

Ref: GLL/BSE/2021/Jun-06

Date: June30, 2020

To  
Corporate Relations Manager  
BSE Limited  
Phiroje Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

To  
Listing Manager  
The Ahmedabad Stock Exchange Limited  
A-2, Kamdhenu Complex,  
Opposite Sahajanand College,  
120 Feet Ring Rd, Panjara Pol, Ambawadi,  
Ahmedabad – 380 015

To  
The Secretary  
The Calcutta Stock Exchange Limited  
#7, Lyons Range, Murgighata,  
Dalhousie, Kolkata – 700 001

**Sub:** Outcome of the Board Meeting of Gennex Laboratories Limited - Scrip Code: 531739/GENNEX

**Ref:** Regulation 33 of the SEBI (LODR) Regulations, 2015.

Dear Sir/Ma'am,

In just concluded Meeting of Board of Directors, the Board Approved and considered the following items:

1. Audited Standalone & Consolidated Financial results for the quarter ended & Year Ended March 31, 2021,
2. Auditor's Report on audited Standalone & Consolidated Financial Statements for the Quarter and Year ended March 31, 2021, issued on dated June 30, 2020 along with Form - B are attached herewith - Annexure I;

We request you to take note of the above information on record and acknowledge the receipt of the same.

Thanking you,

Yours Truly,

**For Gennex Laboratories Limited**



**Rajesh Vankadara**  
Company Secretary & Compliance Officer  
Membership #A44949

**Encl: As above**

**Gennex Laboratories Limited**

**GENNEX LABORATORIES LIMITED**  
Registered Office : Sy.No.133, Bollaram, Jinnaram Mandal,  
Dist : Sangareddy, Telangana - 502 325. INDIA  
CIN : L24230TG1990PLC011168

**Statement of Standalone and Consolidated Audited Financial Results for the Quarter and Year Ended 31st March, 2021**

S No.	PARTICULARS	(Rs. In Lacs)						
		Quarter ended			Standalone - Year Ended		Consolidated - Year Ended	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
1	Income							
	Revenue from Operations	1621.14	1545.36	1145.32	5964.90	5561.73	5964.90	5561.73
	Other Income	2.22	16.05	18.06	52.44	95.14	52.44	95.14
	<b>Total Income</b>	<b>1623.36</b>	<b>1561.41</b>	<b>1163.38</b>	<b>6017.34</b>	<b>5656.87</b>	<b>6017.34</b>	<b>5656.87</b>
2	Expenses							
(a)	Cost of material consumed	870.36	987.32	738.64	3418.99	3513.11	3418.99	3513.11
(b)	Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Changes in stock-in-trade and Work in Progress and stock in trade	52.94	-76.86	18.63	152.99	-151.11	152.99	-151.11
(d)	Employees Cost	204.89	192.07	154.66	720.79	681.19	720.79	681.19
(e)	Finance Cost	21.46	14.09	15.38	74.35	75.36	74.35	75.36
(f)	Depreciation	22.05	22.07	19.03	88.07	100.50	88.07	100.50
(g)	Other Expenses	237.05	267.07	177.59	1018.79	1193.82	1018.79	1193.82
	<b>Total Expenses</b>	<b>1408.76</b>	<b>1405.76</b>	<b>1123.93</b>	<b>5473.99</b>	<b>5412.87</b>	<b>5473.99</b>	<b>5412.87</b>
3	Total Profit before exceptional Items & Tax.	214.60	155.65	39.45	543.35	244.00	543.35	244.00
4	Exceptional items	0.00	0.00	0.00	37.13	10.86	37.13	10.86
5	Total profit before tax	214.60	155.65	39.45	506.22	254.86	506.22	254.86
6	Tax expense for earlier years	0.00	0.00	-10.34	0.00	-10.35	0.00	-10.35
7	Current tax	-44.26	-33.04	-15.00	-127.00	-75.00	-127.00	-75.00
8	Deferred Tax	24.60	0.00	16.12	24.60	16.12	24.60	16.12
9	Total Tax Expenses	-19.66	-33.04	-9.22	-102.40	-69.23	-102.40	-69.23
10	Net Movement in regulatory deferral account balances related to profit or loss and the related deferred tax movement	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Net profit Loss for the period from continuing operations	194.94	122.61	30.23	403.82	185.63	403.82	185.63
12	Profit (loss) from discontinued operations before tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Tax expense of discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Net profit (loss) from discontinued operation after tax						0.00	0.00
15	Share of profit (loss) of associates and joint ventures accounted for using equity method	0.00	0.00	0.00	0.00	0.00	-	-
16	Total Profit (loss) for period	194.94	122.61	30.23	403.82	185.63	403.82	185.63
17	Other comprehensive income net of taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Total Comprehensive income for the period							
	Total profit or loss, attributable to	194.94	122.61	30.23	403.82	185.63	403.82	185.63
	Profit or loss, attributable to owners of parent							
19	Total Comprehensive income for the period attributable to							
	Comprehensive income for the period attributable to owners of parent							
	Total comprehensive income for the period attributable to owners of parent non controlling interests							
20	Details of equity share capital							
	Paid up equity share capital	1265.03	1265.03	1265.03	1265.03	1265.03	1265.03	1265.03
	Other Equity				2724.19	2320.38	2705.94	2302.13

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	Face value of equity share capital	0.00001	0.00001	0.00001	0.00001	0.00001	0.00001	0.00001
21	Details of debt securities							
	Paid up debt capital							
	Face value of debt securities							
22	Reserves excluding revaluation reserve							
23	Debenture redemption reserve							
24	Earnings per share	0.154	0.097	0.024	0.319	0.147	0.319	0.147
i	Earnings per equity share for continuing operations							
	Basic Earnings (Loss) per share from continuing operations	0.154	0.097	0.024	0.319	0.147	0.319	0.147
	Diluted earnings (loss) per share from continuing operations	0.154	0.097	0.024	0.319	0.147	0.319	0.147
ii	Earnings per equity share for discontinued operations	0	0	0	0	0	0	0
	Basic Earnings (Loss) per share from discontinued operations	0	0	0	0	0	0	0
	Diluted earnings (loss) per share from discontinued operations	0	0	0	0	0	0	0
iii	Earnings per equity shares	0.154	0.097	0.024	0.319	0.147	0.319	0.147
	Basic earnings (loss) per share from discontinued operations	0	0	0	0	0	0	0
	Diluted earnings (loss) per share from continuing and discontinued operatio	0.154	0.097	0.024	0.319	0.147	0.319	0.147

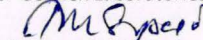
NOTES to the results:

- 1) The above audited financial results have been reviewed by the Audit Committee of the Board of Directors and taken on record at the meeting of Board of Directors held on June 30, 2021 and the Audited Report of the same has been carried out by the Auditors.
- 2) The statement has been prepared in accordance with Companies ( Indian Accounting Standard) Rules, 2015 (IndAS) prescribed under section 133 of Companies Act, 2013 and other prescribed accounting practices and policies to the extent possible.
- 3) The results pertaining to the relevant period of the previous year and year ended March,31,2020 stated in Ind AS format have not been subjected to limited review or audit. However,the management has exercised necessary due diligence to ensure the financial results provided a true and fair view of its affairs.
- 4) The management has assessed the Identification of reportable segments in accordance with the requirement of the Ind AS 108 Operating Segment and believes that the Company has only one reportable segment namely " Bulk Drugs,Biotech Products and Intermediates".
- 5) The figures for the quarter ended 31, March 2021 are the balancing figures between audited figures in respect of the year ended 31 march 2021 and the published year to date figures upto the 3rd quarter 31, December 2020 of the current financial year. Also the last figures upto the end of 3rd quarter were only review and not subject to audit.

Place: Hyderabad

**Date : 30th June, 2021**

For Gennex Laboratories Limited

  
**T.M. Gopalakrishnan**  
**Whole Time Director**

**GENNEX LABORATORIES LIMITED**

Registered Office : Sy.No.133, Bollaram, Jinnaram Mandal,

Dist : Sangareddy, Telangana - 502 325. INDIA

CIN : L24230TG1990PLC011168

**Statement of Assets and Liabilities as at March, 2021**

Sl.no	Particulars	Standalone		Consolidated	
		As at 31-Mar-21 Audited	As at 31-Mar-20 Audited	As at 31-Mar-21 Audited	As at 31-Mar-20 Audited
		in Lakhs	in Lakhs	in Lakhs	in Lakhs
1	<b>Non-Current Assets</b>				
	Property, Plant and Equipment	1,412.57	1,492.77	1,412.57	1,492.77
	Investment property	-	-	-	-
	Goodwill	-	-	-	-
	<b>Financial Assets</b>				
	Investments in Associate	700.00	700.00	681.75	681.75
	Other Investments	1.00	1.00	1.00	1.00
	Loans, non-current	-	-	-	-
	Other non-current financial assets	-	-	-	-
	Deferred Tax Assets (Net)	-	-	-	-
	Other Non-current Assets	27.97	22.04	27.97	22.04
	<b>Total non-current assets</b>	<b>2,141.54</b>	<b>2,215.81</b>	<b>2,123.29</b>	<b>2,197.56</b>
2	<b>CURRENT ASSETS</b>				
	Inventories	501.85	743.73	501.85	743.73
	<b>Financial Assets</b>				
	Trade receivables, current	894.65	627.96	894.65	627.96
	Cash and Cash Equivalents	18.61	19.37	18.61	19.37
	Bank balance other than cash and cash equivalents	88.30	71.89	88.30	71.89
	Other current financial assets	2,146.80	1,827.41	2,146.80	1,827.41
	<b>Total Current financial assets</b>	<b>3,148.36</b>	<b>2,546.63</b>	<b>3,148.36</b>	<b>2,546.63</b>
	Current tax assets (net)	-	-	-	-
	Other Current Assets	116.69	206.45	116.69	206.45
	<b>Total Current Assets</b>	<b>3,766.90</b>	<b>3,496.81</b>	<b>3,766.90</b>	<b>3,496.81</b>
	<b>Total Assets</b>	<b>5,908.44</b>	<b>5,712.62</b>	<b>5,890.19</b>	<b>5,694.37</b>
	<b>EQUITY AND LIABILITIES</b>				
1	<b>EQUITY</b>				
	Equity attributable to owners of parent				
	Equity Share capital	1,265.03	1,265.03	1,265.03	1,265.03
	Other Equity	2,724.19	2,320.38	2,705.94	2,302.13
	<b>Total Equity</b>	<b>3,989.22</b>	<b>3,585.41</b>	<b>3,970.97</b>	<b>3,567.16</b>
2	<b>LIABILITIES</b>				
	<b>Non-current Liabilities</b>				
	<b>Financial Liabilities:</b>				
	Borrowings	0.00	-	0.00	-
	Other financial liabilities	-	-	-	-
	<b>Total non current financial liabilities</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>-</b>
	<b>Other Non current Liabilities:</b>				
	Deferred tax liabilities (Net)	15.30	39.89	15.30	39.89
	Deferred Government Grants, Non-current	-	1.55	-	1.55
	<b>Total Non-Current liabilities</b>	<b>15.30</b>	<b>41.44</b>	<b>15.30</b>	<b>41.44</b>
	<b>Current Liabilities</b>				
	<b>Financial liabilities</b>				
	Borrowings	736.19	498.43	736.19	498.43
	Trade payables	594.47	813.20	594.47	813.20
	Other financial liabilities	330.55	532.52	330.55	532.52
	<b>Total Current financial liabilities</b>	<b>1,661.22</b>	<b>1,844.15</b>	<b>1,661.22</b>	<b>1,844.15</b>
	<b>Other current liabilities</b>				
	Provisions, current	55.62	28.14	55.62	28.14
	Current Tax Liabilities (Net)	187.08	213.48	187.08	213.48
	Deferred Government Grants, Current	-	-	-	-
	<b>Total current liabilities</b>	<b>242.71</b>	<b>241.62</b>	<b>242.71</b>	<b>241.62</b>
	<b>Total Liabilities</b>	<b>1,919.22</b>	<b>2,127.21</b>	<b>1,919.22</b>	<b>2,127.21</b>
	<b>Total Equity and liabilities</b>	<b>5,908.44</b>	<b>5,712.62</b>	<b>5,890.19</b>	<b>5,694.37</b>
	Disclosure of notes on assets and liabilities				

As Per our report attached  
For PPKG & CO  
Chartered Accountants  
Firm Registration No: 0096558

GIRIDHARI LAL TOSHNIWAL  
Partner  
M.No. 205140  
Place : Hyderabad  
Date : 30th June, 2021



*Handwritten signature*  
Laxmipat Baid  
Chief Financial Officer

For and on behalf of the Board

*Handwritten signature*  
T.M.Gopalakrishnan  
Whole Time Director

**GENNEX LABORATORIES LIMITED**

Registered Office : Sy.No.133, Bollaram, Jinnaram Mandal,

Dist : Sangareddy, Telangana - 502 325. INDIA

CIN : L24230TG1990PLC011168

**STANDALONE CASH FLOW STATEMENT AS ON 31ST MARCH,2021**

	31-03-2021 (Rs. In Lacs)	31-03-2020 (Rs. In Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	506.22	254.86
Adjustment for :		
Depreciation and amoratisation expense	88.07	100.50
Finance Cost	74.35	75.36
Interest Income	-5.38	-7.93
(Gain)/loss on sale of asset	0	0.00
<b>Operating Profit before working capital changes</b>	<b>663.26</b>	<b>422.79</b>
Adjustment for :		
Trade payables and other liability	-393.21	226.23
Trade receivables	-266.69	411.82
Inventories	241.88	-211.02
Financial and other Assets	-235.56	-1016.54
<b>Cash generated from operations</b>	<b>9.68</b>	<b>-166.72</b>
Adjustments for :		
Income Taxes paid	-153.42	-0.41
<b>Net Cash from operating activities</b>	<b>-143.74</b>	<b>-167.13</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property,plant and equipment	-7.88	-29.45
Sale of property,plant and equipment	0.00	0.00
Interest Income	5.38	7.93
Net Cash used in Investing activities	-2.50	-21.52
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	0.00	0.00
Changes in Long Term Borrowings	-1.55	-3.94
Changes in Short Term Borrowings (Net)	237.78	44.56
Interest Paid	-74.35	-75.36
Net Cash from Financing activities	161.88	-34.74
<b>Net Increase / (Decrease) in Cash and Cash equivalent ( A+B+C )</b>	<b>15.64</b>	<b>-223.39</b>
Cash and Cash Equivalent as at the beginning of the year	91.26	314.65
Cash and Cash Equivalent as at the end of the year	106.91	91.26

**Notes:**

1. The above Cash Flow Statement has been prepared under the " Indirect Method" set out in Indian Accounting Standard (Ind-AS)- 7 on Statement of Cash Flow.
2. Figures in bracket indicate cash outflow.
3. Previous year comparatives have been reclassified to confirm with current year's presentation,wherever applicable.

For and on behalf of the Board

Date : 30-06-2021

Place: Hyderabad

Sd/-

T.M.Gopalakrishnan  
Whole Time Director

**GENNEX LABORATORIES LIMITED**

Registered Office : Sy.No.133, Bollaram, Jinnaram Mandal,

Dist : Sangareddy, Telangana - 502 325. INDIA

CIN : L24230TG1990PLC011168

**CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH,2021**

	31-03-2021 (Rs. In Lacs)	31-03-2020 (Rs. In Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax</b>	506.22	254.86
<b>Adjustment for :</b>		
Depreciation and amoratisation expense	88.07	100.50
Finance Cost	74.35	75.36
Interest Income	-5.38	-7.93
(Gain)/loss on sale of asset	0	0.00
<b>Operating Profit before working capital changes</b>	<b>663.26</b>	<b>422.79</b>
<b>Adjustment for :</b>		
Trade payables and other liability	-393.21	226.23
Trade receivables	-266.69	411.82
Inventories	241.88	-211.02
Financial and other Assets	-235.56	-1016.54
<b>Cash generated from operations</b>	<b>9.68</b>	<b>-166.72</b>
<b>Adjustments for :</b>		
Income Taxes paid	-153.42	-0.41
<b>Net Cash from operating activities</b>	<b>-143.74</b>	<b>-167.13</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property,plant and equipment	-7.88	-29.45
Sale of property,plant and equipment	0.00	0.00
Interest Income	5.38	7.93
Net Cash used in Investing activities	-2.50	-21.52
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	0.00	0.00
Changes in Long Term Borrowings	-1.55	-3.94
Changes in Short Term Borrowings (Net)	237.78	44.56
Interest Paid	-74.35	-75.36
Net Cash from Financing activities	161.88	-34.74
<b>Net Increase / (Decrease) in Cash and Cash equivalent ( A+B+C )</b>	<b>15.64</b>	<b>-223.39</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>91.26</b>	<b>314.65</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>106.91</b>	<b>91.26</b>

**Notes:**

1. The above Cash Flow Statement has been prepared under the " Indirect Method" set out in Indian Accounting Standard (Ind-AS)- 7 on Statement of Cash Flow.
2. Figures in bracket indicate cash outflow.
3. Previous year comparatives have been reclassified to confirm with current year's presentation,wherever applicable.

For and on behalf of the Board

Date : 30-06-2021

Place: Hyderabad

Sd/-

T.M.Gopalakrishnan  
Whole Time Director

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF  
GENNEX LABORATORIES LIMITED**

**Report on the Audit of the Consolidated Annual Financial Results**

**1. Opinion**

We have audited the accompanying the Consolidated Financial Results of **Gennex Laboratories Limited** ("the company") for the Quarter & Year ended March 31, 2021 and its Associate (together referred as "the Group") for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulation)

In our opinion and to best of our information and according to the explanations given to us and based on the consideration of the reports of the other Auditors on separate Financial Statements/Financial Information of the Associates, the aforesaid Consolidated Annual Financial Results:

- a. include the annual financial results of the Deccan Remedies Ltd (Associate Company)
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. **Subject to confirmations/reconciliations of, The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities, The Impact of the same is unascertained;** gives true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards(IND-AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2021.

**2. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered



Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Annual Financial Results.

### **3. Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the Consolidated Annual Financial Statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its joint ventures/ Associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Annual Financial Results by the Management and the Directors of the Company, as aforesaid.

In preparing the Consolidated Annual Financial Results, the Management and the respective Board of Directors of the companies included in the Group and of its Associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.





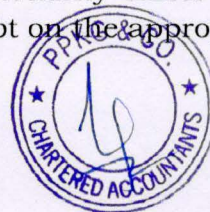
The respective Board of Directors of the companies included in the Group and of its Associates is responsible for overseeing the financial reporting process of each company.

#### **4. Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated Annual Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Annual Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness



of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its Associate to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Annual Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

## 5. Other Matters

- a) The consolidated annual financial results include the audited financial results of 1 Associate, whose Financial Statements Financial Information reflect total assets (before consolidation adjustments) of **Rs.28.29 crores** as at March 31, 2021, total revenue (before consolidation adjustments) is **Nil**



total net profit after tax (before consolidation adjustments) is **Nil** and net cash outflow (before consolidation adjustments) of **Rs.0.26 Lakhs** for the year ended on that date, as considered in the Consolidated Annual Financial Results, which have been audited by their respective independent auditors. The Independent Auditors Report on the Financial Statements of these Entities have been furnished to us by the management and our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosure included in respect of these entities, is based solely on the report of such Auditors and the procedures performed by us are as stated in the paragraph above.

Our opinion on the Consolidated Annual Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b) The consolidated annual financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For PPKG & Co.,**  
Chartered Accountants  
FRN #009655S

  
  
**Giridhari Lal Toshniwal**  
Partner  
Membership #205140  
UDIN # 21205140AAAAIX8712

Place: Hyderabad  
Date: 30.6.2021

## INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF  
GENNEX LABORATORIES LIMITED

## Report on the Audit of Standalone Annual Financial Results

1. We have audited the accompanying Statement of Standalone Financial Results of **Gennex Laboratories Limited** ("the company") for the Quarter & Year ended March 31, 2021 ("the Statement"), attached hereto being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us these Standalone Financial Results:
  - (i) are presented in the accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and
  - (ii) **Subject to confirmations / reconciliations of, The Balances of Current Assets, Other Non-Current Assets, Non-Current Liabilities, Current Liabilities & other Current Liabilities, The Impact of the same is unascertained;** gives true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards(IND-AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31<sup>st</sup> March, 2021.

## 3. BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.



#### **4. Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and Board of Directors are responsible for the preparation of these Standalone Annual Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **5. Auditors Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

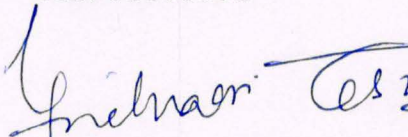



reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 6. Other Matters

The standalone annual financial results include the results for quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For PPKG & Co.,**  
Chartered Accountants  
FRN #009655S

**Giridhari Lal Toshniwal**

Partner

Membership #205140

UDIN # 21205140AAAAIW7065

Place: Hyderabad

Date: 30.06.2021

[Pursuant to Regulation 33(3)(d) of Securities and Exchange Board of India  
(Listing Obligation and Disclosure Requirements) Regulations

1.	Name of the Company	Gennex Laboratories Limited
2.	Annual financial statement for the year ended	March 31, 2021
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	The below mentioned qualification that appears in the Balance Sheet is repetitive
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the director's report.	<p><b>Observation:</b></p> <p>The Balances of Current Assets, other Non-Current Assets, Non-Current Liabilities, Current Liabilities &amp; other Current Liabilities are subject to confirmations / reconciliations. The Impact of the same is unascertained.</p> <p><b>Management Response:</b></p> <p>As pointed out by the Statutory Auditors, the company has not obtained confirmation of balances of Advances, Deposits, Unsecured Loans, other liabilities, Trade Receivables, Trade Payables and advance against Suppliers. The Company has made best of its efforts to obtain the same before signing the accounts for current financial year as well as for last financial year. Further, the management of the company confirms that balances shown in the books are true and correct as per their knowledge.</p>
6.	Additional comments for the board/audit committee chair	The Audit Committee took note of same and Formulated appropriate policies to avoid the same qualification in next financial year onwards
7.	<p>To be signed by-</p> <p>For Gennex Laboratories Limited</p> <p><i>T M Gopala Krishnan</i></p> <p><b>T M Gopala Krishnan</b> Whole-time Director DIN #03137458</p> <p>For Gennex Laboratories Limited</p> <p><i>Laxmipat Baid</i></p> <p><b>Laxmipat Baid</b> Chief Finance Officer</p>	<p><b>Auditor of the Company:</b></p> <p>For PPKG &amp; Co., Chartered Accountants (Firm #009655S)</p> <p><i>Giridhari Lal Toshniwal</i></p> <p><b>Giridhari Lal Toshniwal</b> Partner Membership #205140</p>

**Gennex Laboratories Limited**