	(156.27)
Fair value of plan assets	41.51	41.51	41.51
Funded status	(123.04)	(138.32)	(114.76)
Restrictions on asset recognised	-	-	-
Net assets/(liability) arising from defined benefit obligation	(123.04)	(138.32)	(114.76)

Movements in the present value of the defined benefit obligation are as follows.

Particulars	For the year ended March 31,2018	For the year ended March 31,2017	As at April 1,2016
Opening defined benefit obligation	179.83	156.28	169.72
Current service cost	24.98	13.28	12.7
Interest cost	12.95	12.60	13.58
Remeasurement gain (loss):			
Actuarial gains and losses arising from changes in financial assumptions	(6.73)	9.99	-
Actuarial gains and losses arising from experience adjustments	(46.48)	(12.32)	(39.73)
Closing defined benefit obligation	**164.55**	**179.83**	**156.27**
Movements in the fair value of the plan assets are as follows.			
Opening fair value of plan assets	41.51	41.51	39.69
Interest income	2.99	3.35	3.47
Remeasurement gain (loss):			
Return on plan assets (excluding amounts included in net interest expense)	(2.99)	(3.35)	(1.65)
Closing fair value of plan assets	**41.51**	**41.51**	**41.51**

NOTE 41. Earnings per share

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Basic earnings per share	2.07	1.17
Diluted earnings per share	2.07	1.17
41.1 Basic earnings per share		
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:		
Profit / (loss) for the year attributable to owners of the Company	1,602.17	902.08
Less: Preference dividend and tax thereon	-	-
Earnings used in the calculation of basic earnings per share	**1,602.17**	**902.08**
Weighted average number of equity shares	77,350,000	77,350,000
41.2. Diluted Earnings Per Share		
The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.		
Profit / (loss) for the year used in the calculation of basic earnings per share	1,602.17	902.08
Add: adjustments on account of dilutive potential equity shares		
Earnings used in the calculation of diluted earnings per share	**1,602.17**	**902.08**
Weighted average number of equity shares	77,350,000	77,350,000
41.3. Reconciliation of weighted average number of equity shares		
The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of Basic EPS	77,350,000	77,350,000
Add: adjustments on account of dilutive potential equity shares	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	**77,350,000**	**77,350,000**

NOTE 42. Financial instruments

42.1 Capital management

The company manages its capital to ensure that entities in the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of net debt offset by cash and bank balances and total equity of the company. The company is not subject to any externally imposed capital requirements.

42.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Debt (i)	7,744.08	5,359.04	3,973.99
Less: Cash and bank balances	367.12	287.27	428.24
Net debt	**7,376.96**	**5,071.77**	**3,545.75**
Total Equity (ii)	**5,351.59**	**3,732.73**	**2,877.41**
Net debt to equity ratio	**1.38**	**1.36**	**1.23**

42.2 Catagories of financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Financial assets Measured at fair value through profit or loss (FVTPL)			
Measured at amortised cost			
(a) Other investments	0.50	0.93	0.93
(b) Cash and bank balances	367.12	287.27	428.24
(c) Trade Receivable	8,101.51	5,212.13	5,568.95
(d) Loans	268.11	363.66	321.39
(e) Other Financial Assets	298.72	234.86	202.75
Financial liabilities			
Measured at Amortised cost			
(a) Borrowings	7,744.08	5,359.04	3,973.99
(b) Trade Payable	7,464.25	4,373.87	5,334.70
(C) Other Financial Liabilities	1,477.86	1,613.79	1,239.24

42.3 Financial risk management objectives

The company has a board approved policy to manage the various risks that arise from its business activities.

The objective of the risk management policy document is to ensure that the company has proper and continuous risk identification and management process. This process will generally involve the following steps:

- Identifying, ranking risks inherent in the Organisation's strategy (including its overall goals and appetite for risk);
- Selecting the appropriate risk management approaches and transferring or avoiding those risks that the business is not willing or competent to manage;
- Implementing controls to manage the remaining risks;
- Monitoring the effectiveness of risk management approaches and controls;
- Learning from experiences and making improvements.

The various Risks to which the company is exposed and the steps taken to mitigate or minimise the same are given below:

42.4 Market risk

The Companies activities primarily expose it to the interest rates risk as discussed below:

42.5 Interest rate risk management

The company is exposed to interest rate risk because it borrows funds from banks and institutions at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. The companies exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

42.5.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the company's (Contracted Interest Rate on all the borrowing)i) profit for the year ended March 31, 2018 would decrease/increase by ₹ 59.62 lakhs (2016 - 2017: decrease/increase by ₹ 41.84 lakhs). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings; and

42.6 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Before accepting any new customer, the company evaluates the credit worthiness of the potentional customers based on past history and other external inquiries as deemed appropriate. The company also obtains the necessary KYC documents from all the customer for assessing the credit quality and defines the credit limits accordingly. Limits and scoring attributed to customers are reviewed once a year. As at 31 March 2017, the carrying amount of the companies largest customer was 1449.84 lakhs (31.03.2016 - 429.64 lakhs, 01.04.2015 - 1601.01 lakhs)

42.7 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 42.7.2 below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

42.7.1 Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

Commentary:

The tables below include the weighted average effective interest rate and the carrying amount of the respective financial liabilities as reflected in the standalone balance sheet as an example of summary quantitative data about exposure to interest rates at the end of the reporting period that an entity may provide internally to key management personnel.

	Upto 1 year	1 to 3 years	3 to 5 years	Total
March 31, 2018				
Non-interest bearing	8,235.24	863.39	-	9,098.63
Variable interest rate instruments	7,077.96	356.39	24.96	7,459.31
Fixed interest rate instruments	62.40	55.08	-	117.48
	15,375.60	**1,274.87**	**24.96**	**16,675.42**
March 31, 2017				
Non-interest bearing	5,239.25	746.97	-	5,986.22
Variable interest rate instruments	4,951.89	154.49	49.92	5,156.30
Fixed interest rate instruments	88.47	115.71	-	204.18
	10,279.61	**1,017.17**	**49.92**	**11,346.70**
April 1, 2016				
Non-interest bearing	5,899.84	648.68	-	6,548.52
Variable interest rate instruments	3,485.65	407.60	-	3,893.25
Fixed interest rate instruments	50.24	55.23	-	105.48
	9,435.73	**1,111.51**	**-**	**10,547.25**

42.7.2 Financing facilities

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
Secured bank overdraft facility:			
i) amount used	6,000.00	3,500.00	2,600.00
ii) amount unused	-	-	-
	6,000.00	**3,500.00**	**2,600.00**
Secured bank loan facilities with various maturity dates through to March 31, 2018 and which may be extended by mutual agreement:			
i) amount used	551.36	459.61	685.67
ii) amount unused	220.95	236.12	102.27
	772.31	**695.73**	**787.94**

42.8 Fair value measurements

The investment of the company are not readily marketable. Further the company has invested in the securities for the purpose of obtaining the credit facilities. The company has to returned the securities back to the lender in the event the credit facilities are repaid / closed by the company. Thus in the case the cost of the security represents the fair value.

Except as stated above the carrying amount of all other financial assets approximate their fair values as indicated below.

Particulars	As at March 31, 2018	As at March 31, 2017	As a April 1, 2016
	Carrying amount	Carrying amount	Carrying amount
Financial assets			
Financial assets at amortised cost:			
(a) Trade receivables	8,101.51	5,212.13	5,568.95
(b) Cash and cash equivalent	367.12	287.28	428.25
(c) Other Bank Balances	359.68	276.62	193.42
(d) Loan and Advances -Non Current	565.40	595.65	521.75
(e) Loan and Advances - Current	1.43	2.87	2.39
Total	**9,395.14**	**6,374.55**	**6,714.76**
Financial liabilities			
Financial liabilities held at amortised cost:			
(a) Long Term Borrowings	827.29	662.32	745.79
(b) Short Term Borrowings	6,916.79	4,696.72	3,228.20
(c) Trade Payables	7,464.25	4,373.87	5,334.70
(d) Other Financial Liabilities- Non Current	476.32	404.77	366.40
(e) Other Financial Liabilities- Current	1,001.54	1,209.02	872.84
Total	**16,686.19**	**11,346.70**	**10,547.93**

NOTE 43. Commitments for expenditure

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	315.33	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-	-
(c) Other commitments	-	-	-
Commitments for the acquisition of property, plant and equipment	-	-	-
Total	**315.33**	**-**	**-**

NOTE 44. Contingent liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Other money for which the company is contingently liable			
(i) Letter of Credit	678.71	1,414.79	1,458.68
(ii) Bank Gurantee	112.78	63.22	9.82
(iii) Excise Duty	108.86	108.86	108.86
(iv) Income Tax	417.41	537.87	454.62
(v) Sales Tax	29.15	29.15	29.15
(vi) Labour Cases	-	0.76	0.76

(I) The above claims are pending before various Authorities / court. The Company is confident that the cases will be successfully contested.

(ii) These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Company is confident that all these cases can be successfully contested.

NOTE 45. Events after the reporting period

In respect of the year ended March 31, 2018, the directors propose that a dividend of ₹ 0.05 per share be paid on the fully paid equity shares. The equity dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these standalone financial statements. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total estimated dividend to be paid is ₹ 38.68 lakhs and Dividend Distribution Tax of Rs. 7.87 lakhs.

NOTE 46. Payments to auditors

₹ in Lakhs

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
As Auditors		
a) For audit	7.25	7.25
b) Tax Audit	0.70	0.70
c) Limited Review	0.80	0.80
In other Capacity		
a) Certification Work & Other Capacity	1.04	0.25
b) Representation before Statutory Authority	1.90	4.45
Reimbursement of Expenses & Service Tax / Goods & Service Tax	0.63	2.47
Total	**12.32**	**15.92**

NOTE 47.

The company had obtained an approval under sec. 35(2AB) in the F.Y. 2014-15 for inhouse scientific research, which has been renewed in the FY 17 - 18. During the year it has incurred expenditure of ₹ 853.21 lakhs (including fixed assets of ₹ 324.39 lakhs) (Previous Year : ₹ 206.67 lakhs (including fixed assets of ₹ 53.81 lakhs) and the same has been shown under the head other expenses.

NOTE 48. CSR Expenditure

(a)Gross amount required to be spent by the company during the Financial Year 17 - 18: ₹ 20.22 lakhs (2016-17: ₹ 6.80 Lakhs)

(b) Amount spent during the year ₹ in Lakhs

Particulars	In cash	Yet to be paid	Total
(I) On Construction / Acquisition of any assets			
(ii) On purposes other than (i) above	20.22	-	20.22
Total	**20.22**	**-**	**20.22**

NOTE 49.

The Company has appointed an internal auditor, an independent firm of Chartered Accountants to carry out the audit of stock records maintained by the company. The audit inter alia includes physical verification and valuation of inventories of all its locations and accordingly the same has been incorporated in accounts. Certificate issued in this regard be relied upon.

NOTE 50.

In the opinion of the management inventories of ₹ 9388.28 Lakhs (2016 - 2017: ₹ 6301.52 Lakhs and April 11, 2016 ₹ 5026.31 Lakhs) shown in Balance Sheet are good and do not include any slow moving, or dead stock. Due provision is made for the near expiry material and depletion in its value, if any. In the opinion of the management, all the current assets including inventories, loans and advances have a value on a realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

NOTE 51

Balance of sundry debtors, loans & advances, sundry creditors and Security and Trade Deposits from Agents and Stockists balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Pending adjustments on confirmations, if any, it is shown as good in nature.

NOTE 52.

The company has given security deposit of ₹ 300 Lakhs to Gufic Private Limited towards the use of its factory premises at Navsari for its manufacturing activities. Accordingly an amount of ₹ 300 Lakhs has been shown under the head Long Term Loans to related parties.

Company has also given Security Deposit to Gufic Chem Private Limited of ₹ 120 Lakhs towards supply of products at concessional rate to the company and the same has been show under the head Long Term Loan to related parties.

NOTE 53.

The company has entered into strategic arrangement with one of its group company for increasing its additional production capicity of manufacturing injectiable vials, having a better quality and low cost of production to fulfill the demand. The company has granted advances of ₹ 322.88 Lakhs (2016 - 2017: ₹ 1708 Lakhs and April 1, 2016 : ₹ 262.79 Lakhs) under the said arrangement. The production under the said arrangement have already been commenced subsequent to the Balance Sheet date and company is expected to reap the benefit of the same in subsequent year. Accordingly the same has been shown as Advances other than Capital Advances under the head other assets.

NOTE 54.

The company had in the earlier year unearthed fraud committed by one of its marketing employee who has misappropriated amount of ₹ 124.04 lakhs (2016 - 2017: ₹ 124.04 lakhs April 1, 2016 : ₹ 124.04 lakhs). The management has taken necessary steps including leagl action and is hopeful of recovering the said amount. Accordingly it has been shown the amount of ₹ 124.04 lakhs under the head other Assets [other (non Current)].

NOTE 55.

The company is in process of implementing ERP system in a phased manner for integration of its various functions and it could implement only some of its modules. Company has also continued with the old accounting system. Pending implementation of complete ERP system, the management confirms that it has taken enough care/diligence to ensure that the data / accounts, so presented, are materially correct and that the books of accounts have been duly reconciled with the various systems.

NOTE 56. First Time Adoption Indian Accounting Standards

The company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from April, 1, 2017,with a transition date of April 1, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended March 31, 2018 for the company, be applied retrospectively and consistently for all financial years presented.

Consequently, in preparing these Ind AS financial statements, the company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference of ₹ 757.95 lakhs in March 31 , 2017 (₹ 518.47 lakhs in April 1, 2016), in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in other equity.

(A) Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(i) Deemed cost

The company has opted para D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at transition date.

(ii) Leases

Appendix C to Ind AS 17, Leases, requires an entity to assess whether a contract or arrangement contains a lease. As per Ind AS 17, this assessment should be carried out at inception of the contract or arrangement. However, the company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

(iii) De-recognition of financial assets and liabilities

De-recognition of financial assets and liabilities The company has elected to apply de-recognition requirements for financial assets and liabilities under Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(iv) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

(v) Estimates

In preparing opening Ind AS balance sheet, the Company has adjusted amounts reported in financial statements prepared in accordance with previous GAAP. On transition, the Company did not revise estimates previously made under previous GAAP except where required by Ind AS.

(B)Reconciliation of total equity as at 31st March 2017 and 1st April

₹ in Lakhs

Particulars	Notes	As at March 31, 2017	As a April 1, 2016
Equity as reported under previous GAAP		4,490.68	3,395.88
Ind AS adjustments:			
Expected Credit Loss provision on Trade Receivable	a	(196.68)	(156.49)
Provision for Sales Return	b	(613.43)	(416.94)
Finance cost on interest free borrowing (Net)	c	4.97	4.70
Incremental finace cost under EIR method	d	2.31	13.48
Fair valuation of non-current security deposits	e	(1.67)	(9.77)
Dividends not recognised as liability until declared under Ind AS	f	46.55	46.55
Total adjustments		**(757.95)**	**(518.47)**
Total equity as per Ind AS		**3,732.73**	**2,877.41**

(C) Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes	For the Year ended March 31, 2017
Profit as per previous GAAP		1,141.37
Ind AS Adjustments:		
Expected Credit Loss provision on Trade Receivable	a	(40.19)
Provision for Sales Return	b	(196.51)
Finance cost on interest free borrowing	c	(0.54)
Incremental finace cost under EIR method	d	(11.17)
Fair valuation of non-current security deposits	e	8.10
Acturial (gain)/loss on employee defind benefit plans recongnised in "Other Comprehensive Income" (Net Of Tax)	f	1.02
Profit or loss under Ind AS		**902.08**
Other comprehensive income (net of tax)		(1.02)
Total comprehensive income as per Ind AS		**901.06**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

(D) Effect of Ind AS adoption on the statement of cash flows

The Ind AS adjustments are either non cash adjustments or are recompanying among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

Notes to reconciliation

a. Trade and other Receivables

Under Previous GAAP, the Company has created provision for impairment of receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL).

b. Revenue Recognition - Measurement of Revenue

As per Ind As 18 revenue needs to be measured at fair value and accordingly provision for estiamted returns is adjsuted up front against revenue as against the practice of recording them on occurrence of the returns under the earlier GAAP.

c. Finance cost on interest free borrowing

Ind AS-109 requires all financial liabities to be measured at fair value as agaisnt cost in the previous GAAP. Accordingly the differnce between the fair value and the previous GAAP carrying value is accounted for as a finance cost over the period of the loan with a corresponding credit being shown as an equity contribution.

d. Incremental finace cost under EIR method

Under Previous GAAP, the Company accounted for long term borrowings at transaction value. Under Ind AS, the Company has recognised these long term borrowings initial at fair value less transaction cost and subsequently measured at amortised cost using effective interest rate (EIR).

This has resulted to an impact on equity as on 31st March, 2017 of ₹ 2.31 Lakhs and on 1st April, 2016 of ₹ 13.48 Lakhs.

e. Fair valuation of non-current security deposits

Under Previous GAAP, security deposits are carried at their book values. Under Ind AS, non cancellable deposits (other than statutory in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.

f. Proposed dividend

Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved by shareholders were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in a general meeting. In the case of the company, the declaration of dividend has occurred after period end. Therefore, the liability recorded for this dividend and tax thereon, has been derecognised against retained earnings.

g. Re-measurements of post employment benefit obligation

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of Statement of Profit and Loss. Under the previous GAAP, these remeasurements were forming part of the Statement of Profit and Loss for the year.

h. Revenue from operations & Excise Duty:

Under previous GAAP, revenue from sale of goods was presented net of excise duty on sales. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. Excise duty is presented in the Statement of Profit and Loss as part of other expenses. This has resulted in an increase in the revenue from operations and expenses for the year ended 31st March, 2017. The total comprehensive income for the year ended and equity as at 31st March, 2017 has remained unchanged.

NOTE 57. Provision Movement of Provisions (Current and Non current)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Provision for Right of Return		
Balances at the beginning of the year	938.16	637.67
Additional provision during the year	866.27	25.46
Reduction during the year	(1,507.13)	(524.97)
Balances at the close of the year	297.30	938.16

NOTE 58. Authorisation of Financial Statements

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors onMay 29,2018.

NOTE 59.

Figures for the previous year have been rearranged/recompanyed as and when necessary in terms of current year's companying.

As per our Report of even date attached
For S H R & Co
Chartered Accountants
FRN : 120491W

For and on behalf of the Board of Directors

Deep N Shroff
Partner
Membership No. 122592

Jayesh P. Choksi (DIN 00001729)
Chairman & Managing Director

Pranav J. Choksi (DIN 00001731)
Chief Executive Officer & Whole Time Director

Mumbai - 29th May, 2018

Hemal Desai (DIN 07014744)
Chief Financial Officer & Whole Time Director

Ami Shah
Company Secretary

PHARMA DIVISION PRODUCTS























HEALTHCARE DIVISION PRODUCTS



































GUFIC
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CIN: L65990MHI984PLC033519
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Corp. Office: SM House, 11 Sahakar road, Vile Parle (East), Mumbai - 400 057 Maharashtra, (INDIA)
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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results -

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (In lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (In lakhs)
	1.	Turnover / Total income	30,706.26	30,706.26
	2.	Total Expenditure	27,910.92	28,034.96
	3.	Net Profit/(Loss) After Tax	1,602.32	1,478.28
	4.	Earnings Per Share	2.07	1.91
	5.	Total Assets	23,607.47	23,483.43
	6.	Total Liabilities	23,607.47	23,483.43
	7.	Net Worth	5,399.67	5,275.63
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:**

As per Audit Report:

(i) During the year the company has switched over to new ERP system on account of GST implementation, which has been implemented in stages and only certain modules are operational, accuracy of which are yet to be tested by management. The audited financial amounts for the year ended March 31, 2018 has been compiled from primary as well subsidiary or other records maintained by the management pending testing of accuracy of newly introduced ERP system. As a result, Debtors ledger control accounts and as per subsidiary records are under reconciliation. We are unable to ascertain the impact on the financial statements of the company pending such reconciliation.

(ii) We have not participated in physical verification inventories of raw material, packing material, finished goods, work in progress goods, stock in trade. We have relied on physical verification certificate issued by internal auditors of the company, a firm of chartered accountants as well as certificate of the valuation of finished goods, stock in transit and work in progress.

(iii) Amount of Rs. 124.04 lakhs has been shown as recoverable relating to the misappropriation done by the employee of the company in the earlier years. However, no provision has been made against the said amount as the management has initiated legal steps for the recovery of the said amount and is confident of recovery. In our opinion the recovery of the amount is doubtful and consequently the profit is over stated by Rs. 124.04 lakhs (2016 – 2017: Rs.124.04 lakhs) with consequential impact on Shareholders Fund and other non-current assets which are over stated by the said amount.

(iv) Balance of Trade Receivable, loans & advances, Employee Advance, Trade Payable and Security and Trade Deposits from Agents and Stockists, balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Adjustments required upon such confirmations, if any, are not ascertainable and hence not provided for.



(v) We have not been provided with reconciliation of purchase, sales, input credits shown in books of account with GST return filed. Hence, we are unable to comment on effect of the same on the financial statements of the company pending such reconciliation.

(vi) In the absence of information, we have relied upon the segment wise report prepared by the management based on the nature of product, risk and returns, organization structure. The figures have been regrouped and reclassified wherever necessary by the management.

b. **Type of Audit Qualification**: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion : Qualified Opinion

c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing:

The qualification as stated in Note 3(i), (ii), (iv), (v) and (vi) has appeared for the first time and the qualification in Note 3(iii) is appearing for last four years.

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's view :

Point II.a (iii) above

The Company has unearthed the fraud committed by one of its marketing employee along with his accomplice who has misappropriated amount of Rs. 124.04 lakhs in the financial year 2014-15. The Company has taken strict legal action against the employee as well as the accomplice. The case is still pending before the Court of law. The Company is expecting to recover the amount from the employee and his accomplice and hence in view of the management no provision is required.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: -

(ii) If management is unable to estimate the impact, reasons for the same:

Point II.a (i) above

The Company have implemented Pharma Cloud, a new ERP system in line with the GST Act, which came in force from July 01, 2018. There is no major impact, due to any pending reconciliation.

Point II.a (ii) above

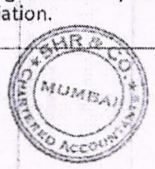
The company states that it has physical inventory of Rs. **10,091.51** lakhs as at March 31, 2018, of Raw Material, Packing Material, Work in Progress, Finished Goods and Stock in transit. The internal auditors of the Company M/s. Mittal Agarwal & Company, Chartered Accountants have physically verified inventories of raw materials, packing material, finished goods, work in progress goods and stock in trade and physical verification certificate of inventories as at March 31, 2018, has also been issued by them.

Point II.a (iv) above

The company is in the process of seeking confirmation and its reconciliation with the books of accounts of the balances in Trade Receivable, loans & advances, Employee Advance, Trade Payable and Security and Trade Deposits from Agents and Stockists. It is an ongoing excise and as and when the reconciliation is done the necessary entries have been passed in the accounts.

Point II.a (v) above

As the GST return - 3B report generated by the ERP system is accurate, there is no major impact, due to pending reconciliation.



Point II.a (vi) above

The segment wise report prepared by the Management are reliable and accurate and the figures has been regrouped and reclassified wherever necessary by the Management.

(iii) **Auditors' Comments on (i) or (ii) above:**

(i) **In respect of Point (d) above:**
Refer to our comment in para II (a) (iii) above and does not require any further comment.

(ii) **In respect of Point (e) above:**

a. As per our comment in para II a (i), the company has during the year, switched over to new ERP system on account of GST implementation. Accuracy of which are yet to be tested by management. The audited financial amounts for the year ended March 31, 2018 has been compiled from primary as well subsidiary or other records maintained by the management pending testing of accuracy of newly introduced ERP system. The Debtors (Trade Receivable) control accounts needs to be reconciled with the subsidiary records. Hence we are unable to ascertain its impact on the financial statement , due to our observations given in para II (a) (i) above.

b. Refer to our comment in para II (a) (ii) above and does not require any further comment.

c. Refer to our comment in para II (a) (iv) above. The amount of trade receivable, advances, trade payable, deposits from agents and Stockiest, stated in the said comment are subject to confirmations, reconciliation and necessary adjustments arising thereof. We are unable to ascertain the impact on financial statement pending such reconciliation.

d. Refer to our comment in para II (a) (v) above. The company needs to reconcile its sales, purchases and input tax credit, shown in the books with the GST Returns filed. We are unable to ascertain the impact on financial statement pending such reconciliation.

e. Refer to our comment in para II (a) (vi) above and does not require any further comment.

Signatories :

- **Pranav J. Choksi, CEO & Director**
- **Hemal Desai –CFO & Director**
- **Mr. Sharat Gandhi -Audit Committee Chairman**
- **Statutory Auditor**

For S H R & Co.
Chartered Accountants
FRN : 120691W

Dipen N. Shroff
Partner
M. N.: 122592

GUFIC BIOSCIENCES LIMITED MUMBAI

SHR & CO. MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 08/06/2018