



GUJARAT TERCE LABORATORIES LIMITED

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400023
SCRIPT CODE: 524314
Kind Attn: Sr. General Manager
DCS – Listing Department
Dear Sir/Madam,

Date: September 28, 2017

Sub- Annual Report of 32nd Annual General Meeting of the Company as per Regulation 34(1) of SEBI (LODR) Regulations, 2015

We refer Regulation 34(1) of SEBI (LODR) Regulations, 2015 and submit here with the Annual Report of 32nd Annual General Meeting of the Company.

We are pleased to inform you that members of the Company have approved and adopted the Annual Accounts along with the Auditors Report for the financial year 2016-2017 and Directors Report there on, in their 32nd Annual General Meeting held on the Monday, the 25th Day of September 2017 at 10:00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist.: Gandhinagar, Gujarat.

To comply with the listing requirements, we are pleased to enclose herewith the Annual Report of 32nd Annual General Meeting of the Company.

Kindly take it on your record

Thanking you,
Yours faithfully,
For, Gujarat Terce Laboratories Limited,

Sheetal

Shital Dalavadi
Company Secretary



**32nd
ANNUAL REPORT
2016-2017**



GUJARAT TERCE LABORATORIES LTD.

**BOARD OF DIRECTORS**

Mr. Natwarbhai P. Prajapati	[DIN 00031187]	Chairman & Managing Director (CEO)
Mr. Amritbhai P. Prajapati	[DIN 00699001]	Whole Time Director (CFO)
Mr. Sureshbhai P. Prajapati	[DIN 00356599]	Non-Executive Director
Mr. Gordhanbhai G. Patel	[DIN 00709521]	Non-Executive Director
Mr. Kanubhai S. Patel	[DIN 00031218]	Independent Director
Mr. Jayantibhai S. Prajapati	[DIN 02608139]	Independent Director
Mrs. Chhayaben A. Shah	[DIN 01435892]	Independent Director
Mr. Viplav S. Khamar	[DIN 07859737]	Independent Director (w.e.f. 27.06.2017)

COMPANY SECRETARY & COMPLIANCE OFFICER :

Ms. Priyanka Bakhtyarpuri, ACS No. : 42896 (upto 18.06.2017)

Mr. Natwarbhai Prajapati, [DIN 00031187] (from 19.06.2017)

REGISTERED OFFICE & FACTORY :

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

CIN : L28112GJ1985PLC007753

Email : ho@gujaratterce.com

Web : www.gujaratterce.com

METAL FACTORY :

Block No. 140/P, Village - Ramnagar, Tal. Kalol, Dist. Gandhinagar, Gujarat

ADMINISTRATIVE OFFICE :

301 & 314, Akashrath Complex, Opp. National Handloom Corporation, Law Garden, Off. C.G. Road, Ahmedabad - 380009.

AUDITORS :

USS & Associates [FRN 122634W]

CHARTERED ACCOUNTANTS

25, Avani Complex, B/h. Navrangpura Police Station, Navrangpura, Ahmedabad-380009.

SECRETARIAL AUDITOR:

Pinakin Shah & Co. [FCS 2562]

Practicing Company Secretary

A/201, Siddhi Vinayak Towers, B/h. BMW Showroom, Makarba, Ahmedabad-380051

BANKER :

BANK OF BARODA

Ellisbridge Branch,

Pritamnagar 1st Slop, Ellisbrdige, Ahmedabad-380006

REGISTRAR & SHARE TRANSFER AGENT:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East Mumbai 400059 Maharashtra.

Index

Sr. No.	Particulars	Page No.
1	Notice	02
2.	Director's Report	08
3.	Management Discussion and Analysis Report	22
4.	Corporate Governance Report	24
5.	Independent Auditor's Report	32

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Company will be held at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar- 382729 on Monday, 25th September, 2017 at 10:00 a.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2017, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Amritbhai Prajapati [DIN 00699001] who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any amendment, modification, variation, or re-enactment thereof for the time being in force), the appointment of M/s. USS & Associates, Chartered Accountants (Firm Registration No. : 122634W), as the Statutory Auditors of the Company to hold office from the conclusion of the this Annual General Meeting till the conclusion of the 33rd Annual General Meeting be and is hereby ratified and their appointment be at a remuneration to be decided by Board of Directors in consultation with the Auditors plus applicable GST and re-imbusement of travelling and out of pocket expenses incurred by them for the purpose of the Audit.”

SPECIAL BUSINESS:

4. Re-appointment of Mr. Natwarbhai P Prajapati (DIN 00031187), as a Managing Director, designated as a “CEO” of the Company

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule-V of the Companies Act, 2013 and Article 86 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Natwarbhai Purushotamdas

Prajapati, as a Managing Director (designated as “CEO”) of the Company with effect from 11/01/2017 to 10/01/2022, as well as the payment of salary and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Natwarbhai Purushotamdas Prajapati.”

“RESOLVED FURTHER THAT the remuneration payable to Mr. Natwarbhai Purushotamdas Prajapati, shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule V read with Section 196 and 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

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

5. Appointment of Mr. Viplav Suryakantbhai Khamar (DIN 07859737) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Viplav Suryakantbhai Khamar (DIN 07859737), who was appointed as Additional Director with effect from June 27, 2017 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and being qualified for appointment as Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to June 26, 2022. ”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Viplav Suryakantbhai Khamar be paid such fees and



remuneration and profit related commission as the Company may decide from time to time and within the limits prescribed or as may be prescribed from time to time.”

Registered Office: By Order of the Board of Directors
122/2, Ravi Estate,
Bileshwarpura, Chhatral,
Dist: Gandhinagar **Natwarbhai Prajapati**
Place : Ahmedabad Chairman & Managing Director
Date : 11/08/2017 DIN: 00031187

NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Businesses to be transacted at the Annual General Meeting is annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th September, 2017 to Monday, 25th September, 2017. (both days inclusive).
- 4) 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 are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
- 5) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in Demat form are requested

to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

- 6) The Annual Report 2016-17 of the Company is also available on the Company's website at www.gujaratterce.com and also on the website of the respective Stock Exchange at www.bseindia.com.
- 7) The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
- 8) Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.
- 9) Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and Regulations 44 of the SEBI (LODR) Regulations, 2015 the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Cut-off date i.e. a date not earlier than seven days before the date of general meeting, are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the Cut-off date should treat this notice for the information purpose only.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

- i. In case of members receiving e-mail from CDSL (for Members whose e-mail addresses are registered with Company/ Depositories):
 - (i) The voting period begins on 22nd September, 2017 at 9.00 am and ends on 24th September, 2017 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2017 may cast their

GUJARAT TERCE LABORATORIES LTD.

- vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in d-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in D-mat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both d-mat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in d-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also use Mobile app- 'm-Voting' for e voting. M-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).**
- (xix) **Note for Non – Individual Shareholders and Custodians**



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- ii. Other Instructions:**
- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 31st March, 2017.
 - b) Mr. Ishan P. Shah, Advocate has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - c) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman or person authorised by him in writing shall declare the results of the voting forthwith.
 - d) The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.gujaratterce.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared by the Chairman.
 - e) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
 - f) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Bigshare Services Private Limited immediately.
 - g) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Bigshare Services Private Limited.
 - h) Members desiring any information relating to the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.

GUJARAT TERCE LABORATORIES LTD.

Explanatory statement

[Pursuant to section 102 of the Companies Act, 2013]

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2, 3, 4 and 5 of the accompanying Notice:

ITEM NO. 2, 4 & 5

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT and APPOINTMENT at ensuing AGM

NAME OF DIRECTOR	Natwarbhai Purushotamdas Prajapati	Amritbhai Prajapati	Viplav Suryakantbhai Khamar
Date of Birth	01/06/1952	24/05/1954	24/12/1977
Date of Appointment	28/03/1985	01/03/2006	27/06/2017
Qualification	B.Sc., D.Pharm	Diploma in Textile	B.Sc.
Chairman/ Director of other Companies	None*	None*	None*
Chairman/ Member of Committees (including Audit Committee & Stakeholder Committee)	None*	None*	02
No of shares held in the Company	563440	31510	0

***Note :** The Directorship held by director mentioned above do not include directorship of Private Limited Company.

ITEM NO. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act. M/s. USS & Associates, Chartered Accountants (FRN: 122634W), were appointed as the statutory auditors of the Company for a period of five years at the Annual General Meeting (AGM) of the Company held on 26/09/2015, to hold office till the conclusion of the AGM to be held in the Calendar Year 2020. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of the members is being sought for appointment of statutory auditors as per the proposal contained in the Resolution set out at item no. 3 of the Notice.

The Board commends the Resolution for approval by the Members. None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

ITEM NO. 4

Mr. Natwarbhai P Prajapati was re-appointed as Managing Director of the Company at the 27th Annual General Meeting of the shareholders of the Company held on September 28, 2012, for a period of five years w.e.f. January 11, 2012. The Board of Directors of the Company in its meeting held on November 11, 2016, on recommendation of Nomination & Remuneration Committee, re-appointed Mr. Natwarbhai P Prajapati as Managing Director for a period of five years with effect from January 11, 2017 on the terms and conditions approved by the Nomination & Remuneration Committee as given herein below, subject to approval of the shareholders at this Annual General Meeting.

Mr. Natwarbhai Prajapati has been working as Director of the company since 28th March, 1985. Natwarbhai Prajapati is one of the key functionaries in the top management team and

had been associated with the Company for about 32 years.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on approving re-appointment of Mr. Natwarbhai P Prajapati, as Managing Director (designated as "CEO") of the Company for a further period of five years with effect from 11/01/2017 to 10/01/2022. This is subject to the approval of the shareholders at this Annual General Meeting.

The main terms and conditions of re-appointment including remuneration of Mr. Natwarbhai P Prajapati as the Managing Director as set out in the draft agreement, subject to the limits prescribed in Part II of Schedule V of Companies Act, 2013 placed before the meeting are as follows:

- i. Salary: ₹ 1,50,000/- per month which is eligible for revision on a date to be determined by the Nomination & Remuneration Committee.
- ii. Perquisites: The salary of Managing Director excludes all the perquisites listed herein below and the perquisites shall be valued as per the Income Tax Rules, 1962, as may be applicable.;
 - a) Medical Re-imbusement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
 - b) Leave Travel Concession: For self and family.
 - d) Personal Accident Insurance/Group Life Insurance will be in accordance with the rules of the Company
 - e) Provident Fund/Pension: Contribution to Provident Fund and Pension Fund to the extent such



contributions, either singly or put together are exempt under the Income Tax Act, 1961.

- f) **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.

Other terms and conditions:

In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

The Board of Directors recommends the resolution in relation to the re-appointment of Managing Director, for the approval of the shareholders of the Company. Except Mr. Amritbhai Prajapati himself, Mr. Natwarbhai Prajapati and Mr. Sureshbhai Prajapati or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 4.

ITEM NO.5

Mr. Viplav Suryakantbhai Khamar, age 39 years, was appointed as Additional Director of the Company in the category of Non-Executive Independent Director w.e.f. June 27, 2017.

He is a member of the Audit Committee, a member of the Nomination and Remuneration Committee and a member of the Stakeholder Relationship Committee of Company. Mr. Viplav Suryakantbhai Khamar does not hold any equity share of the Company. Mr. Viplav Suryakantbhai Khamar is not related to any other directors of the Company.

Mr. Viplav Suryakantbhai Khamar was appointed as an Additional Independent Director w.e.f. June 27, 2017. His appointment is proposed to be regularized at the ensuing annual general meeting of the company for a period of five consecutive years i.e. June 26, 2022. Since he was appointed a director w.e.f. June 27, 2017, no board meeting was attended by him during 2016-17. A notice has been received from a member proposing Mr. Viplav Suryakantbhai Khamar as a candidate for the office of Director of the Company as Independent Director.

In the opinion of the Board, Mr. Viplav Suryakantbhai Khamar fulfills the conditions specified in Section 149(6) read with Schedule IV of the Companies Act, 2013 and rule made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The copy of the letter of appointment of Mr. Viplav Suryakantbhai Khamar as an Independent Director setting out the terms and conditions would be available for inspection by a member at the Corporate Office of the Company during normal business hours on any working day to the Company.

Except Mr. Viplav Suryakantbhai Khamar, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Registered Office:
122/2, Ravi Estate,
Bileshwarpura, Chhatral,
Dist : Gandhinagar
Place : Ahmedabad
Date : 11/08/2017

By Order of the Board of Directors

Natwarbhai Prajapati
Chairman & Managing Director
DIN: 00031187

DIRECTOR'S REPORT

To,
The Members of
GUJARAT TERCE LABORATORIES LIMITED

Dear Members,

Your Directors have pleasure in presenting the 32nd Director's Report of your Company together with the Audited Statement of Accounts and Auditors' Report for the financial year ended, 31st March, 2017.

The summary of operating results for the year and appropriation of divisible profits is given below:

FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

Particulars	Current year	Previous Year
Sales	2528.78	2499.39
Other Income	44.19	18.80
Total Income	2572.98	2518.19
Depreciation	18.89	19.00
Tax :		
Current Tax	30.82	49.01
Deferred Tax	1.39	(3.10)
Profit/(Loss) after Tax	(30.05)	(67.42)
Earnings per share (₹) :		
Basic	0.00	0.00
Diluted	0.00	0.00

STATE OF COMPANY'S AFFAIRS

Net revenue from combined operations for the year ended 31st March, 2017 was ₹ 2528.78 representing a increase of 1.17% over the previous year.

An initiative of Government of India, namely Jan-ashadi scheme made adverse effect on the sales of the Company. The sale of the Company is also affected by notification issued by Ministry of Health and Family Affairs banning more than 300 fixed dose combinations.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

In view of the loss, your Board of Directors has not proposed any amount to be transferred to General Reserve during the year under review.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

No company has become or ceased to be Subsidiary Company, Joint Venture Company or Associate Company during the year.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

MEETINGS OF THE BOARD OF DIRECTORS

Information is provided under clause 2(B) of the Corporate Governance.

CORPORATE GOVERNANCE

As provided under Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the compliance with Corporate Governance as specified in Regulation 17 to 27, 46(2)(b) to (i) & para c, d & e of Schedule V are not applicable to the Company as paid up share capital doesn't exceed ₹ 10 Crore.

The Company has decided to maintain and adhere to the Corporate Governance requirements set out by SEBI voluntarily. The Report on Corporate Governance along with requisite Certificate from M/s. Pinakin Shah & Co., Practicing Company Secretary, Ahmedabad is annexed to this Report.

DIVIDEND

In view of loss, the Board of Directors have not recommended any dividend for the financial year 2016-17.

DEPOSITS

Your company has not accepted any fixed deposits during the year under review.

RISK MANAGEMENT

There is an adequate risk management infrastructure in place capable of addressing risks that the organization faces



such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks those have been identified and assessed.

DIRECTORS & KEY MANAGERIAL PERSON

Shri Amritbhai Prajapati, Director retires by rotation and being eligible offers himself for reappointment. Pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015, details of Directors retiring by rotation is provided under explanatory statement of the Notice of the ensuing Annual General Meeting. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The existing tenure of Mr. Natwarbhai P Prajapati as Managing Director came to an end on January 10, 2017. The Board of directors had, on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the members in the ensuing AGM, re-appointed Mr. Natwarbhai P Prajapati as a Managing Director, designated CEO w.e.f. January 11, 2017 for a period of Five years upto January 10, 2022 as per the terms specified in the draft agreement to be placed before the ensuing AGM.

Necessary resolutions for the appointment / re-appointment of the aforesaid directors and their detailed profiles have been included in the notice convening the ensuing AGM and details of the proposal for appointment / reappointment are mentioned in the explanatory statement of the notice.

During the year, the Board of directors, on the recommendations of the Nomination and Remuneration Committee (NRC), had appointed Mr. Viplav S Khamar as an Additional Director w.e.f. June 27, 2017 for a period of five years upto June 26, 2022 subject to the approval of the members in the ensuing AGM.

FORMAL ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and Individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held on February 02, 2017 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

AUDITORS

At the 30th Annual General Meeting held on 26/09/2015, M/s USS & Associates, Chartered Accountants, Ahmedabad were appointed as the Statutory Auditors of the Company to hold office till the conclusion of 34th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly,

the appointment of M/s USS & Associates, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, The Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of section 141 of the Companies Act 2013.

AUDITORS' REPORT

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Pinakin Shah & Co, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith marked as Annexure 3 to this Report. The Secretarial Auditor has not made any adverse comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report.

COMMITTEES OF THE BOARD

The Committees of the Board is provided under Clause 3 of the Corporate Governance Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

There were no loans, guarantees or investments made by the Company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3)(c) of the Companies Act, 2013, the

Board of Directors hereby confirms that,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- ii. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2017 and of the profit or loss of the company for that period.
- iii. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability.

GUJARAT TERCE LABORATORIES LTD.

- iv. It has prepared the annual accounts on a going concern basis.
- v. The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating efficiently.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure 2** to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure 1** to this report.

INSURANCE

All Inventories including Buildings, Machinery etc., is adequately insured.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. All Related Party Transactions are placed before the Audit Committee for approval. The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company www.gujaratterce.com. Since all related party transactions entered into were in the ordinary course of business and were on an arm's length basis, form AOC-2 is not applicable to the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

FAMILIARIZATION PROGRAMME

There was no familiarization program conducted by the Company during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic

mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

DISCLOSURE OF DEMONETIZATION NOTES:

Your company has disclosed the details of specified Bank notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 in the Balance sheet as on 31/03/2017. The disclosure has been made in Compliance of notification No. GSR 308 (E) dated 30/03/2017.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

A. Conservation of Energy

The Company has not made any investment and taken any specific measure to reduce energy cost per unit. However, it intends to conserve energy for future generation

B. Technology absorption

There is no research and development activity carried out by the Company.

FOREIGN EXCHANGE EARNINGS AND OUT GO

Particulars	Current Year	Previous year
Earnings	9,57,087	20,24,989
Outgo	-----	-----

EQUITY CAPITAL

a) BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b) SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c) BONUS SHARES

No Bonus Shares were issued during the year under review.

d) EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

e) EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The company has not issued equity shares with differential rights as to dividend, voting or otherwise.

SHARES IN SUSPENSE ACCOUNT

- Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year: NIL



- Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year: Not Applicable
- Number of shareholders to whom, shares were transferred from Suspense Account during the year: Not Applicable
- Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year: NIL
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

SHARES IN UNCLAIMED SUSPENSE ACCOUNT

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the beginning of the year: NIL
- Number of shareholders who approached issuer for transfer of shares from the Unclaimed Suspense Account during the year: Not Applicable
- Number of shareholders to whom, shares were transferred from the Unclaimed Suspense Account during the year: Not Applicable
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the end of the year: NIL

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such

controls were tested and no reportable material weaknesses in the design or operation were observed.

ANY SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the executives, staff and workers of the Company.

Registered Office:
122/2, Ravi Estate,
Bileshwarpura, Chhatral
Dist: Gandhinagar
Place : Ahmedabad
Date : 11/08/2017

By Order of the Board of Directors

Natwarbhai Prajapati
Chairman & Managing Director
DIN: 00031187

Annexure-1**A. PARTICULARS OF REMUNERATION**

As required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. **The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2016-17**

Name of Director	Designation	Remuneration of the Directors for 2016-17 (₹ in Lacs)	Median remuneration of the employees (₹ in Lacs)	Ratio of remuneration of the directors to the median remuneration of the employees
Natwarbhai P Prajapati	Managaing Director	18.00	1.68	10.71:1
Amritbhai P Prajapati	Whole Time Director	3.72	1.68	2.36:1

- ii. **The percentage increase in remuneration of each Director – NIL**
- iii. **The percentage increase/decrease in the median remuneration of employees in the financial year 2016-17: 8.91% (increase)**
- iv. **No. of Permanent employees on the rolls of Company as on 31st March, 2017 – 267 Employees**
- v. **Average percentile increase in the salaries of employees its comparison with the percentile increase in the managerial remuneration**
Average KMP Salary Increase: Nil while Average Employees Salary Increase: 8.91%
- vi. **Company confirms that the remuneration is as per remuneration policy of the Company.**

B. PARTICULARS OF EMPLOYEES

Information in terms Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

i. Particulars of top Ten Employee in terms of remuneration drawn

Name & Designation of Employee	Remuneration Received (₹ in Lakhs)	Nature of Employment	Qualifications	Date of Commencement of Employment	Age	Name of Previous Employment	Relative of Director or Manager	% of Equity Sheres held
Natwarbhai Prajapati	18.00	Permanent	B.Sc, D. Pharm	28/03/1985	65	-	Managing Director	7.590
Deepak Bhatnagar	8.16	Permanent	B.Sc	01/05/1994	45	NOEL PHARMACEUTICALS	NA	NIL
Sunitha R. Ajmeer	7.80	Permanent	B.Sc	01/10/2010	47	FIRST EMPLOYMENT	NA	NIL
Ravikant Saini	7.37	Permanent	B.Sc	01/05/1994	51	MARDIA COPPER EXTENSIONS PRIVATE LIMITED	NA	NIL
Rajendra Joshi	7.26	Permanent	B.Sc, MBA Marketing	01/07/1998	40	BOMBAY TABLET MANUFACTURING PVT LTD.	NA	NIL
Shashi Prakash	6.54	Permanent	B.Sc	01/01/2000	44	AGLOWMED LIMITED	NA	NIL
Aalap N. Prajapati	6.12	Permanent	B.Tech Electronic, MBA Marketing	01/02/2012	28	FIRST EMPLOYMENT	Son of Managing Director	0.003
Sanjay Jain	6.00	Permanent	B.com	01/05/1994	52	GROUP PHARMACEUTICALS	NA	NIL
Manju S. Sharma	5.40	Permanent	B.A	01/10/2010	52	FIRST EMPLOYMENT	NA	NIL
Narayanlal Suthar	5.67	Permanent	B.Sc	01/05/2017	43	BUSINESS	NA	NIL

ii. Employees who are employed throughout the year and in receipt of remuneration aggregating ₹ 1,02,00,000/- or more per year: Nil

iii. Employees who are employed part of the year and in receipt of remuneration aggregating ₹ 8,50,000/- per month: Nil

GUJARAT TERCE LABORATORIES LTD.ANNEXURE-2
Form No. MGT-9**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31/03/2017

[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	L28112GJ1985PLC007753
ii)	Registration Date	28/03/1985
iii)	Name of the Company	Gujarat Terce Laboratories Limited
iv)	Category / Sub-Category of the Company	Public Company Limited by shares Company having share capital
v)	Address of the Registered office and contact details	122/2 Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar, Gujarat - 382729 Telephone : 079-26925653 Email : pinakincs@yahoo.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of the Registrar and Share Transfer Agent, if any.	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road Marol, Andheri East Mumbai 400059 Phone: 022 – 62638200 Email: sandeep@bigshareonline.com

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Pharmaceutical products	99611730	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Not Applicable



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

i Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year [As on 01.04.2016]				No. of Shares held at the end of the year [As on 31.03.2017]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual/HUF	1522100	0	1522100	20.51	1522100	0	1522100	20.51	00
b)	Central Govt									
c)	State Govt (s)									
d)	Bodies Corp.	1075900	0	1075900	14.50	1075900	0	1075900	14.50	00
e)	Banks / FI									
f)	Any Other									
	Sub-total (A) (1):-	2598000	0	2598000	35.01	2598000	0	2598000	35.01	00
(2)	Foreign									
a)	NRIs - Individuals									
b)	Other – Individuals									
c)	Bodies Corp.									
d)	Banks / FI									
e)	Any Other....									
	Sub-total (A) (2):-									
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2598000	0	2598000	35.01	2598000	0	2598000	35.01	00

GUJARAT TERCE LABORATORIES LTD.

Category of Shareholders		No. of Shares held at the beginning of the year [As on 01.04.2016]				No. of Shares held at the end of the year [As on 31.03.2017]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds									
b)	Banks / FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1):-									
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	137391	1900	139291	1.88	116548	1900	118448	1.60	(0.28)
ii)	Overseas									
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	1467123	1302350	2769473	37.32	1600972	1294350	2895322	39.02	1.70
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1885676	0	1885676	25.41	1761049	0	1761049	23.73	(1.68)
c)	Others (specify)									
i)	Clearing Members	10161	0	10161	0.14	20712	0	20712	0.28	0.14
ii)	NRI	17699	0	17699	0.24	26769	0	26769	0.36	0.12
	Sub-total (B)(2):-	3518050	1304250	4822300	64.99	3526050	1296250	4822300	64.99	0.00
	Total Public Shareholding (B)=(B)(1)+(B)(2)	3518050	1304250	4822300	64.99	3526050	1296250	4822300	64.99	0.00
C.	Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		6116050	1304250	7420300	100.00	6124050	1296250	7420300	100	0.00



(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2016]			Share holding at the end of the year [As on 31.03.2017]			% 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	TERCE FINLEASE PVT LTD	1075900	14.50	0	1075900	14.50	0	0
2	SURESHBHAI PURSHOTTAMDAS PRAJAPATI	927150	12.49	0	927150	12.49	0	0
3	NATWARBHAI PURSHOTTAMDAS PRAJAPATI	563440	7.59	0	563440	7.59	0	0
4	AMRITBHAI PURSHOTTAMDAS PRAJAPATI	31510	0.42	0	31510	0.42	0	0

(iii) Change in Promoters' Shareholding (there is no change in the shareholding of promoters)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Particulars	Shareholding at the beginning of the year [As on 01.04.2016]		Cumulative Shareholding during the year [01.04.2016 to 31.03.2017]	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	ARVINDBHAI CHAUDHARI*	PUBLIC	1,64,800	2.22	1,14,800	1.55
2	BRIJESH JAYANTIBHAI PATEL*	PUBLIC	3,11,877	4.20	73,029	0.98
3	JINALBEN BHAVIKBHAI VORA*	PUBLIC	48,930	0.66	48930	0.66
4	JYOTSANA P VORA*	PUBLIC	36250	0.49	36250	0.49
5	PRANAV PRAFULCHANDRA VORA (HUF)*	PUBLIC	36,250	0.49	36,250	0.49
6	PRAFULCHANDRA CHIMANLAL VORA (HUF)*	PUBLIC	36,250	0.49	36,250	0.49
7	BHAVIK PRAFULCHANDRA VORA (HUF)*	PUBLIC	36,250	0.49	36,250	0.49
8	NEEPABEN PARESHBHAI PATEL@	PUBLIC	0	0.00	168206	2.27
9	PARESHKUMAR DAYALJIBHAI PATEL@	PUBLIC	0	0.00	168206	2.27
10	DHARMESH BHAILAL VAGHELA@	PUBLIC	25000	0.34	50000	0.67
11	SHILPA PORINJU VELIYATH@	PUBLIC	0	0.00	42840	0.58
12	VORA PRANAV PRAFULCHNDRA@	PUBLIC	35000	0.47	35000	0.47
13	SANDIP LAXMANBHAI BHAMANI#	PUBLIC	336412	4.53	0	0.00
14	K A GANDHI (HUF) #	PUBLIC	38000	0.51	0	0.00
15	JSEL SECURITIES LTD (003) CLIENT MARGIN A/C#	PUBLIC	35650	0.48	34350	0.46

- The shares of the Company are substantially held in dematerialized form and are traded on a daily basis and hence, the date wise increase/decrease in shareholding is not indicated.
- *Common top 10 shareholders as on April 1, 2016 and March 31, 2017
@ Top 10 shareholders only as on March 31, 2017
Top 10 shareholders only as on April 01, 2016

GUJARAT TERCE LABORATORIES LTD.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Particulars	Shareholding at the beginning of the year [As on 01.04.2016]		Cumulative Shareholding during the year [01.04.2016 to 31.03.2017]	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	NATWARBHAI PURSHOTTAMDAS PRAJAPATI	CMD	563440	7.59	563440	7.59
2	SURESHBHAI PURSHOTTAMDAS PRAJAPATI	Whole-time director	927150	12.49	927150	12.49
3	AMRITBHAI PURSHOTTAMDAS PRAJAPATI	Director	31510	0.42	67400	0.96
4	CHHAYABEN ASHWINBHAI SHAH	Director	0	0.00	0	0.00
5	KANUBHAI SOMABHAI PATEL	Director	0	0.00	0	0.00
6	GORDHANBHAI GANDABHAI PATEL	Director	21900	0.30	21900	0.30
7	JAYANTIBHAI SHANKARLAL PRAJAPATI	Director	8500	0.11	8500	0.11
8	VIPLAV SURYAKANT KHAMAR	Director	0	0.00	0	0.00

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	15900936	6797247	82,50,000	30948183
ii)	Interest due but not paid	-	-	167062	167062
iii)	Interest accrued but not due	27152	-	-	27152
Total (i+ii+iii)		15928088	6797247	8417062	31142397
Change in Indebtedness during the financial year					
	Addition	292283128	-	3500000	295783128
	Reduction	293157439	-	3667062	296824501
	Net Change	(874311)	-	(167062)	(1041373)
Indebtedness at the end of the financial year					
i)	Principal Amount	15053772	6797247	8250000	30101024
ii)	Interest due but not paid	-	-	334125	334125
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		15053777	6797247	8584125	30435149



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/D/IRECTOR		Total Remuneration
		Natwarbhai P Prajapati	Amritbhai P Prajapati	
1.	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	18,00,000	3,72,000	21,72,000
b)	Value in lieu of salary u/s 17(2) of Income Tax Act, 1961	-	-	-
c)	Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Total (A)	18,00,000	3,72,000	21,72,000

B Remuneration to other directors

Sl.no.	Name of Directors	Total Salary Paid
	NIL	NIL

C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Name of KMP		Total Remuneration
		*CEO Natwarbhai P Prajapati	*CFO Amritbhai P Prajapati	
1.	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-
b)	Value in lieu of salary u/s 17(2) of Income Tax Act, 1961	-	-	-
c)	Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-

*Shri Natwarbhai P Prajapati is a Managing Director & CEO of the Company and Shri Amritbhai P Prajapati is a Whole Time Director & CFO of the Company so the details of his remuneration have already been given under clause A Remuneration to Managing Director, Whole-Time Director etc.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

There were no material penalties/punishment/compounding of offences for the year ended on 31st March, 2017.

**ANNEXURE-3
FORM NO. MR-3**

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Gujarat Terce Laboratories Limited

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015)
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Based on our verification, we have observed that the SEBI Regulations mentioned at (c), (d), (e), (g) and (h) are not applicable to the Company during the year as it has not:

- i. Issued further Share Capital;
 - ii. Listed Debt Capital;
 - iii. Proposed to Delist its Equity Shares;
 - iv. Proposed to Buy Back any of its Securities.
6. Specifically applicable Laws to the Company, as identified and confirmed by the Management:
- Factories Act, 1948, Labour Laws, Drugs and Cosmetics Act, 1940 and Rules 1945, The Trade Marks Act, 1999, Sales Promotion Employees (Conditions and Services) Act, 1976, Importer Code (IEC Code), Uniform Code for Pharmaceutical Marketing Practices (UCPMP) etc.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS 1) and General Meeting (SS 2).
- b) Securities & Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015

We further report that:

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above.



We further report that:

Compliances of applicable Financial Laws including, Direct & Indirect Tax Laws by the Company has not reviewed in this Audit Report; since the same has been subject to reviewed by the Statutory Auditor & other Designated Professionals.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

Based on our review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of opinion that, there are adequate systems and processes in place in the Company, which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed the Company has responded appropriately to the notices received from various statutory/regulatory authorities including initiating action for corrective measures, wherever focused necessary.

We further report that:

During the audit period there are no events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, etc referred above.

Pinakin Shah & Co.
Company Secretaries

Pinakin Shah
Proprietor
FCS: 2562; COP: 2932

Date : 11/08/2017
Place : Ahmedabad

To,

The Members,

Gujarat Terce Laboratories Limited

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

Management Responsibility :

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors Responsibility :

2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company or verified compliances of Laws other than those mentioned above. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Disclaimer :

5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Pinakin Shah & Co.
Company Secretaries

Pinakin Shah
Proprietor
FCS: 2562; COP: 2932

Date : 11/08/2017
Place : Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The business operations of the Company comprise only of Pharmaceuticals.

Since the Company is going to operate in Pharmaceutical segment in 2016-17, the following paragraphs speak on single segment only.

INDUSTRY STRUCTURE AND DEVELOPMENT**Global Economy:**

Global economic growth in 2016 is estimated at 3.1% down from 3.4% in 2015 with advanced economies decline from 2.1% in 2015 to 1.7% in 2016 and emerging economies from 4.2% in 2015 to 4.1% in 2016. However, from second half of 2016, global economy gained some momentum especially in advanced economies due to recovery in investment, manufacturing and trade. These include resumption in global demand, strengthening of commodity prices lifting global inflation, reducing deflationary pressures and positive developments in financial markets. Stronger than expected pickup in growth in advanced economies in latter part of 2016 reflects projected cyclical recovery in global manufacturing and uptick in business confidence especially after the United States elections. In the United Kingdom too, the growth remained strong where spending proved resilient in the aftermath of June, 2016 referendum in favor of leaving the European Union (BREXIT). Activity surprised on the upside in Japan due to strong net exports, as well as in euro market countries, such as Germany and Spain, as a result of strong domestic demand. Economic performance across emerging markets and developing economies has remained mixed. Whereas China's growth remained strong, reflecting continued policy support, economic activity has slowed in India because of the impact of demonetization as well as in Brazil, which has been mired in deep recession. With the rebound in activity in advanced economies, stabilization of commodity prices and sustainable pattern of growth in developing economies, the overall global economy is projected to grow at 3.5% in 2017.

Global Pharma Market:

Although the life sciences sector operates around the issues relating to cost and pricing, clinical and operational innovation, customer and consumer engagement and regulatory compliance, it is expected to have sales growth for the next several years due to favorable demographic trends and significant unmet medical needs. The global pharmaceutical sales grew by around 7% in the year 2016 compared to the year 2015 and key growth drivers continue to be shift towards use of generic medicines accompanied by patent expiries mainly in the regulated market and higher growth in Pharmerging markets. During 2016, share of United States, Europe and Emerging markets in global pharmaceutical sales remained relatively static compared to 2015.

The largest pharmaceutical market, US is estimated to be approximately US\$ 462 Bn in 2016 registering a growth of around 6 to 7% (from 12% in 2015). The removal of historic impact of breakthrough cures for Hepatitis C treatment, along with the increased level of patent expiry impact have combined to reduce the growth rate by half. The market is expected to grow at a CAGR of 7 to 8% through 2021 due to fewer patent expiries and launches of more innovative medicines which is a reflection of a shift in the balance of the "innovation cycle" —the amount of new medicines being launched and utilized compared to the value of branded medicines that are facing new generic competition.

THREATS, RISKS AND CONCERNS**Drug Price Control:**

The Health Ministry revised the National List of Essential Medicines (NLEM) to include 376 drugs in the new NLEM list 2015. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company. The Company manages its product portfolio so as to minimize the product weightage of drugs under price control.

New Product risk:

New product development and launch involves substantial expenditure, which may not be recovered due to several factors including development uncertainties, increased competition, regulatory delays lower than anticipated price realizations, delay in market launch and marketing failure.

Goods and Services Tax (GST):

The Government of India has finalized the framework for GST making it effective from 1st July, 2017. This would merge all significant taxes currently applicable to the Company's business operations (except taxes relating to profit/income) into a single tax. While this is expected to bring in greater transparency across all the economic activities and reduce multiple tax levies and administration, there is likely to be a significant short-term impact on the operations of the Company, on account of lack of clarity and differences in interpretations by various stakeholders. The proposal is to do away with any manual filings, however, the large IT frame work set up for this purpose by the Government and necessary changes being made in the Company's IT systems are in a state of flux and any mismatch or initial hiccups can lead to some transitional disruptions.

OPPORTUNITIES AND OUTLOOK**PHARMA 2020: FROM VISION TO DECISION:**

This initiative seems to offer many good opportunities to the Pharmaceutical Industry of India.



The pharmaceutical industry is at a critical juncture. The tools to develop remarkable new medicines are materialising, demand for its products is increasing and the barriers to free trade are falling. But pharma also faces major economic and operational challenges, if it's to capitalise on these opportunities and create more value for healthcare payers, providers and patients.

Many of the conditions that will determine what happens in 2020 are already in place. Most of the products that will be launched are already in the pipeline

In the recent past India has emerged as one of the largest hub of contract manufacturing for generics and active pharmaceutical ingredients (APIs), with the largest number of US FDA approved plants outside the US. Initially, this was mainly due to the low manufacturing costs and favourable regulatory environment in the country. However, now it can be observed that most contract research and clinical trials are being outsourced to India, not only because of low costs, but also because of the skill of research scholars and the drug-virgin patient population available here, which help to yield better results.

FINANCIAL PERFORMANCE

Net Revenue from the Operations for the year ended March 31, 2017 was 25.28 Crores representing an increase of 1.17% over the previous year

There was a loss of 30.05 lacs during the year.

Ministry of Health and Family Affairs issued notification in Gazette banning more than 300 fixed dose combinations.

An initiative of Government of India, namely Jan-aushadi scheme also made adverse effect on the sales of the Company as Government offers free medical aids or aids at very less cost under this scheme to the needy.

The financial performance & losses are due to NPPA ceiling prices of more than 350 molecules.

HUMAN RESOURCES

The total employee strength of the Company at the end of financial year 2016-17 was 284 against 300 as at the end of financial year 2015-16, a decrease of 16 employees. The field force decreased by 16 employees from 249 at the end of financial year 2015-16 to 233 at the end of financial year 2016-17. The worker and non-worker employees at plant increased to 31 at the end of financial year 2016-17 from 30 at the end of financial year 2015-16. The remaining employee

strength comprising mainly of head office personnel was 20 at the end of financial year 2016-17 compared with 21 at the end of financial year 2015-16.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all the assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal audit department together with a firm of Chartered Accountants 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. The Audit Committee approves and reviews audit plans for the year based on internal risk assessment. Audits are conducted on an ongoing basis and sufficient deviations are brought to notice of the audit Committee of the Board following which corrective action is recommended for implementation. All these measures facilitate timely detection of any irregularities and early remedial steps with no monetary loss.

We continue to build our team with high quality talent, and put thrust on providing continuous training to be competitive.

We have a cordial & harmonious environment and are always accommodative to all stakeholders.

CAUTIONARY NOTE

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the Company's operations such as Government policies, tax laws, political and economic development.

Registered Office:
122/2, Ravi Estate,
Bileshwarpura, Chhatral
Dist: Gandhinagar
Place : Ahmedabad
Date : 11/08/2017

By Order of the Board of Directors

Natwarbhai Prajapati
Chairman & Managing Director
DIN: 00031187

CORPORATE GOVERNANCE REPORT

This section on Corporate Governance forms part of the Annual Report to the shareholders. It is not mandatory to give this report in terms of Regulation 15(2) of the SEBI (LODR) Regulations, 2015.

Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the company to protect the best interests of all stakeholders. However, in the harsh realities of day to day economic stress and competitive growth, corporate governance can only deliver on an avowed philosophy if there is a strong and sustainable framework.

1. COMPANY'S PHILOSOPHY & CODE OF GOVERNANCE

The Company believes in conducting its affairs in a fair & transparent manner and maintaining the good ethical standards in its dealing with all its constituents.

CODE OF CONDUCT AND ETHICS

The Board of Directors has amended the Code of Conduct and Ethics to align with the provisions of the Companies Act, 2013. The confirmation from the Managing Director & CEO regarding compliance with the code by all the Directors and Senior Management forms part of the Report.

MD & CEO / CFO CERTIFICATION

Shri Natwarbhai Prajapati, Managing Director & CEO and Shri Amritbhai Prajapati, Whole Time Director & CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

2. BOARD OF DIRECTORS**A. COMPOSITION OF THE BOARD OF DIRECTORS**

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to any information related to the Company.

The strength of the Board was Seven Directors comprising of Two Whole Time Directors and Five Non-Executive Directors of which four are Independent Directors who are free from any business or other relationship that could materially influence their judgment and one is woman director.

Details of Directors and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2017 are given below:

Directors	Category	Attendance particulars			Other committee membership	
		Board meeting	Last AGM	Other directorship	Member	Chairman
Shri Natwarbhai Prajapati	CM, MD & ED	6	YES	Nil	Nil	Nil
Shri Amritbhai Prajapati	WTD, CFO & ED	6	YES	Nil	Nil	Nil
Shri Sureshbhai Prajapati	NED	6	YES	Nil	Nil	Nil
Smt Chhayaben Ashwinbhai Shah	ID	6	NO	1	Nil	Nil
Shri Kanubhai S. Patel	ID	6	YES	Nil	Nil	Nil
Shri Gordhanbhai G. Patel	NED•	6	YES	Nil	Nil	Nil
Shri Jayanti S. Prajapati	ID	6	NO	Nil	Nil	Nil

- The Board approved the change in designation of Mr. Gordhanbhai G Patel from Independent Director to Non-Executive Director w.e.f. June 27, 2017.
- The Board approved the appointment of Mr. Viplav S. Khamar as an Additional Independent Director of the Company w.e.f. June 27, 2017.

CM=Chairman, MD=Managing Director, ID= Independent Director, WTD= Whole time Director, ED= Executive Director, NED=Non Executive Director



B. BOARD MEETINGS

The gap between two Board meetings did not exceed four months. The schedule of Board/Committee meetings are communicated in advance to the directors/committee members to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

The Board met six times in financial year details of which are summarized as below:

S No.	Date of Meeting	Board Strength	No. of Directors Present
1	30/05/2016	7	7
2	01/07/2016	7	7
3	30/07/2016	7	7
4	12/08/2016	7	7
5	11/11/2016	7	7
6	02/02/2017	7	7

In addition Mr. Jayantibhai Prajapati, Mr. Kanubhai Patel, Mr. Gordhanbhai Patel and Mrs. Chhayaben Shah-independent directors of the Company met exclusively in the last quarter of the financial year i.e. on 02/02/2017.

3. COMPOSITION OF COMMITTEES:

A. AUDIT COMMITTEE

All Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on 30th September, 2016 to answer the shareholders' queries. The role of Audit Committee, the powers exercised by it pursuant to the terms of reference, and the information reviewed by it are in accordance with the requirements as specified in the Regulation 18 of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Chairman and Whole-time Director and Statutory Auditors are the invitees to the Audit Committee meetings. During the period under review, the Audit Committee met Six times on 30/05/2016, 01/07/2016, 30/07/2016, 12/08/2016, 11/11/2016 and 02/02/2017 and was attended by all members. The Audit Committee comprises following members:

Name	Designation	No of meetings attended
Shri Jayantibhai Prajapati	Chairman	6
Shri Kanubhai Patel	Member	6
Shri Gordhanbhai Patel	Member*	6

* The Board approved the change in designation of Mr. Gordhanbhai G Patel from Independent Director to Non-Executive Director w.e.f. June 27, 2017.

B. NOMINATION AND REMUNERATION COMMITTEE

The roles and responsibilities of the Committee are in accordance with the requirements as specified in the Regulation 19 of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

During the period under review, the Nomination and Remuneration Committee met three times on 30/07/2016, 12/08/2016 and 11/11/2016 was attended by all the members.

The Constitution of the Nomination and Remuneration Committee during the financial year ended March 31, 2017 is given below:

Name	Position	Category	No. of meetings attended
Shri Jayantibhai Prajapati	Chairman	Non- Executive Independent Director	2
Shri Kanubhai Patel	Member	Non- Executive Independent Director	2
Shri Gordhanbhai Patel	Member*	Non- Executive	2

* The Board approved the change in designation of Mr. Gordhanbhai G Patel from Independent Director to Non-Executive Director w.e.f. June 27, 2017.

GUJARAT TERCE LABORATORIES LTD.

Remuneration to Directors

- a. The Whole Time Directors get salary including perquisites. Remuneration paid for the year ended 31st March, 2017 was as under.

Name of the director	Period of appointment	Remuneration	Approving authority
Mr. N.P.Prajapati	Five years with effect from 11/01/2012	18,00,000	27 th AGM
Mr. A. P. Prajapati	Five years with effect from 01/08/2016	3,72,000	31 st AGM
TOTAL		21,72,000	

- b. The criteria for making payments to the Whole time Directors are:

Salary, as recommended by the Nomination and Remuneration Committee and approved by the Board and the shareholders of the Company. Perquisites, retirement benefits and performance pay are also paid/ provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions.

Remuneration is determined keeping in view the industry benchmarks.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

The terms of reference of the Committee include reviewing and redressing complaints from shareholders such as non-receipt of annual report, transfer of shares, issue of duplicate share certificates, etc.; to oversee and review all matters connected with transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of securities; to oversee the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services; and to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, BSE and any other regulatory authority or under any applicable laws, as amended from time to time.

During the period under review, the Stakeholder Relationship Committee met two times on 12/08/2016 and 11/11/2016 was attended by all the members.

The Constitution of the Stakeholder Relationship Committee during the financial year ended March 31, 2017 is given below:

Name	Position	Category	No. of meetings attended
Shri Jayantibhai Prajapati	Chairman	Non- Executive Independent Director	2
Shri Kanubhai Patel	Member	Non- Executive Independent Director	2
Shri Gordhanbhai Patel	Member*	Non- Executive	2

- * The Board approved the change in designation of Mr. Gordhanbhai G Patel from Independent Director to Non-Executive Director w.e.f. June 27, 2017.

In addition, Details of Shareholders' Complaints received during the year are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2016	0
Investor complaints received during the year ended on March 31, 2017	2
Investor complaints resolved during the year ended March 31, 2017	2
Investor complaints pending as on March 31, 2017	0

The Stakeholder relationship committee has delegated power of approving transfer of securities to Shri Amritbhai Prajapati and Shri Natwarbhai Prajapati. The Committee, inter alia, reviews and approves the transfer/ transmission/ D-mat of equity shares as submitted by Big Share Services Private Limited., the Registrar & Transfer Agent of the Company.



SPECIAL RESOLUTIONS PASSED AT THE LAST 3 ANNUAL GENERAL MEETINGS

Year	Venue of AGM	Date & Time	No of special resolutions passed
2013-14	Ravi Estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	27/09/2014 at 10.00 a.m.	1
2014-15	Ravi Estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	26/09/2015 at 10.00 a.m.	NIL
2015-16	Ravi Estate, Bileshwarpura, Chattral, Dist: Gandhinagar.	30/09/2016 at 10.00 a.m.	NIL

4. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

There were no materially significant related party transactions made by the Company with its promoters, directors, key managerial personnel or their relatives. Register under section 188 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable.

All related party transactions that were entered into during the financial year were on an arm's length basis.

5. STRICTURES AND PENALTIES

The Company has complied with requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and they have not imposed any penalties on, or passed any strictures against the Company.

6. MEANS OF COMMUNICATION

Quarterly and Annual Financial Results of the Company were submitted to the Stock Exchanges immediately after the Board approves them. Thereafter, the same were published in The Business Standard-English and Jai Hind- Gujarati. Disclosures pursuant to various clauses of the Listing obligations and disclosure requirements are promptly communicated to Bombay Stock Exchange.

No formal presentation was made to the institutional investors or to the analysts during the year under review. Management Discussion and Analysis forms Part of the Annual Report, which is sent to the Shareholders of the Company.

7. GENERAL SHAREHOLDER INFORMATION

a. Exclusive e-mail id for investor grievances

Pursuant to Regulation 13(3) of the SEBI (LODR) Regulations, 2015, the following email id has been designated for communicating investor grievances: cs@gujaratterce.com.

Person in-charge of the Department: Ms. Priyanka Bakhtyarpuri (upto 18.06.2017)

Mr. Natwarbhai Prajapati (from 19.06.2017)

b. Annual General Meeting

The 32nd Annual General Meeting will be held on Monday, 25th September, 2017 at 10:00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chattral, Gandhinagar-382729

Financial Calendar

First quarter results : July/August 2017

Second quarter results : October 2017

Third quarter results : January 2018

Annual results : April/May 2018

Annual General Meeting : August/September 2018

c. Book Closure

The Register of Members and the Share Transfer Register will be closed from Monday, 18th September, 2017 to Monday, 25th September, 2017 (both days inclusive).

d. Dividend Payment Date

Not applicable

GUJARAT TERCE LABORATORIES LTD.

e. Shares Listed At

The equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)

Annual Listing fees for the year 2017-18 have been paid to the stock exchange. The Company has also paid the Annual Custodial fees to both the depositories.

f. Stock Codes

The stock code of the Company is 524314.

g. International Securities Identification Number (ISIN)

The ISIN of the equity shares of the Company is INE499G01013.

h. Corporate Identity Number (CIN)

CIN of the Company is L28112GJ1985PLC007753.

i. High/Low of monthly Market Price of the Company's Equity Shares

Month	Bombay Stock Exchanges(BSE) (In ₹ Per share)	
	High Price	Low Price
April, 2016	9.42	7.41
May, 2016	9.89	6.60
June, 2016	8.00	7.05
July, 2016	9.58	7.40
August, 2016	10.40	8.49
September, 2016	9.35	8.89
October, 2016	8.96	7.73
November, 2016	9.81	8.04
December, 2016	12.75	10.30
January, 2017	16.57	13.38
February, 2017	18.20	12.50
March, 2017	14.60	12.51

j. Share Transfer System

As per the SEBI guidelines, the Registry and Share transfer activity is being handled by M/s Big Share Services Private Limited, Mumbai. The Share Transfer requests received in physical form are normally registered within 15 days from the date of receipt.

k. Distribution Of Shareholding (As On March 31, 2017)

On the basis of Share held

SHAREHOLDING	NO OF SHAREHOLDER	% OF TOTAL	SHARE AMOUNT	% OF TOTAL
1-5000	13148	94.7262	16236700	21.8815
5001-10000	332	2.3919	2866860	3.8635
10001-20000	152	1.0951	2441850	3.2908
20001-30000	53	0.3818	1313840	1.7706
30001-40000	31	0.2233	1109090	1.4947
40001-50000	57	0.4107	2769840	3.7328
50001-100000	42	0.3026	3042750	4.1006
100001-999999999	65	0.4683	44422070	59.8655
Total	13880	100.0000	74203000	100.0000



On the basis of category

Category	No Of Shares Held	% Of Total Shares Held
Individual	4656371	62.75
Private corporate bodies	118448	1.60
Promoters	2598000	35.01
Nonresident Indians	26769	0.36
Others(Clearing Members)	20712	0.28
Total	7420300	100.00

i. Dematerialization Of Shares And Liquidity

Shares of the Company are traded compulsorily in dematerialized form and are available for trading with both the depositories with whom the Company has established direct connectivity. The D-mat requests received by the Company are continually monitored to expedite the process of dematerialization. The D-mat requests are confirmed to the depositories within 15 working days of receipt.

During the year, the Company has electronically confirmed Demat requests for 12400 equity shares. As on March 31, 2017, 82.53% of the total shares issued by the Company were held in dematerialized form.

- Liquidity: The Company's Shares are liquid on BSE.

m. Code Of Conduct For Prevention Of Insider Trading

The Company has adopted a comprehensive Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992, for prevention of insider trading in shares of the Company. The Code of Conduct is implemented diligently mandating initial and continual disclosures from the senior officials, directors and auditors of the Company upon trading in the shares of the Company. The Code also restricts specified employees to deal in the shares of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The transactions of the insiders in the shares of the Company are subjected to trading window closures, pre-clearance of trades etc. as envisaged in the Code.

n. Reconciliation Of Share Capital Audit Report

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by a Practicing Company Secretary for reconciliation of share capital of the Company. The audit report inter alia covers and certifies that the total shares held in CDSL, NSDL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated; D-mat requests are confirmed within stipulated time etc. The Reconciliation of Share Capital Audit Report is submitted with BSE and is also placed before the meetings of the Board of Directors.

o. Outstanding GDRs/ADRs/Warrants or any convertible instrument as on 31st March-17

There were no outstanding GDRs/ADRs/Warrants or any convertible instrument as at end March-2017

p. Plant Locations

122/2, Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar-382729

q. Compliance Officer

Ms. Priyanka Bakhtyarpuri (upto 18.06.2017)

Mr. Natwarbhai Prajapati (from 19.06.2017)

r. Address for Correspondence

All enquiries, clarification and correspondence should be addressed to the compliance officer at the following Addresses.

1) Gujarat Terce Laboratories Limited

301/314, Akashrath Complex, Opp. National Handloom, Nr. Law Garden, C.G. Road, Ahmedabad - 380009

Tel – 079-66633706 E-mail : cs@gujaratterce.com, ho@gujaratterce.com

GUJARAT TERCE LABORATORIES LTD.

2) Registrar & Transfer Agent

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East Mumbai-400059
Tel: 022 62638200 Fax : 022 62638299 E-mail:- sandeep@bigshareonline.com Website-www.bigshareonline.com

DECLARATION OF COMPLIANCE WITH THE GENERAL CODE OF CONDUCT OF THE COMPANY

In the above regard as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I declare as follows:

1. The Company does have a General Code of Conduct approved by its Board of Directors, which is posted on its website www.gujaratterce.com
2. All the members of the Board of Directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2017.

Registered Office:
122/2, Ravi Estate,
Bileshwarpura, Chhatral
Dist: Gandhinagar
Place : Ahmedabad
Date : 11/08/2017

By Order of the Board of Directors

Natwarbhai Prajapati
Chairman & Managing Director
DIN: 00031187



MD/CEO & CFO CERTIFICATION

To
The Board of Directors,
GUJARAT TERCE LABORATORIES LIMITED

We Certify that:

- a) We have reviewed the Balance Sheet as at March 31, 2017, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and that to the best of our knowledge and belief:
 - i. The said statements do not contain any false, misleading or materially untrue statements or figures or omit any material fact, which may make the statements or figures contained therein misleading;
 - ii. The said 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 internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware 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, if any;
 - ii. significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Gujarat Terce Laboratories Limited

For Gujarat Terce Laboratories Limited

Place : Ahmedabad
Date : 11/08/2017

Shri N.P.Prajapati (CEO)
DIN: 00031187

Shri Amritbhai Prajapati (CFO)
DIN: 00699001

AUDITORS CERTIFICATE ON COMPLIANCE

I have examined compliance of conditions of Corporate Governance by Gujarat Terce Laboratories Limited (the Company), for the year ended 31st March, 2017, as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015 of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures & implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 11/08/2017
Place: Ahmedabad

Pinakin Shah & Co.
Practising Company Secretary
FCS 2562, C.P. NO 2932

INDEPENDENT AUDITOR'S REPORT

To the Members of
Gujarat Terce Laboratories Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Gujarat Terce Laboratories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing 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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:



-
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- (g) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1.6 to the financial statements;
 - ii. the Company has made provision as required under the applicable law or accounting standards 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.
 - iv. The Company has provided requisite disclosures in financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 1.12 to the financial statements.

For, **U S S & ASSOCIATES**
Chartered Accountants

(Ujal Mehta)
Proprietor

M. No. 112337
F.R.N. 122634W

Place : Ahmedabad.
Date : 29/05/2017

GUJARAT TERCE LABORATORIES LTD.

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of Statute	Nature of dues	Amount of Dues	Period to The amount Related	From Where Dispute is Pending
Gujarat Sales Tax	Re. Assessment	₹ 466886	A.Y.2003-04	Dep. Comm of Sales Tax. (Tribunal)
Gujarat Sales Tax	Re. Assessment	₹ 1068607	A.Y.2004-05	Dep. Comm of Sales Tax. (Tribunal)
Gujarat Sales Tax	Assessment	₹ 2222557	A.Y.2012-13	Dep. Comm of Sales Tax. (appealed)

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



term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

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

For, **U S & ASSOCIATES**
Chartered Accountants

(Ujal Mehta)

Proprietor

M. No. 112337

F.R.N. 122634W

Place : Ahmedabad.

Date : 29/05/2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Gujarat Terce Laboratories Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to



the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **U S S & ASSOCIATES**
Chartered Accountants

(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N. 122634W

Place : Ahmedabad.
Date : 29/05/2017

GUJARAT TERCE LABORATORIES LTD.**Balance Sheet as at 31st March, 2017**

(Amt.in ₹)

Particulars	Note No.	As at 31 March, 2017	As at 31 March, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	74,203,000	74,203,000
(b) Reserves and surplus	3	26,364,469	29,369,705
		100,567,469	103,572,705
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	4	54,878,765	55,378,765
(b) Deferred tax liabilities (net)		5,116,405	4,977,437
(c) Other long-term liabilities	5	8,418,000	8,418,000
(d) Long Term Provisions	9	6,797,247	6,797,247
		75,210,417	75,571,449
4 Current liabilities			
(a) Short-term borrowings	6	15,053,780	15,782,180
(b) Trade payables	7	15,824,353	24,247,052
(c) Other current liabilities	8	26,090,559	22,879,855
(d) Short-term provisions	9	3,804,245	2,628,533
		60,772,937	65,537,620
	TOTAL	236,550,823	244,681,774
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	61,683,551	63,423,548
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		61,683,551	63,423,548
(b) Non-current investments	11	2,400,500	3,000,500
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	33,319,663	32,300,592
(e) Other non-current assets		-	-
		35,720,163	35,301,092
2 Current assets			
(a) Current investments		-	-
(b) Inventories	13	39,738,585	42,740,071
(c) Trade receivables	14	79,190,238	84,790,022
(d) Cash and cash equivalents	15	5,335,191	4,708,859
(e) Short-term loans and advances	16	14,883,095	13,718,182
(f) Other current assets		-	-
		139,147,109	145,957,134
	TOTAL	236,550,823	244,681,774

See accompanying notes forming part of the financial statements

As Per Our Audit Report of Even Date Attached
For U S S & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N . 122634W
Place : Ahmedabad
Date : 29/05/2017

N. P. Prajapati **A. P. Prajapati** **S. P. Prajapati**
Chairman & M.D. Wholetime Director Director

Place : Ahmedabad
Date : 29/05/2017



Statement of Profit and Loss for the year ended 31 March, 2017

(Amt.in ₹)

Particulars	Note No.	For the year ended 31 March, 2017	For the year ended 31 March, 2016
1 Revenue from operations (gross)	17	252,878,209	249,977,910
Less: Excise duty	17	-	38,713
Revenue from operations (net)		252,878,209	249,939,197
2 Other income	18	4,419,529	1,879,584
3 Total revenue (1+2)		257,297,738	251,818,781
4 Expenses			
(a) Cost of materials consumed	19a	15,986,766	19,468,716
(b) Purchases of stock-in-trade		77,679,905	79,601,521
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19b	2,889,038	(3,394,512)
(d) Employee benefits expense	20	106,380,360	103,759,115
(e) Finance costs	21	3,113,344	3,767,630
(f) Depreciation and amortisation expenses	10	1,889,056	1,900,944
(g) Other expenses	22	49,143,612	48,867,457
Total expenses		257,082,081	253,970,871
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		215,657	(2,152,090)
6 Exceptional items		-	-
Dep. Written back due to change in method		-	-
7 Profit / (Loss) before extraordinary items and tax (5 + 6)		215,657	(2,152,090)
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 + 8)		215,657	(2,152,090)
10 Tax expense:			
(a) Current tax expense for current year		224,788	-
(b) Interest on income tax expense relating to prior years		875,417	-
(c) Current tax expense relating to prior years (Excess/less Provision of I.Tax of PY)		1,981,720	4,900,779
(d) Net current tax expense		3,081,925	4,900,779
(e) Deferred tax		138,968	(310,403)
11 Profit / (Loss) for the year		(3,005,236)	(6,742,466)
12 Earnings per share (of ₹ 10/- each):			
(a) Basic	23	-	-
(b) Diluted	23	-	-

See accompanying notes forming part of the financial statements

As Per Our Audit Report of Even Date Attached
For U S S & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N . 122634W
Place : Ahmedabad
Date : 29/05/2017

N. P. Prajapati Chairman & M.D.	A. P. Prajapati Wholetime Director	S. P. Prajapati Director
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Place : Ahmedabad
Date : 29/05/2017

Cash Flow Statement for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		2,15,657		(21,52,090)
Adjustments for:				
Provision For Tax and Earlier Years	-	-	-	-
Depreciation and amortisation	18,89,056		19,00,944	
(Profit) / loss on sale / write off of assets	-		-	
Net (Gain) / Loss on Foreign Currency Transactions	5,265		44,993	
Finance costs	31,13,344		37,67,630	
Interest income	(42,46,984)		(18,51,030)	
		<u>7,60,681</u>		<u>38,62,537</u>
Operating profit / (loss) before working capital changes		9,76,338		17,10,447
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets and liabilities:				
Inventories and Trade receivables	86,01,270		46,61,322	
Short-term loans and advances	(11,64,913)		9,77,155	
Trade payables, Provisionas and other current liabilities	(40,36,283)		(8,33,078)	
Net Changes in working capital:	34,00,074		48,05,399	
		4,376,412		65,15,846
Cash flow from extraordinary items		-		-
Cash generated from operations		43,57,177		65,15,846
Net income tax (paid) / refunds		(30,81,925)		(49,00,779)
Net cash flow from / (used in) operating activities (A)		12,94,487		16,15,067
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances, if any	(1,49,060)		(5,55,630)	
Proceeds from sale of fixed assets	-		-	
Long Term Loans & Advances realised	(10,19,072)		(25,73,614)	
Interest received	42,46,984		18,51,030	
Investment	6,00,000		-	
		<u>36,78,852</u>		<u>(12,78,214)</u>
Net cash flow from / (used in) investing activities (B)		36,78,852		(12,78,214)
C. Cash flow from financing activities				
Proceeds from issue of share capital	-		-	
Proceeds from long-term borrowings (Net)	(5,00,000)		(2,95,101)	
Proceeds from other short-term borrowings (Net)	(7,28,400)		(1,01,42,406)	
Net Gain / (Loss) on Foreign Currency Transactions	(5,265)		(44,993)	
Finance Costs	(31,13,344)		(37,67,630)	
Cash flow from extraordinary items	(43,47,009)		(1,42,50,130)	
Net cash flow from / (used in) financing activities (C)		(43,47,008)		(1,42,50,130)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		6,26,331		(1,39,13,276)
Cash and cash equivalents at the beginning of the year		47,08,859		1,86,22,135
Cash and cash equivalents at the end of the year		53,35,191		47,08,859

As Per Our Audit Report of Even Date Attached
For U S S & Associates
Chartered Accountants

(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N . 122634W
Place : Ahmedabad
Date : 29/05/2017

For and on behalf of the Board of Directors

N. P. Prajapati **A. P. Prajapati** **S. P. Prajapati**
Chairman & M.D. Wholetime Director Director

Place : Ahmedabad
Date : 29/05/2017



Notes forming part of the financial statements

1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

1.1 Accounting Policies

- a. Basis of accounting and preparation of financial statements
The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- b. Use of estimates
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
- c. Revenue recognition
Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.
- d. Expenditure
Expenses are accounted on accrual basis and provision is made for all known losses and liabilities.
- e. Fixed assets
Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
- f. Investments
Investments are classified as long term investments. It is carried at cost. Provision for diminution in value of long term investment is made on each investment individually only if such decline is other than temporary.
- g. Inventories
Inventories are valued as under
Raw Material: At Cost
Stock in Process: At estimated Cost
Finished Goods: At cost or realizable value whichever is less
Stores, Spares & other items: At Cost
- h. Raw Material is accounted net of Excise Duty.
- i. Cash and cash equivalents.
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).
- j. Cash flow statement
Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or

GUJARAT TERCE LABORATORIES LTD.

future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

k. Depreciation

Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

l. Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised only if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets, if any.

m. Excise Duty / Service Tax and Sales Tax / Value Added Tax

Excise duty on Finished Goods is accounted as and when they are cleared from the factory premises. Sales Tax / Value Added Tax is charged to the Statement of Profit and Loss.

Company has adopted method of treatment of Cenvat Credit in account as prescribed in guidance note on accounting treatment for CENVAT by ICAI. Excise Duty paid on inputs is debited to Cenvat credit receivable account, so the Purchase cost of inputs (Raw Material) is net of Excise duty. Therefore the inputs consumed (Raw Material) and the inventory of inputs (Raw Material) is valued on the basis of purchase cost net of Excise duty. The debit balance in Cenvat credit receivable account is shown on the Assets side under the head "Short Term Loans & Advances"

n. Foreign currency transactions and translations

Current assets and current liabilities are translated at the exchange rate prevailing on the last day of the year.

Gains or losses arising out of remittance/ translations at the year end are credited / debited to the profit and loss account for the year except in cases where they relate to acquisition of Fixed Assets, in which case they are adjusted to carrying cost of such assets

Foreign Exchange transactions are converted into Indian rupees at the prevailing rate on the date of the transaction.

Exchange differences arising on contracts are recognized in the period in which they arise and the premium paid / received is accounted as expense/ income over the period of contract.

o. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences, if any arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

p. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid, if any, in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

q. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

r. Contingent Liabilities and Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

1.2 Sundry Creditors, Sundry Debtors, Deposits, Loans & Advances recoverable in Cash or kind are subject to confirmation.

1.3 Company is working in pharmaceutical and metal devision. Metal devision has temporarily suspended its operations and so depreciation on asset of metal devision has not been provided during the year under review. The impairment of any loss is not considered as the discontinuation of operations is temperory in nature as per the decision of the board.

1.4 Balances in Share Allotment money, EEFC account and current account with Bank of Baroda is subject to reconciliation. It is taken on the basis of balances as per the books of the Company, as the Statement and certificates are not provided by the Bank.

1.5 None of the employees of the Company was in receipt of or entitled to receive emoluments in aggregate at a rate of Rs. 200000/- p.m. or more (P.Y. – Rs. 200000/- p.m.) (If employed for part of the year) or Rs. 2400000/- or more p.a. (P.Y. – Rs. 2400000/- or more p.a.) (If employed for full year) (Previous Year - Nil).

1.6 Contingent Liabilities Not Provided For

	2016-17	2015-16
a) Unutilized Letter of Credit	Nil	Nil
b) Counter guarantees furnished by the Company in respect of Bank Guarantee	Nil	Nil
c) Estimated amount of contracts to be executed on capital account and not provided for	Nil	Nil
d) Claims against the Company not Acknowledged as Debt*	Nil	Nil

* Claims against the Company not Acknowledged as Debt does not include Demand from Gujarat Sales Tax Authorities for payment of tax Rs.37,58,050 for financial years 2002-03, 2003-04 and 2011-12 on completion of assessment proceedings of respective years. The company has filed an appeal before Deputy Commissioner of Sales Tax (Appeals). Company is contesting the demand and the management believes that the demand will not sustain in the Appealate Process.The management belives that the ultimate outcome of these proceddings will not have a material adverse effect on the company's finanacial position. The Income Tax Department had raised various demands amounting Rs. 3,62,70,330 against the Company for AY 2011-12, 2012-13 and 2013-14

GUJARAT TERCE LABORATORIES LTD.

against which the Company preferred an appeal. The Company got relief by the order of CIT(A). By that order the Company was ordered to pay Rs. 60,56,882 instead of Rs. 3,62,70,330. The Company has already paid this demand. However The Department has opted for appeal against the order of CIT(A) before Income Tax Appellate Tribunal which is yet not finalised.

- 1.7 Details of C.I.F. Value of Imports, Expenditure in Foreign currency and earnings in foreign currency are as under :

	2016-17	2015-16
a. C.I.F Value of Imports		
Raw Material	Nil	Nil
Machineries	Nil	Nil
b. Expenditure in foreign currency less Commission & Other Expenses	Nil	Nil
c. Earning in Foreign Currency - Export Sales	957087	2024989

- 1.8 Details of Raw Material consumed

	As on 31.03.2017		As on 31.03.2016	
	% of total Value	Consumption (Rs.)	% of total Value	Consumption (Rs.)
a) Imported	-	-	-	-
b) Indigenous	100%	15986766	100%	19468716

- 1.9 Related Party

Information about related parties as required by AS – 18 are as under:

Sr. No.	Related Party	Relationship	Description of Transaction	Payment
1.	N.P. Prajapati	Chairman & M.D.	Managerial Remuneration	1807240
2.	A.P. Prajapati	Director	Managerial Remuneration	403240
3.	Shushilaben B. Prajapati	Relative	Salary	226390
4.	Manjulaben S. Prajapati	Relative	Salary	220240
5.	Jyotsana Prajapati	Relative	Salary	235240
6.	Shobhana Prajapati	Relative	Salary	222940
7.	Aalap Prajapati	Relative	Salary	619240

- 1.10 Deferred Tax

As per AS 22 on Accounting for taxes on income issued by ICAI, the Company has provided deferred tax liabilities as on 31st March, 2016. The components of deferred tax liability for the current financial year are:

Deferred Tax Liability	Deferred Tax Liability / (assets) as at 1.4.2016	Current year change / (credit)	Deferred Tax Liability / (assets) as at 31.3.2017
(A) Difference between book and Tax depreciation	52,45,426	(1,29,021)	51,16,405
Tax liability on Deferred Revenue Expenditure	-	-	-
(A)	52,45,426	(1,29,021)	51,16,405
(B) Deferred Tax Assets- Tax	2,67,989	(2,67,989)	-
(B)	2,67,989	(2,67,989)	-
Net Deferred Tax Liability (A-B)	49,77,437	1,38,968	51,16,405

- 1.11 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate



financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company has identified two reportable segments viz Pharmaceutical and Metal Divisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

The Company is engaged in manufacturing of Tablets, Capsules, and Syrup & Injection pertaining to the product group Pharmaceuticals.

Particulars	Pharmaceutical		METAL		Unallocated		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	₹	₹	₹	₹	₹	₹	₹	₹
1 Revenue from operations (gross)	25,28,78,209	24,99,77,910	-	-	-	-	25,28,78,209	24,99,77,910
Less: Excise duty	-	38,719	-	-	-	-	-	38,719
Revenue from operations (net)	25,28,78,209	24,99,39,197	-	-	-	-	25,28,78,209	24,99,39,197
2 Other income	44,19,529	18,79,584	-	-	-	-	44,19,529	18,79,584
3 Segment revenue (1+2)	25,72,97,738	25,18,18,781	-	-	-	-	25,72,97,738	25,18,18,781
4 Segment Expenses								
Cost of materials consumed	1,59,86,766	1,94,68,716	-	-	-	-	1,59,86,766	1,94,68,716
Purchases of stock-in-trade	7,76,79,905	7,96,01,521	-	-	-	-	7,76,79,905	7,96,01,521
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28,89,038	(33,94,512)	-	-	-	-	28,89,038	(33,94,512)
Employee benefits expense	10,63,80,360	10,37,59,115	-	-	-	-	10,63,80,360	10,37,59,115
Depreciation and amortisation expense	18,89,056	19,00,944	-	-	-	-	18,89,056	19,00,944
Other expenses	4,91,43,612	4,88,67,457	-	-	-	-	4,91,43,612	4,88,67,457
Total	25,39,68,737	25,02,03,241	-	-	-	-	25,39,68,737	25,02,03,241
5 Segment Results Before Finance Costs, Exceptional & Extraordinary Items and Tax	33,29,001	16,15,540	-	-	-	-	33,29,001	16,15,540
Less : Finance Costs	-	-	-	-	31,13,344	37,67,630	31,13,344	37,67,630
6 Profit / (Loss) before exceptional and extraordinary items and tax	33,29,001	16,15,540	-	-	(31,13,344)	(37,67,630)	2,15,657	(21,52,090)
7 Exceptional items	-	-	-	-	-	-	-	-
8 Profit / (Loss) before extraordinary items and tax	33,29,001	16,15,540	-	-	(31,13,344)	(37,67,630)	2,15,657	(21,52,090)
10 Extraordinary items	-	-	-	-	-	-	-	-
11 Profit / (Loss) before tax	33,29,001	16,15,540	-	-	(31,13,344)	(37,67,630)	2,15,657	(21,52,090)

GUJARAT TERCE LABORATORIES LTD.

Particulars	Pharmaceutical		METAL		Unallocated		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	₹	₹	₹	₹	₹	₹	₹	₹
10 Tax expense:								
(a) Current tax expense for current year	-	-	-	-	2,24,788	-	2,24,788	-
(b) Interest of Income Tax expense relating to prior year	-	-	-	-	8,75,417	-	8,75,417	-
(b) Current tax expense relating to prior years (Excess/less Provision of I.Tax of PY)	-	-	-	-	19,81,720	49,00,779	19,81,720	49,00,779
(c) Net current tax expense	-	-	-	-	22,06,508	49,00,779	22,06,508	49,00,779
(d) Deferred tax	-	-	-	-	1,38,968	(3,10,403)	1,38,968	(3,10,403)
11 Profit / (Loss) for the year	33,29,001	16,15,540	-	-	(63,34,237)	(83,58,006)	(30,05,236)	(67,42,466)
Other information								
Segment Assets	14,21,84,791	15,03,15,742	94366032	94366032				
Unallocated Assets	-	-	-	-				
Total Assets	14,21,84,791	15,03,15,742	9,43,66,032	9,43,66,032				
Segment Liabilities	6,93,70,017	7,46,34,700	6,14,96,932	6,14,96,932				
Unallocated Liabilities	51,16,405	49,77,437	-	-				
Total Liabilities	7,44,86,422	7,96,12,137	6,14,96,932	6,14,96,932				
Capital Expenditure	1,49,060	55,563	-	-				
Depreciation	18,89,056	1,90,094	-	-				
Non-Cash Expenses other than Depreciation	1,38,968	(3,10,403)	-	-				

1.12 Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below

PARTICULARS		SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11. 2016		1417600	1094980	2512580
(+)	Permitted receipts	-	627867	627867
(-)	Permitted payments	-	574207	574207
(-)	Amount deposited in Banks	1417600	110607	1528207
Closing cash in hand as on 30.12. 2016		-	1038033	1038033



Notes forming part of the financial statements (Contd...)

Note 2 Share capital

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
(a) Authorised		
11000000 Equity shares of ₹10 each with voting rights	110000000	110000000
(b) 7420300 Issued, Subscribed and fully paid up		
Equity shares of ₹10 each with voting rights	74203000	74203000
Total	74203000	74203000

Note 2.1 The Reconciliation of the Number of Shares outstanding is set out below:

Particulars	As at 31 March, 2017 No. of shares	As at 31 March, 2016 No. of shares
Equity shares at the beginning of the year	7420300	7420300
Add: Shares issued during the year	0	0
Equity shares at the end of the year	7420300	7420300

Note 2.2 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Natwarbhai P. Prajapati	563440	7.59%	563440	7.59%
Sureshbhai. P. Prajapati	927150	12.49%	927150	12.49%
Terce Finlease Pvt. Ltd.	1075900	14.50%	1075900	14.50%
Sunflower Broking Pvt. Ltd.	0	0.00%	579400	7.81%

GUJARAT TERCE LABORATORIES LTD.**Notes forming part of the financial statements (Contd...)****Note 3 Reserves and surplus**

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Securities premium		
Opening balance	1,50,00,000	1,50,00,000
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	1,50,00,000	1,50,00,000
General reserve		
Opening balance	37,37,174	37,37,174
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for	-	-
Closing balance	37,37,174	37,37,174
Investment Subsidy		
Opening balance	4,38,458	4,38,458
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
Closing balance	4,38,458	4,38,458
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	1,01,94,073	1,69,36,539
Add: Profit / (Loss) for the year	(30,05,236)	(67,42,466)
Closing balance	71,88,837	1,01,94,073
Total	2,63,64,469	2,93,69,705

Note 4 Long-term borrowings

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Term loans		
From banks		
Secured	-	-
Loans and advances from Directors & Related Parties		
Unsecured	3,11,747	3,11,747
Loans and advances from Others		
Unsecured	5,45,67,018	5,50,67,018
Total	5,48,78,765	5,53,78,765

Maturity Profile of Long - Term Borrowings from directors & their relatives and others is as set out below:

Particulars	Less than 4 years
Loans and advances from Directors & their Relatives	3,11,747
Loans and advances from Others	5,45,67,018



Notes forming part of the financial statements (Contd...)

Note 5 Other long-term liabilities

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
(a) Others:		
Trade / security deposits received	84,18,000	84,18,000
Total	84,18,000	84,18,000

Maturity Profile - Other Long Tem Liabilities is as set out below:

Particulars	More Than 4 Years	Less than 4 years
Trade/Security deposits from Directors & their Relatives	Nil	Nil
Trade/security deposits from Others	84,18,000	Nil

Note 6 Short-term borrowings

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
(a) Loans repayable on demand		
From banks		
Secured	1,50,53,780	1,57,82,180
Total	1,50,53,780	1,57,82,180

Notes:

(i) Details of security for the secured short-term borrowings:

Loans repayable on demand from banks:

Cash Credit A/c- Bank of Baroda

Secured By equitable Mortgage of Fctory Land & Building, Office Premises of the company and Residential Bungalow of Director Shri Natwarbhai P. Prajapati

Hypothecation of all the Plant & Machinerries, movable fixed assets, stock, book debts & all the current assets of the company.

Personal Guerantee of directors of the company Natwarbhai P. Prajapati, Amrutbhai P. Prajapati & Sureshbhai P. Prajapati

Note 7 Trade payables

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Trade payables:		
Due to Micro & Small Enterprises	51,24,743	75,31,828
Other than Micro & Small Enterprises	1,06,99,610	1,67,15,224
Total	1,58,24,353	2,42,47,052

Note 8 Other current liabilities

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Current maturities of long-term debt	-	1,18,754
Statutory remittances (Contributions to PF and ESIC, Excise Duty, VAT, Service Tax, TDS Patable etc.)	22,37,812	20,44,240
Interest accrued on trade /security deposits	3,34,125	1,67,062
Advances from customers	3,05,533	3,89,963
Other liabilities	52,07,295	44,09,782
Salary Payable	1,80,05,794	1,57,50,054
Total	2,60,90,559	2,28,79,855

GUJARAT TERCE LABORATORIES LTD.**Notes forming part of the financial statements (Contd...)****Note 9 Short-term provisions & Long Term Provisions**

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Long Term Provisions		
Provision For Gratuity	67,97,247	67,97,247
Total	67,97,247	67,97,247
Short Tem Provisions		
Provision for Gratuity	24,39,621	15,64,044
Provision for bonus	6,83,951	6,59,825
Provision for tax (net off Advance taxes)	2,24,788	-
Provision for Audit Fees	99,000	85,500
Provision for Telephone Exps	23,431	13,235
Provision for Electricity Exps (Factory & Office)	59,656	36,260
other provisions	2,73,798	2,69,669
Total	38,04,245	26,28,533

NOTE : 10 FIXED ASSETS (As per Company's Act.), A/c. Year : 2016-17

(Amount ₹)

Particulars	Gross Block					Depreaction				Net Block		
	Useful life (Years)	Op. Bal. as on 01/04/16	Addition During the year	Sales During the year	Balance as on 31/3/17	Op. Bal. as on 01/04/16	Provision During the year	Dep. written Back as exception	Dep. Written back on sale of asset	Balance as on 31/3/17	As on 31/3/17	As on 31/3/16
Factory Land		16290029	0	0	16290029	0	0	0	0	16290029	16290029	
Factory & Building	30.00	19326171	0	0	19326171	7120603	333372	0	0	7453975	11872196	12205568
Office Building	30.00	250030	0	0	250030	154553	27346	0	0	181899	68131	95477
Vehicles	10.00	2563909	66310	0	2630219	1645965	249603	0	0	1895568	734651	917944
Laboratory Equipments	20.00	3207489	0	0	3207489	3025715	20706	0	0	3046421	161068	181774
Electric Installation	20.00	2039016	0	0	2039016	1530231	50854	0	0	1581085	457931	508785
Machineries	20.00	36196963	47250	0	36244213	12936464	333804	0	0	13270268	22973945	23260499
Furniture	10.00	5826945	35500	0	5862445	2646357	522507	0	0	3168864	2693581	3180588
Block & Design	20.00	3289230	0	0	3289230	2721186	91974	0	0	2813160	476070	568044
Computer	3.00	2069984	0	0	2069984	1951347	57093	0	0	2008440	61544	118637
Communication Appliances	13.00	78580	0	0	78580	73625	2453	0	0	76078	2502	4955
Sterlin Resort (Time share)		70650	0	0	70650	0	0	0	0	0	70650	70650
Godown	30.00	6559366	0	0	6559366	538768	199345	0	0	738113	5821253	6020598
Total		97768362	149060	0	97917422	34344814	1889057	0	0	36233871	61683551	63423548
Previous Year		97212732	555630	0	97768362	32443870	1900944	0	0	34344814	63423548	64768862



Notes forming part of the financial statements (Contd...)

Note 11 Non- Current Investment

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
	Total	Total
Investments (At cost):		
Easy Advisory Services Pvt. Ltd.	24,00,000	30,00,000
Samir Members Association	500	500
Total	24,00,500	30,00,500

Note 12 Long-term loans and advances

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
(a) Security deposits		
Unsecured, considered good	8,27,842	7,78,077
(b) Advances recoverable in cash or kind or for value value to be received		
Unsecured, considered good	3,24,91,821	3,15,22,515
Total	3,33,19,663	3,23,00,592

Note 13 Inventories

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
(a) Raw materials (At cost)	9,95,963	8,33,940
(b) Work-in-progress (at estimated cost)	49,439	6,91,690
(c) Finished goods (other than those acquired for trading) (at cost or realisable value whichever is lower)	50,92,273	60,64,536
(d) Stock-in-trade (acquired for trading) (at cost or realisable value whichever is lower)	1,65,38,607	1,78,13,131
(e) Stores, spares & other items (at cost)	34,56,522	31,35,439
(f) Advertisement Article Stock (at cost)	1,36,05,781	1,42,01,335
Total	3,97,38,585	4,27,40,071

GUJARAT TERCE LABORATORIES LTD.**Notes forming part of the financial statements (Contd...)****Note: Details of inventory of work-in-progress**

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
	Total	Total
Pharma Division		
Aziter 500 Tablet	-	1,80,023
Algin- P Tablet	-	22,476
Cianmox 500 capsule (export)	-	2,69,973
BP-AT Tablet	-	21,945
Diclofer-P Tablet	-	10,945
Pridilan-40 SR Tablet	37,962	46,953
Nimeter-A Tablet (325) ALU	-	22,108
N-Xime 200 Tablet	-	81,286
Promexy HF Tablet	-	33,983
Trihexy Tablet	-	1,998
In-cold Tablet	11,477	-
	49,439	6,91,690

Note 14 Trade receivables

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
	Total	Total
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	5,60,00,909	5,58,86,121
Other Trade receivables	-	-
Unsecured, considered good	2,31,89,329	2,89,03,901
Total	7,91,90,238	8,47,90,022

Note 15 Cash and cash equivalents

Particulars	As at 31	As at 31
	March, 2017	March, 2016
	₹	₹
(a) Cash on hand	15,04,918	10,97,087
(b) Balances with banks		
(i) In current accounts	33,861	15,198
(ii) In EEFC accounts	7,468	7,468
(iii) Share Issue Account	8,88,406	8,88,406
(c) other bank balances	-	-
Bank Deposits	29,00,538	27,00,700
Total	53,35,191	47,08,859



Notes forming part of the financial statements (Contd...)

Note 16 Short-term loans and advances

Particulars	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Loans and advances recoverable cash or kind or for value to be received		
Unsecured, considered good	89,55,650	79,34,740
Advance for Purchase of Capital Assets	54,14,257	43,30,000
Advances given Employees		
Unsecured, considered good	-	9,40,500
Prepaid expenses - Unsecured, considered good	4,57,973	4,66,824
CENVAT/Service Tax /VAT credit receivable	55,215	46,118
Total	1,48,83,095	1,37,18,182

Note 17 Revenue from operations

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(a) Sale of products		
Domestic Sales	25,19,05,936	24,79,61,679
Export Sales	9,57,087	20,24,989
(b) Other operating revenues	15,186	(8,758)
	25,28,78,209	24,99,77,910
Less:		
(c) Excise duty	-	38,713
Total	25,28,78,209	24,99,39,197

Note	Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(i)	Sale of products comprises (Broad Heads):		
	Manufactured goods - Pharma Division		
	Almocef Tablet	44,83,709	47,12,515
	Codimol 200 Tablet	81,26,070	68,59,630
	Almocef 200 Tab - ALF002	43,82,318	50,00,530
	Traded goods - Pharma Division		
	Acolate Kid Susp.	1,28,91,819	1,25,22,261
	Acolate P Plus Tablet	1,82,07,391	1,63,63,664
	Acolate Tablet	52,53,514	57,08,223
(ii)	Other operating revenues comprise:		
	Rate Difference	15,186	8,758
	Total - Other operating revenues	15,186	8,758

GUJARAT TERCE LABORATORIES LTD.**Notes forming part of the financial statements (Contd...)****Note 18 Other income**

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(a) Interest income (Note : 18.a)	42,46,984	18,51,030
(b) Miscellaneous Income	1,44,000	-
(c) Other non-operating income (net of expenses directly attributable to such income) (Note: 18.b)	28,545	28,554
Total	44,19,529	18,79,584

Note (18.a)	Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
	Interest on Bank Deposits	2,54,191	1,12,979
	Interest on Other Loans	39,81,881	17,26,385
	Interest on overdue trade receivables	10,912	11,666
	Total - Interest income	42,46,984	18,51,030

Note (18.b)	Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
	Discount Earned(Net)	13,976	20,774
	Duty Drawback	14,569	7,780
	Total - Other non-operating income	28,545	28,554

Note 19.a Cost of materials consumed

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Opening stock	8,33,940	11,28,725
Add: Purchases	1,61,48,789	1,91,73,931
	1,69,82,729	2,03,02,656
Less: Closing stock	9,95,963	8,33,940
Cost of material consumed	1,59,86,766	1,94,68,716
Material consumed comprises:		
Pharma Division		
Azithromycin	19,23,838	14,83,755
Cefixime Trihydrate	39,53,287	30,18,398
Cefpodoxime Proxetil IP	44,28,421	59,03,281
Cefuroxime Axetil IP	5,42,475	17,69,530



Notes forming part of the financial statements (Contd...)

Note 19.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Inventories at the end of the year:		
Finished goods	50,92,273	60,64,536
Work-in-progress	49,439	6,91,690
Stock-of-trading goods	1,65,38,607	1,78,13,131
	2,16,80,319	2,45,69,357
Inventories at the beginning of the year:		
Finished goods	60,64,536	59,10,439
Work-in-progress	6,91,690	84,247
Stock-of-trading goods	1,78,13,131	1,51,80,159
	2,45,69,357	2,11,74,845
Net (increase) / decrease	28,89,038	(33,94,512)

Note 20 Employee benefits expense

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Salaries and wages	10,10,59,171	9,85,62,106
Contributions to provident and other funds	43,33,247	42,51,084
Staff welfare expenses	9,87,942	9,45,925
Total	10,63,80,360	10,37,59,115

Note 21 Finance costs

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(a) Interest expense on:		
(i) Borrowings	21,10,649	25,99,439
(iii) Others *	7,48,652	9,07,380
* includes interest on government and other dues		
(b) Other borrowing costs		
- Bank Charges	2,54,043	2,60,811
Total	31,13,344	37,67,630

GUJARAT TERCE LABORATORIES LTD.**Notes forming part of the financial statements (Contd...)****Note 22 Other expenses**

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Consumption of stores and spare parts	61,406	1,97,738
Consumption of packing materials	31,78,259	31,41,438
Power and fuel	4,86,940	4,98,470
Rent	12,04,320	12,04,320
Repairs and maintenance - Others	6,95,332	8,03,953
Insurance	10,35,883	8,23,598
Rates and taxes	42,97,694	34,45,503
Communication	26,02,496	24,94,809
Freight and forwarding	57,08,646	57,22,583
Sales commission	59,57,848	59,87,847
Legal and Professional Exp.	19,85,805	19,90,540
Sales Promotion Exp.	1,27,74,666	1,31,28,055
Donations and contributions	89,755	-
Payments to auditors (Statutory & Tax Audit)	1,10,000	95,000
Miscellaneous expenses	89,54,562	93,33,603
Total	4,91,43,612	4,88,67,457

Note 23 Earning Per Share

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Earning Per Share		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(30,05,236)	(67,42,466)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	74,20,300	74,20,300
iii) Face Value per equity share	10	10
iv) Basic and Diluted Earnings per share	-	-

As Per Our Audit Report of Even Date Attached
For U S S & Associates
Chartered Accountants

(Ujal Mehta)
Proprietor
M. No. 112337
F.R.N . 122634W
Place : Ahmedabad
Date : 29/05/2017

For and on behalf of the Board of Directors

N. P. Prajapati **A. P. Prajapati** **S. P. Prajapati**
Chairman & M.D. Wholetime Director Director

Place : Ahmedabad
Date : 29/05/2017



Gujarat Terce Laboratories Limited

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

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain attendance slip on request.

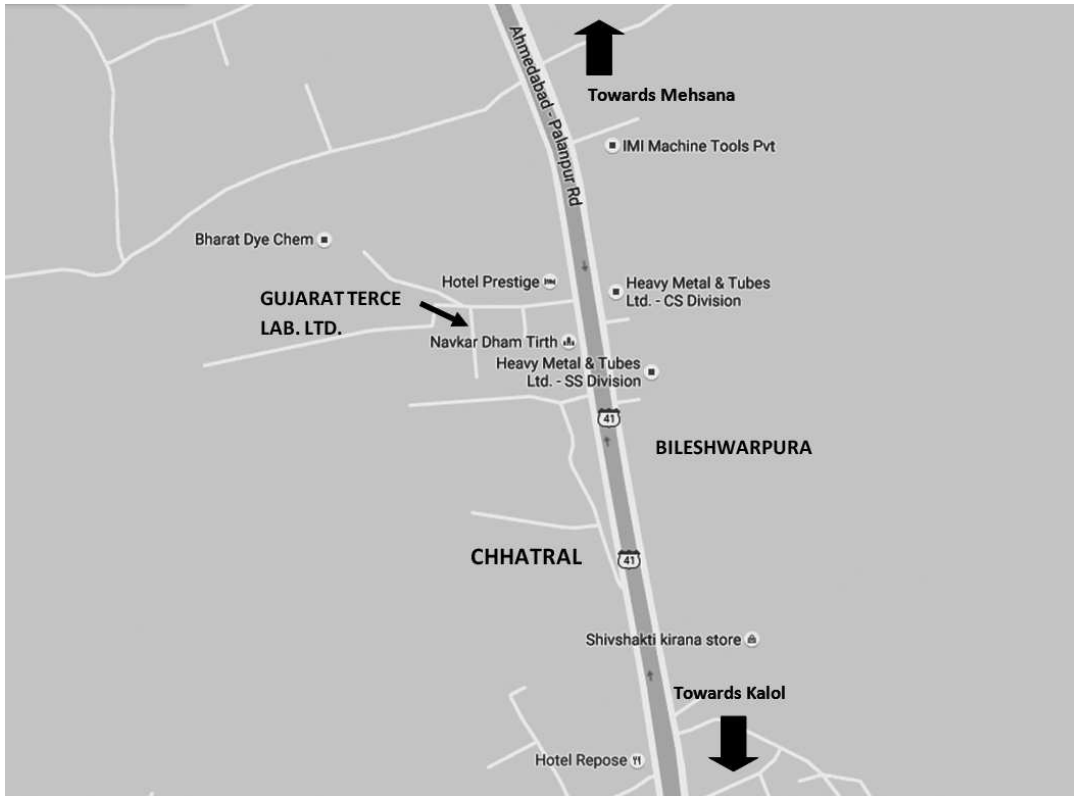
L. F. No. / ID No. :	No. of Shares
Name :	
Address :	

I hereby record my presence at the 32nd Annual General Meeting of the Company to be held on Monday the 25th day of September, 2017 at 10.00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Dist. Gandhinagar., Gujarat.

Signature of the Shareholder / Proxy

--

ROUTE MAP FOR THE AGM VENUE





Gujarat Terce Laboratories Limited

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

PROXY FORM

Form No. MGT - 11

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

CIN : L28112GJ1985PLC007753
 Name of the Company : Gujarat Terce Laboratories Limited
 Registered office : 122/2, Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar - 382729
 Name of the member (s) : _____
 Registered address : _____
 E-mail Id : _____
 Folio No/ Client Id : _____
 DP ID : _____

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

- Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on the 25th day of September, 2017 at 10.00 a.m. at 122/2, Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar - 382729 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution No:	
Ordinary Business	
1.	Adoption of the Audited Statement of Profit and Loss for the financial year ended 31st March, 2017, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Amritbhai Prajapati (DIN 00699001), who retires by rotation and being eligible, offers himself for reappointment.
3.	Ratification of appointment of M/s. USS & Associates, Chartered Accountants, Ahmedabad (FRN 122634W) as Statutory Auditors of the Company.
Special Business	
4.	Re-appointment of Mr. Natwarbhai P. Prajapati (DIN 00031187), as a Managing Director of the Company designated as a CEO of the Company.
5.	Appoint Mr. Viplav S. Khamar (DIN 07859737), as an Independent Director of the Company.

Signed this _____ day of _____ 2017

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: 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.

To, _____

If undeliverd please return to :

Gujarat Terce Laboratories Limited

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

CIN : L28112GJ1985PLC007753

Email : ho@gujaratterce.com

Web : www.gujaratterce.com