

21st July, 2014

Shri Hari K.
Asst. Vice President
The National Stock Exchange of India,
Company Section Exchange Plaza, 5th Block
Plot No. C/1 Block-G
Bandra Kurla Complex
Bandra (East)
Mumbai- 400 051

Sub: Unaudited Financial Result for the quarter ended 30th June, 2014

Sir

Please find enclosed herewith copy of Un-audited Financial Results for the quarter ended 30th June, 2014 of the company approved by the Board of Directors in its meeting held on 21st July, 2014 along with Limited Review Report of Statutory Auditors.

Kindly take note of the same and acknowledge.

Thanking you

Yours faithfully
For Gujarat Lease Financing Limited

Anil H. Jhaveri

Authorized Signatory

Encl: a/a

GUJARAT LEASE FINANCING LTD.
 Hasubhai Chambers, Opp : Town Hall,
 Ellisbridge, Ahmedabad - 380 006.
CIN65990GJ1983PLC006345

Un Audited Standalone Financial Result for the Quarter Ended 30th June-2014

PART-I		Rs in lacs			
	PARTICULARS	3 months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Year Ended
		30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
1	Income from Operations	0.00	0.00	0.00	0.00
	Total Income from Operations	0.00	0.00	0.00	0.00
2	Expenses				
(A)	Employee Benefit Expenses	0.74	0.27	0.24	1.11
(B)	Legal & Professional Fees	0.50	0.33	0.29	1.16
(C)	Listing and custodian fees	4.18	0.00	3.18	3.18
(D)	Depreciation	1.13	0.36	0.40	1.57
(E)	Other Expenditure	1.32	1.02	1.22	8.06
	Total Expenses	7.87	1.98	5.33	15.08
3	Loss (-) from operations before other income	(7.87)	(1.98)	(5.33)	(15.08)
4	Other Income	0.35	0.46	0.33	1.67
5	Loss (-) from Ordinary Activities Before Tax	(7.52)	(1.52)	(5.00)	(13.41)
6	Tax Expenses				
	Current Tax	0.00	0.00	0.00	0.00
	Short Provision of Taxation in Earlier Years	0.00	0.00	0.00	0.00
7	Loss (-) from Ordinary Activities after Tax	(7.52)	(1.52)	(5.00)	(13.41)
8	Paid up Equity Share Capital (Face Value Rs 10/-)	2712.58	2712.58	2712.58	2712.58
9	Reserves Excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	(5653.54)
10	Earning per share (Of Rs 10/- Each) (Not annualised)				
	Basic	(0.03)	0.00	(0.02)	(0.05)
	Diluted	(0.03)	0.00	(0.02)	(0.05)
PART -II		Select Information for the Quarter ended June 30 2014			
A	Particulars of Shares Holding				
1	Public Shareholding				
	Number of shares	14,738,545	14,738,545	15,954,321	14,738,545
	Percentage of Shareholding	54.34	54.34	58.82	54.34
2	Promoters and Promoter Group Shareholding				
(a)	Pledged / Encumbered				
	-Numbers of shares	-	-	-	-
	- Percentage of Shares (as a % of the total sharehold of promoter & promoter group)	-	-	-	-
	- Percentage of share (as a % of the total share capital of the company)	-	-	-	-
(b)	Non-Encumbered				
	-Numbers of shares	12,387,222	12,387,222	11,171,446	12,387,222
	- Percentage of Shares (as a % of the total sharehold of promoter & promoter group)	100	100	100	100
	- Percentage of share (as a % of the total share capital of the company)	45.66	45.66	41.18	45.66

B	Particulars	
Sr. No.	INVESTORS COMPLAINTS	Quarter ended 30.06.2014
1	Pending at the begning of the quarter	0
2	Received during the quarter	0
3	Dispossed of during the quarter	0
4	Remaining unresolved at the end of the quarter	0



Notes:

- 1 The above results were reviewed by the audit committee and thereafter taken on record by the Board of Directors at their meeting held on July 21, 2014 and have been subject to limited review by the auditors of the Company.
- 2 The Company had made payments to banks in the year 2004-05 as per High Court order. The deed of Assignment of the charged assets/investments in favour of banks is yet to be entered into.
- 3 The Auditors' report on the accounts for the quarter ended June 30, 2014 contains qualification regarding non-recognition of income of interest on tax refunds amounting to Rs. 1,033.66 lacs (Previous period ended June 30, 2013: Rs.1033.66 lacs and Year ended March 31, 2014: Rs.1,033.66 lacs) and short provision of tax and interest thereon of Rs.284.96 lacs (Previous period ended June 30, 2013 Rs.284.96 lacs and Year ended March 31, 2014: Rs.284.96 lacs). Had the aforesaid amount of interest on tax refund been accounted for in the books of account, the accumulated losses as at June 30, 2014 would have been Rs.16,788 lacs (Previous period ended June 30, 2013: Rs. 16,771.92 lacs and year ended March 31, 2014: Rs.16,780.33 lacs) as against the reported figure of Rs.17,536.70 lacs (Previous period ended June 30, 2013: Rs. 17,520.62 lacs and year ended March 31, 2014: Rs. 17,529.03 lacs). The auditors have qualified their audit report for the quarter ended June 30, 2013 and year ended March 31, 2014 for the above matter.

The Management response is set out in note 4 below.

- 4 The company received refund of tax pertaining to earlier assessment year amounting to Rs.3067.45 lacs which includes interest on refund amounting to Rs.1033.66 lacs. In view of opinion received from the Tax Consultants and pendency of appeals, the company has, as a matter of prudence neither adjusted the book provisions nor recognised the interest on tax refund amounting to Rs.1033.66 lacs as income and short provision of tax and interest thereon of Rs.284.96 lacs. Necessary entries for the same shall be made on settlement of pending matters/disputes with the tax/appellate authorities.
- 5 These financial statements have been prepared on going concern basis. The appropriateness of this assumption of going concern is dependent upon the continued support from one of the promoter group company and the resolution of the tax dispute referred to in the note 3 above. The Statutory Auditors have drawn attention to this matter in their Auditors Report.

The Management response is set out in note 6 below.

- 6 Hon'ble High Court of Gujarat has sanctioned a scheme of compromise and arrangement ("the Scheme") between the Company and consortium of 16 banks under section 391 of the Companies Act, 1956. The Company prepares its financial results on a going concern basis. The ability of the Company to continue as a going concern depends upon the full implementation of the Scheme.
- 7 The Company has unabsorbed depreciation and carried forward losses under the Income Tax Act, 1961. In absence of virtual certainty of sufficient future taxable income, net deferred tax assets have not been recognized in the result under review.
- 8 The Company has revised its policy of providing depreciation on fixed assets effective 1st April, 2014. Remaining useful life has been revised as per Schedule II of Companies Act 2013 and now depreciation is not provided as per rates specified in Schedule XIV of Companies Act 1956 but on remaining useful life of assets as per New Companies Act 2013. The carrying amount as on 1st April, 2014 is depreciated over the remaining useful life.

As a result of changes, the depreciation charge for the quarter ended 30th June, 2014 is higher by Rs. 0.76 lacs and the effect relating to the period prior to 1st April, 2014 is Debit of Rs. 0.15 lacs.



- 9 Figures for the quarter ended March 31, 2014 are, in accordance with Listing Agreement(s), the balancing figures between audited figures for the full financial year ended March 31, 2014 and the published year to date figures upto the third quarter of the said financial year; figures would need to be interpreted/analysed accordingly.
- 10 The company operates in a single segment- Lease and Hire Purchase Income. In the context of the Accounting Standard 17, on segment reporting issued by the Institute of Chartered Accountants of India, the same is considered to constitute one single primary segment.
- 11 Figures pertaining to previous quarters/period/year have been regrouped / reclassified and stated whenever found necessary.

For Gujarat Lease Financing Ltd

Place: Ahmedabad
Date 21-7-2014



Pradip J Mehta

PRADIP J MEHTA
DIRECTOR IN CHARGE
DIN No. 00254359

C. C. Chokshi & Co.

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF GUJARAT LEASE FINANCING LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of GUJARAT LEASE FINANCING LIMITED ("the Company") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *Attention is invited to Notes 3 and 4 of the Statement regarding non-recognition of income of interest on tax refunds amounting to Rs. 1,033.66 lacs and short provision of tax and interest thereon of Rs. 284.96 lacs. Had the same been accounted for, net loss for the quarter would have been lower by Rs. 748.70 lacs and accumulated losses would have been lower by the said amount. Our audit report for the year ended March 31, 2014 and the limited review report for the quarter ended June 30, 2013 were also qualified in respect of the above matter.*
4. Based on our review conducted as stated above, *except for the effects of the matter described in paragraph 3 above*, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable in respect of Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Notes 5 and 6 to the Statement regarding preparation of the Statement on going concern basis for the reasons stated therein. The appropriateness of this assumption of going concern is dependent upon the continuity of support from one of the promoter group company and the resolution of the tax dispute referred to in the said note.

Our report is not qualified in respect of this matter.

See

C. C. Chokshi & Co.

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6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management.

For C. C. CHOKSHI & CO.
Chartered Accountants
(Firm's Registration No. 101876W)

Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)

Ahmedabad,

July 21, 2014