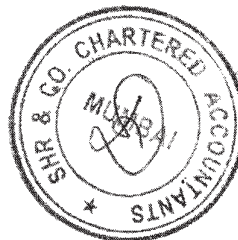


To
Board of Directors of Gufic Biosciences Limited

1. We have audited the quarterly financial results of **Gufic Biosciences Limited** for the quarter ended **March 31, 2014** and the year to date results for the year ended **March 31, 2014**, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement with the Stock Exchange and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to:
 - (i) We have been appointed as a Statutory Auditors of the Company at the AGM held on September 26, 2013 for the FY 2013 - 2014, hence the financial results of previous quarter ended March 31, 2013 and previous year ended March 31, 2013 as reported by management have been relied upon.
 - (ii) We are unable to express our opinion on recoverability of debts of ₹ 326.69 lakhs (2012 - 2013 ₹ 191.52 lakhs) which are outstanding for more than one year and advances of ₹ 40.14 lakhs shown under the head long term loans and advances as at Balance sheet date (2012-13: ₹ 40.92 lakhs), which are outstanding for more than 2 years. In the absence of appropriate evidences we are unable to ascertain its recoverability and its impact on the accounts of the company. However in the opinion of the management no provision is required in respect of such debts since they are good and recoverable in nature.
 - (iii) In the absence of information, we have relied upon the segment wise report prepared by the management based on the nature of product, risk and returns and organization structure. The figures have been regrouped and reclassified wherever necessary by the management.
 - (iv) Certain transactions entered into by the company with certain private companies in which directors are interested, are in violation of section 297 of the Companies Act 1956, which requires the prior approval of Central Government.



4. Subject to our comment in para 3 above, in our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2014 as well as the year to date results for the year ended March 31, 2014.
5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

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



Deep N/Shroff
Partner
Membership No. 122592

Mumbai, dated May 30, 2014

SHR & CO.
CHARTERED ACCOUNTANTS
212A/203, Rewa Chambers,
Sir Vithaldas Thakersey Marg,
Mumbai-400 020.