

79/SE/LG/2018/GBSL

31st May, 2018

To
The Manager (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001

To
The Manager
National Stock Exchange Of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Scrip Code : 509079

Symbol : GUFICBIO

Dear Sirs,

Sub.: Revised Audit Report issued by the Statutory Auditor

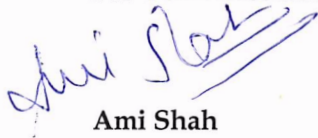
This is to inform you that there are certain errors in the Audit Report issued by M/s. SHR & Co., Chartered Accountants (FRN : 120491W), Statutory Auditor of the Company submitted with the Stock Exchanges on May 30, 2018 along with the Audited Financial Results of the Company for the quarter and year ended March 31, 2018.

You are requested to take the revised Audit Report, as enclosed herewith, on your records.

Thanking You,

Yours Faithfully,

For Gufic Biosciences Limited



Ami Shah
Company Secretary
Mem No. A39579



S H R & Co.
Chartered Accountants

212 A-203, Rewa Chambers
Sir Vithaldas Thackersey Marg
Mumbai - 400 020
Tel. : (91-22) 2203 5405
(91-22) 2200 1436
Fax : (91-22) 2200 1436
Website : www.shr.co.in

Date: May 30, 2018

To
The Board of Directors
Gufic Biosciences Limited
Mumbai

Ref : Certain changes in our Audit Report

Dear Sir

We have observed certain discrepancies / errors in our Audit report for the quarter ended **March 31, 2018** and the year to date ended **March 31, 2018**. As a result we attach herewith our revised report and our earlier report dated May 29, 2018 stands withdrawn.

For S H R & CO
Chartered Accountants


Deep N Shroff
Partner
M. No: 122592

Reference No. SHR/1057/GBSL/2018 – 19

Auditor's Report on Quarterly Financial Result and Year to Date Statements of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of **Gufic Biosciences Limited**

1. Introduction

We have audited the accompanying Statement of Standalone Financial Statements of **Gufic Biosciences Limited** ("the Company") for the quarter ended **March 31, 2018** and the year to date ended **March 31, 2018**, attached herewith, (the "Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attention is drawn to the fact that the figures for the quarter ended 31.3.2018 are the balancing figures between the audited standalone figures in respect of the year ended March 31, 2018 and the published year to date figures upto December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. Also the figures up to the end of third quarter has only been reviewed and not subjected to audit. The standalone Ind AS financial statements for the quarter ended March 31, 2018 and the year ended March 31, 2018 have been prepared on the basis of the standalone Ind AS financial statements for the nine month period ended December 31, 2017, the audited annual Ind AS financial statements as at and for the year ended March 31, 2018 and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the company management and have been approved by the Board of Directors of the company. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our review of the standalone Ind AS financial statements for the nine month period ended December 31, 2017 which was prepared in accordance with the recognition and measurement principles laid down in "Ind AS – 34 Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; our audit of the annual standalone financial statements as at and for the year ended March 31, 2018; and relevant requirements of the Regulation and the Circular.

2. Scope of Review

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial statements. 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) *During the year the company has switched over to new ERP system on account of GST implementation, which has been implemented in stages and only certain modules are operational, accuracy of which are yet to be tested by management. The audited financial amounts for the year ended March 31, 2018 has been compiled from primary as well subsidiary or other records maintained by the management pending testing of accuracy of newly introduced ERP system. As a result, Debtors ledger control accounts and as per subsidiary records are under reconciliation. We are unable to ascertain the impact on the financial statements of the company pending such reconciliation.*
- (ii) *We have not participated in physical verification inventories of raw material, packing material, finished goods, work in progress goods, stock in trade. We have relied on physical verification certificate issued by internal auditors of the company, a firm of chartered accountants as well as certificate of the valuation of finished goods, stock in transit and work in progress.*
- (iii) *Amount of Rs.124.04 lakhs has been shown as recoverable relating to the misappropriation done by the employee of the company in the earlier years. However, no provision has been made against the said amount as the management has initiated legal steps for the recovery of the said amount and is confident of recovery. In our opinion the recovery of the amount is doubtful and consequently the profit is over stated by Rs. 124.04 lakhs (2016 – 2017: Rs.124.04 lakhs) with consequential impact on Shareholders Fund and other non-current assets which are over stated by the said amount.*
- (iv) *Balance of Trade Receivable, loans & advances, Employee Advance, Trade Payable and Security and Trade Deposits from Agents and Stockists, balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Adjustments required upon such confirmations, if any, are not ascertainable and hence not provided for.*
- (v) *We have not been provided with reconciliation of purchase, sales, input credits shown in books of account with GST return filed. Hence, we are unable to comment on effect of the same on the financial statements of the company pending such reconciliation.*
- (vi) *In the absence of information, we have relied upon the segment wise report prepared by the management based on the nature of product, risk and returns, organization structure. The figures have been regrouped and reclassified wherever necessary by the management.*

4. Conclusion:

Subject to our comments given in para 3 (i) to (vi), where impact on the financial statements cannot be ascertained except para 3(iii) where effect is ascertainable, in our opinion and to the best of our information and according to the explanations given to us, these quarterly financial statements as well as the year to date statements:



- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, in this regard; and
- (ii) *give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the profit including other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2018.*

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


Deep N Shroff
Partner
Membership No. 122592

Mumbai, dated May 30, 2018

SHR & CO.
CHARTERED ACCOUNTANTS
212A, REWA CHAMBERS,
SIR VITHALDAS THACKERSEY MARG
MUMBAI - 400 020