

**Gujarat Lease Financing Ltd.**

(CIN - L65990GJ1983 PLC006345)

**G/L/F/L**

6th Floor, Hasubhai Chambers,  
Opp. Town Hall,  
Ellisbridge,  
Ahmedabad 380 006.  
Ph. : 079-2657 5722 / 2657 5180  
Fax : 079-2657 5180  
E-mail : glfho\_ahm@yahoo.co.in

{Through Listing Portal}

Date: 12<sup>th</sup> July, 2019

To, <b>BSE Limited</b> Corporate Relationship Department, 14 <sup>th</sup> Floor, P. J. Towers, Dalal Street, Fort, Mumbai-400001	To, <b>National Stock Exchange of India Limited</b> Listing Department "Exchange Plaza", C - 1, Block G Bandra- Kurla Complex, Bandra (East), Mumbai-400051
<b>SCRIP CODE: 500174</b>	<b>SCRIP SYMBOL: GLFL</b>

Dear Sir/Madam,

**Subject : Notice of 36<sup>th</sup> Annual General Meeting ("AGM") along with the Annual Report-2018-19**

We would like to inform you that the 36<sup>th</sup> AGM of the members of the Company is scheduled to be held on Wednesday, 7<sup>th</sup> August, 2019 at 10.00 A.M. at ATMA Hall, Ahmedabad Textiles Mills Association, Opp. La-Gajjar Chambers, Ashram Road, Ahmedabad -380009.

We enclose herewith the **Notice of 36<sup>th</sup> Annual General Meeting** of the Company along with the Annual Report of the Company for the FY-2018-19 for your kind records. The same is available on the website of the Company.

Further the Company is pleased to provide e-voting facility to its members to cast their votes by electronic means on the resolutions set forth in the Notice of AGM. The instructions for e-voting are available in the said Notice. The information pertaining to the e-voting is mentioned herein below.



Event	Date and Time
Cut-off date to vote on AGM resolutions	Saturday, 20 <sup>th</sup> July, 2019
Commencement of e-voting	Saturday, 3 <sup>rd</sup> August, 2019 at 9.00 A. M.
End of e-voting	Tuesday, 6 <sup>th</sup> August, 2019 at 5.00 P. M.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,

**For, Gujarat Lease Financing Limited**

  
Kamlesh Patel  
Company Secretary



**Encl: Notice of AGM along with Annual Report.**

ANNUAL REPORT  
2018-2019

**G/L/F/L**

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**GUJARAT LEASE FINANCING LIMITED**

(CIN NO. : L65990GJ1983PLC006345)



## CORPORATE INFORMATION

<b>DIRECTORS</b>	Mr. Surendra M. Shah    Chairman Mr. Vasant Shah Mr. Harnish Patel        Director-in-Charge Mr. Yogesh K. Vyas Ms. Kavita Mandan
<b>Audit Committee</b>	Mr. Surendra M. Shah (C) Mr. Vasant A. Shah Mr. Yogesh K. Vyas
<b>Stakeholders Relationship Committee</b>	Mr. Surendra M. Shah (C) Mr. Vasant A. Shah Mr. Yogesh K. Vyas
<b>Nomination and Remuneration Committee</b>	Mr. Vasant A. Shah (C) Mr. Surendra M. Shah Mr. Yogesh K. Vyas
<b>Chief Executive Officer</b>	Mr. Anil K. Jhaveri
<b>Chief Financial Officer</b>	Mr. Janak J. Mehta
<b>Company Secretary</b>	Mr. Kamlesh Patel
<b>Statutory Auditors</b>	M/s. G. K. Choksi & Co. Chartered Accountants Ahmedabad
<b>Bankers</b>	Bank of India HDFC Bank Limited
<b>Registered Office</b>	6th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad - 380006. Telephone No. : (079) 2657 5722, 2657 5180 Email: gflfho_ahm@yahoo.co.in
<b>CIN</b>	L65990GJ1983PLC006345
<b>Website</b>	<a href="http://www.gujaratleasefinancing.co.in">www.gujaratleasefinancing.co.in</a>
<b>Register and Share Transfer Agent</b>	MCS Share Transfer Agent Limited 101, 2nd Floor, Shatdal Complex, Opp. Bata Show Room, Off. Ashram Road, Ahmedabad - 380 009 Telephone No. : (079) 2658 0461/62/63 Email : mcsstaahmd@gmail.com

**36th Annual General Meeting**

Date : 7th August, 2019  
Day : Wednesday  
Time : 10.00 A.M.  
Venue : ATMA Hall, Ahmedabad Textile Mills Association,  
Opp. La-Gajjar Chamber, Ashram Road,  
Navrangpura, Ahmedabad-380 009.

**G/L/F/L**

## NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of **Gujarat Lease Financing Limited** will be held on **Wednesday, 7th August, 2019 at 10:00 A.M. at ATMA Hall, Ahmedabad Textiles Mills Association, Opp. La-Gajjar Chambers, Ashram Road, Ahmedabad-380009** to transact the following business:

### ORDINARY BUSINESS

**1. Adoption of the Financial Statements**

To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019, and the reports of the Board of Directors and the Statutory Auditors thereon.

**2. Director retiring by rotation**

To appoint a Director in place of **Ms. Kavita N. Mandan (holding DIN: 07419972)** who retires by rotation and being eligible offers herself for re-appointment.

**3. Appointment of Statutory Auditors**

**“RESOLVED THAT** pursuant to the amendment to Section 139 of the Companies Act, 2013 effective from 7th May, 2018, the consent of the members of the Company be and is hereby accorded to delete the requirement, seeking ratification of appointment of Statutory Auditors M/s. G.K. Choksi & Co. Chartered Accountants, Ahmedabad (FRN:101895W) at every Annual General Meeting.

### SPECIAL BUSINESS

**4. To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION :**

**Approval for continuance of Directorship of Shri Surendra M. Shah as Non-Executive & Independent Director of the Company despite having attained the age of 75 years or more**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time and subject to such approvals, consents, permissions, terms and conditions, if any, as may be considered necessary from the appropriate authorities, consent of the Members be and is hereby accorded for continuance of the Directorship of Shri Surendra M. Shah, the Non-Executive & Independent Director of the Company, who has attained the age of 75 years and is aged around 83 years at present as long as he continues in the office of Director of the Company on the existing terms and conditions, subject to the provisions, rules and regulations of the Companies Act, 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or of any other appropriate authorities as may be applicable, and as amended of from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to undertake all other activities as may be incidental or expedient in this regard.”

**5. To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION :**

**Approval for continuance of Directorship of Shri Vasant A. Shah as Non-Executive & Independent Director of the Company despite having attained the age of 75 years or more**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time and subject to such approvals, consents, permissions, terms and conditions, if any, as may be considered necessary from the appropriate authorities, consent of the Members be and is hereby accorded for continuance of the Directorship of Shri Vasant A. Shah,(DIN : 00011596), the Non-Executive & Independent Director of the Company, who has attained the age of 75 years and is aged around 76 years at present as long as he continues in the office of Director of the Company on the existing terms and conditions, subject to the provisions, rules and regulations of the Companies Act, 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or of any other appropriate authorities as may be applicable, and as amended of from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to undertake all other activities as may be incidental or expedient in this regard.”

**Place :** Ahmedabad  
**Date :** 28<sup>th</sup> May, 2019

**Registered Office:**  
6<sup>th</sup> Floor, Hasubhai Chambers,  
Opp. Town Hall, Ellis bridge,  
Ahmedabad-380006  
Tel. No. +91-79-26575722  
CIN: L65990GJ1983PLC006345  
Website: [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in)

**By Order of the Board,  
For Gujarat Lease Financing Limited**

**Kamlesh Patel  
Comapny Secretary**

## NOTES

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 36<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a member holding more than 10% (ten percent.) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.
- 2 A proxy form is sent herewith. In case a member wants to appoint a proxy, duly completed and stamped proxy form, must reach the Registered Office of the Company not later than 48 hours before the time for holding the aforesaid meeting.
- 3 Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.
- 4 Members/ proxies / authorised representatives are requested to bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- 5 In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 6 In terms of Section 152 of the Companies Act, 2013, **Ms. Kavita N. Mandan (holding DIN: 07419972) retires by rotation** at this AGM and being eligible, is proposed for re-appointment. Ms. Kavita N. Mandan has expressed her intention to act as a Director, if re-appointed. The Board of Directors of the Company recommend her re-appointment. Details of Directors proposed to be re-appointed as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") entered with the Stock Exchanges and Secretarial Standards on General Meeting issued by The Institute of Company Secretaries of India, are provided in the Report on Corporate Governance forming part of the Annual Report.
- 7 The Register of Members and Share Transfer Books of the Company will remain closed from **Monday 22nd July, 2019 to Saturday 27th July, 2019** (both days inclusive) for determining the names of members eligible for the purpose of the AGM.
- 8 The Companies Act, 2013 provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant.
- 9 Trading in equity shares of the Company is compulsorily in dematerialised mode by all the investors. In view of the above, Members are therefore advised to convert their shareholding in dematerialised form.
- 10 Members seeking any information or clarification on the accounts are requested to send written queries to the Company, atleast 10 days before the date of the meeting to enable the management to keep the required information available at venue of the meeting.
- 11 Annual Report of the Company has been uploaded on website of the Company: [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in).
- 12 All documents referred to in the accompanying notice and the statement shall be open for inspection at the registered office of the Company during normal business hours (10.00 AM to 6.00 PM) on all working days, except Saturday upto and including the date of the Annual General Meeting of the Company and also will be available for inspection by the members at the venue of AGM.
- 13 Electronic copy of the Notice of the 36<sup>th</sup> Annual General Meeting of the Company alongwith Annual Report, inter alia, indicating the process and manner of e-voting, Attendance Slip and Proxy Form along with the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members, who have not registered their email address, physical copies of the Notice of the 36<sup>th</sup> Annual General Meeting of the Company, alongwith Annual Report, inter alia, indicating the process and manner of e-voting, Attendance Slip and Proxy Form is being sent by the permitted mode.
- 14 With a view to conserve natural resources, we request shareholders to update and register their email addresses with their Depository Participants or with the Company, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically.

- 15 Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS Share Transfer Agent Limited for consolidation into a single folio.
- 16 Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **Saturday, 20th July, 2019.**
- 17 In terms of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide the e-voting facility through Central Depository Services Limited (CDSL) to its Members holding shares in physical or dematerialized form, as on the cut-off date i.e. **Saturday, 20th July, 2019,** to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice (the “**Remote e-voting**”). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his/her discretion, subject to compliance with the instruction for e-voting.

In case of Members who are entitled to vote amongst members present in person at the meeting but have not exercised their right to vote by electronic means, the Chairman of the Company shall allow voting by way of poll in terms of Rule 20 (4) (xi) of the said Rules for the businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting.

The information and other instructions regarding Remote e-voting are detailed in Note No. 23

- 18 Shri Rajesh Parekh, Practicing Company Secretary (Membership No. A8073) has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
- 19 The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the AGM make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorised by him in writing, who shall countersign the same.
- 20 The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be placed on the Company's website [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in) and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited.
- 21 The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to the same being passed with requisite majority.
- 22 The statements pursuant to Section 102 of the Companies Act, 2013 and / or Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed hereto and forms part of this Notice.

**23. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Saturday, 3<sup>rd</sup> August, 2019 at 09.00 A.M. and ends on Tuesday, 06<sup>th</sup> August, 2019 at 05.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Saturday, 20<sup>th</sup> July, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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 share sin 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 demat form and had logged on to [www.evotingindia.com](http://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:

<b>For Members holding share sin Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
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"> <li>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).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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. 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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, 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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING SPECIAL BUSINESSES.**

**Item No. 4**

Shri Surendra M. Shah (holding DIN: 00016578) Non-Executive Independent Director was re-appointed by the shareholders at the 34th Annual General Meeting held on July 27, 2017 for second term to hold office from 01<sup>st</sup> April, 2017 till the conclusion of Annual General Meeting to be held in the year 2022.

Shri Surendra M. Shah, 83 years old. In view of the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1<sup>st</sup> April, 2019, a listed entity is required to obtain the approval of Members by way of Special Resolution to appoint or continue the directorship of any non-executive director who has attained the age of 75 years .

In order to continue the directorship of Shri Surendra M. Shah, Non-Executive Independent Director with effect from April 1, 2019, the Board of Directors at their meeting held on May 28, 2019 recommended to obtain approval of Shareholders by way of special resolution at the ensuing 36<sup>th</sup> Annual General Meeting.

All the existing terms and conditions of re-appointment of Shri Surendra M. Shah as Non-Executive Independent Director, shall remain unchanged.

Shri Surendra M. Shah is a graduate in Science with nearly 59 years' experience. He has studied with London School of Economics. He has vast experience in banking, finance, accounts and general management. He has held senior positions in various reputed Companies including our Company. In view of the above and looking to the rich experience in the various fields as mentioned above and having long association with the Company on the board of Directors of the Company, in the opinion of the Board, Shri Surendra M. Shah fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder as well as the requirement of the SEBI(LODR) Regulations, 2015 and any amendments thereof. The Board considers that his continued association as Non-Executive & Independent Director on the board of the Company would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Surendra M. Shah as a Non Executive Independent Director. Accordingly, the board recommend the special resolution at item no. 4 for his continuance as Non-executive Independent Director for the approval of the members at the ensuing 36<sup>th</sup> Annual General Meeting of the Company.

The terms and conditions of continuous of Shri Surendra M. Shah as Non-executive Independent Director on the board of the Company shall be open for inspection by members at the Registered Office of the Company during business hours on any working day. Shri Surendra M. Shah does not hold any shares of the Company.

Shri Surendra M. Shah is deemed to be interested in the proposed resolution. None of the other Directors or Key Managerial Personnel (KMPs) of the Company or their relatives is in any way concerned or interested in the said resolution.

This explanatory statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard – 2 ("SS – 2") issued by the Institute of Company Secretaries of India.

The Board recommends the resolution at item No. 4, for your approval as Special Resolution.

**Item No.5**

Shri Vasant A. Shah (holding DIN: 00011596) Non-Executive Independent Director was re-appointed by the shareholders at the 34th Annual General Meeting held on July 27, 2017 for second term to hold office from 01<sup>st</sup> April, 2017 till the conclusion of Annual General Meeting to be held in the year 2022.

Shri Vasant A. Shah, 76 years old. In view of the provisions of Regulation 17(1A) of SEBI(Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1<sup>st</sup> April, 2019, a listed entity is required to obtain the approval of Members by way of Special Resolution to appoint or continue the directorship of any non-executive director who has attained the age of 75 years. In order to continue the directorship of Shri Vasant A. Shah, Non-Executive Independent Director with effect from April 1, 2019, the Board of Directors at their meeting held on May 28, 2019 recommended to obtain approval of Shareholders by way of special resolution at the ensuing 36<sup>th</sup> Annual General Meeting.

All the existing terms and conditions of re-appointment of Shri Vasant A. Shah as Non-Executive Independent Director, shall remain unchanged.

Shri Vasant A. Shah is a graduate in commerce and Fellow member of the Institute of Chartered Accountant of India with nearly 47 Years of Experience. He possesses in depth knowledge in finance, accounts, corporate management and Business Restructuring. He has held senior positions in various reputed Companies including our Company. In view of the above and looking to the rich experience in the various fields as mentioned above and having long association with the Company on the board of Directors of the Company, in the opinion of the Board, Shri Vasant A. Shah fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder as well as the requirement of the SEBI (LODR) Regulations, 2015 and any amendments thereof. The Board considers that his continued association as Non-Executive & Independent Director on the board of the Company would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Vasant A. Shah as a Non Executive Independent Director, Accordingly, the board recommend the special resolution at item no. 5 for his continuance as Non -executive Independent Director for the approval of the members at the ensuing 36<sup>th</sup> Annual General Meeting of the Company.

The terms and conditions of continuous of Shri Vasant A. Shah as Non-executive Independent Director on the board of the Company shall be open for inspection by members at the Registered Office of the Company during business hours on any working day. Shri Vasant A. Shah does not hold any shares of the Company.

Shri Vasant A. Shah is deemed to be interested in the proposed resolution. None of the other Directors or Key Managerial Personnel (KMPs) of the Company or their relatives is in any way concerned or interested in the resolution.

This explanatory statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard – 2 (“SS – 2”) issued by the Institute of Company Secretaries of India.

The Board recommends the resolution at item No. 5, for your approval as Special Resolution.

**Place :** Ahmedabad  
**Date :** 28<sup>th</sup> May, 2019

**By Order of the Board,  
For Gujarat Lease Financing Limited**

**Registered Office:**  
6<sup>th</sup> Floor, Hasubhai Chambers,  
Opp. Town Hall, Ellis bridge,  
Ahmedabad-380006  
Tel. No. +91-79-26575722  
CIN: L65990GJ1983PLC006345  
Website: [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in)

**Kamlesh Patel  
Company Secretary**

## BOARD'S REPORT

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### 1. STATE OF THE AFFAIRS

During the year under review, the scheme of merger of its subsidiary Companies viz ; (1) GLFL Hosing Finance Limited (2) GLFL Securities Limited and (3) GLFL International Limited have been approved by the National Company Law Tribunal (NCLT) on 04.02.2019. The Company completed its required formalities with the Registrar of Companies alongwith Form No. INC-28 which was filed on 28<sup>th</sup> February, 2019. Accordingly, the accounts of subsidiary Companies have been audited by the auditors upto 28<sup>th</sup> February, 2019. Therefore, the Company has given consolidated results for the year 2018-19 including that of the subsidiary Companies.

The highlights of the financial results are given below:

(Rs. in lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Other Income	6.18	7.21
Provision no longer required	16.35	0.00
Profit on sale of Investments	1.91	0.00
<b>Total Revenue</b>	<b>24.44</b>	<b>7.21</b>
Expenses:		
Employees Benefits	8.45	8.93
Professional Fees	7.13	13.48
Merger Expenses	13.80	0.00
Administrative & Other Expenses	27.57	19.43
<b>Total Expenses</b>	<b>56.95</b>	<b>41.84</b>
Profit/(Loss) for the year before Depreciation	(32.51)	(34.63)
Depreciation	2.42	2.35
Profit/(Loss) Before Taxation	(34.93)	(36.98)
Tax Expenses Current – Rs. 0.07		
Tax Expenses (Previous)- Rs. 3.40	3.47	0.00
Profit/(Loss) After Taxation	(38.40)	(36.98)

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2019 have been prepared in accordance with Ind AS as notified.

The financial statements of the Company have been prepared and presented in accordance with the IND AS under the historical cost convention on accrual basis of accounting, except for financial instruments classified as Fair Value through profit or loss or Fair Value through OCI are measured at Fair Value.

### YEAR UNDER REVIEW

It may be observed from the Statement of Profit and Loss that total Income during the year is Rs 24.44 lacs as against total income of Rs.7.21 lacs for the previous year. Increase in income is due to reversal of sales tax provisions (Rs. 16.35 lacs), profit on sale of current investment (Rs. 1.91 lacs).

GLFL has no source of income other than interest on Bank deposits, while it has to meet the administrative expenses to run the Company. Major expenses include Securities Listing Fees to stock exchanges and custodian fees to CDSL & NSDL, remuneration to Key Managerial Personnel appointed in accordance with the applicable provisions of the Companies Act, 2013, Printing & Postage of Annual Reports and professional and legal expenses for the merger scheme.

After meeting the expenses, the Company incurred loss of Rs. 38.40 lacs against the loss of Rs. 36.98 lacs for the previous year.

During the year 2004-05, the Hon'ble High Court of Gujarat had sanctioned the scheme of Compromise and Arrangement under section 391 of the Companies Act to discharge the liability of the Banks. Your Company had released payment as per the court order. Approval in respect of deed of assignment of receivables is still awaited from the banks.

As per the Court's order, the income received pertaining to assigned assets after July, 2004 is transferred to the consortium of Banks. Subsequent to the court's order, GLFL has recovered Rs.475 lacs till date from the charged assets and deposited with the member banks.

The Company has no external debt at the end of the year.

## **2. DIVIDEND**

In view of loss incurred during the year under review, your directors do not recommend any dividend for the year ended on 31<sup>st</sup> March, 2019.

## **3. AMOUNTS PROPOSES TO CARRY TO ANY RESERVE**

During the year under review, the Company do not proposes to transfer any sum to reserve, in view of loss incurred during the year as well as carry forward losses incurred in the previous years.

## **4. FINANCE**

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with related parties are given in the prescribed Form AOC-2, appended herewith as **Annexure - A**. The said policy may be referred to, at the Company's official website at the below web link: <http://www.gujaratleasefinancing.co.in/>->policy

During the year under review there have been no related party transactions.

## **5. FIXED DEPOSITS**

The Company has discontinued accepting fixed deposits since September, 2000. There was no outstanding liability of fixed deposit as on 31<sup>st</sup> March, 2019.

## **6. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND**

The Company does not have any liability towards unclaimed Dividends, Fixed Deposits, Debentures and other liabilities. The liabilities have been discharged / transferred on completion of prescribed period to the Investor Education and Protection Fund.

## **7. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES**

During the year under review, three wholly owned subsidiary Companies viz. GLFL Housing Finance Limited, GLFL Securities Limited and GLFL International Limited have been amalgamated with the Company (GLFL). NCLT has issued the final order of merger on 4th February, 2019. During the year under review, the Company does not have any Joint Venture/Associate Company.

## **8. SHARE CAPITAL:**

The Company has Authorised Share Capital of Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 50000000 Equity Shares of Rs. 10/- (Rupees Ten Only) each and Issued Share Capital of Rs. 28,01,51,170 (Rupees Twenty Eight Crores One Lakh Fifty One Thousands One Hundred Seventy Only) divided into 28015117 Equity Shares of Rs. 10/- (Rupees Ten Only) each, Subscribed Share Capital of Rs. 27,19,90,170/- (Rupees Twenty Seven Crores Nineteen Lakhs Ninety Thousands One Hundred Seventy Only) divided into 27199017 Equity Shares of Rs. 10/- (Rupees Ten Only) each, & Paid up Share Capital is Rs. 27,12,57,670/- (Rupees Twenty Seven Crores Twelve Lakhs Fifty Seven Thousands Six Hundred Seventy Only) divided into 27125767 Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Company has not issued shares with different voting rights nor granted stock options nor sweat equity. The Company has also not purchased of its own shares by employees or by trustees for the benefit of the employees.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134 (3) (c) of the Companies Act, 2013 in relation to the financial statements of the Company for the year ended 31<sup>st</sup> March, 2019, the Board of Directors states that:

- a) in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

- b) the directors have selected such accounting policies and 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 for the financial year ended on 31<sup>st</sup> March, 2019 and of the loss for the year ended 31<sup>st</sup> March, 2019;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 10. INTERNAL FINANCIAL CONTROLS

The Company has an internal control system commensurate with the size, scale and complexity of its operations. To maintain its objectives and its independence the internal audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficiency and adequacy of Internal Control System in the Company. Its compliances with operating system, accounting procedures and policy of the Company. Based on the report of internal audit function process owners undertake corrective actions and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the board.

#### 11. AUDITORS

##### (i) STATUTORY AUDITORS

M/s. G.K. Choksi & Co. (FRN: 101895W), Chartered Accountants, Ahmedabad, were appointed as the Statutory Auditors of the Company in the FY – 2017 -18 for a term of 5(five) consecutive years at the 34<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> July, 2017 upto the conclusion of the 39<sup>th</sup> Annual General Meeting at a remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

The Companies Amendment Act, 2017 omitted the requirement related to ratification of appointment of auditors by members in every annual general meeting w.e.f. 7<sup>th</sup> May, 2018.

The Company has received relevant letters /certificates from them to the effect that they have not disqualified from continuing as Statutory Auditors of the Company within the prescribed limits under Section 141 of the Companies Act, 2013.

The Board of Directors of the Company recommends the ordinary resolution to be passed by the Shareholders for the deletion of requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting.

The report given by the Statutory Auditors on the financial statements of the Company is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their report.

##### (ii) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s. JMT & Co., Chartered Accountants,(FRN : 126286W) Ahmedabad as the Internal Auditors of the Company for the financial year 2019-20.

##### (iii) SECRETARIAL AUDIT REPORT

Pursuant to Section 204 and Section 134(3) of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, the Board of Directors had appointed M/s. Rajesh Parekh & Co., Company Secretaries, Ahmedabad as Secretarial Auditors of the Company for FY 2018-19. A Secretarial Audit Report provided by M/s. Rajesh Parekh & Co. for FY 2018-19 is annexed herewith as **Annexure – B** with their observation as under:

- (1) ***Pursuant to Regulation 19(1)/19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has reconstituted the Nomination and Remuneration Committee on 01-Nov-2018, i.e. after SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated 03-May-2018 became effective in respect of the said non-compliance.***

**Management Reply :** The Company had constituted Nomination and Remuneration Committee having two members as Non-executive and Independent Directors and One member as Non Executive and Non Independent Director. Shri Vasant A. Shah was appointed as Chairman of the Nomination and Remuneration Committee in place of Shri S.M. Shah at the 239<sup>th</sup> Board Meeting held on 01.11.2018. NSE and BSE have observed that there has been non compliance under Regulation 27(2) of SEBI (LODR) Regulations, 2015 for the period from 1<sup>st</sup> July, 2018 till 31<sup>st</sup> October, 2018 imposing penalties of Rs. 2,90, 280/- by each stock exchange. NSE turned down our request made vide its letter dated 11.04.2019 in response to our earlier letter dated 22.11.2018.

Thereafter GLFL had represented vide its letter dated 29th April, 2019, requesting for waiver of fine for the non-compliance for the quarter ended September, 2018 and December, 2018( Upto 31<sup>st</sup> October, 2018).

We have clarified vide our letter dated 29.04.2019 that, Nomination and Remuneration Committee Meeting was held on 01.11.2018 (i.e. first meeting after the effective date of circular dated 03.05.2018) wherein Shri Vasant A. Shah was appointed as the Chairperson of the NRC and has accordingly, was the Chairperson of the NRC. Thus the provisions of Regulation 19 was complied. We understand that NSE would take up the matter with appropriate authority. Decisions from both the exchanges are awaited.

## **12. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013, Accordingly, no such accounts and records are required to be made and maintained and also not required to appoint a cost auditors to audit the cost records, hence no details are to be mentioned in this report.

## **13. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **13 (I) APPOINTMENT AND RESIGNATION:**

#### **(a) KEY MANAGERIAL PERSONNEL**

Ms. Preeti Singh, Company Secretary had resigned w.e.f. 31.05.2018 and Mr. Kamlesh P. Patel has been appointed as Company Secretary & Compliance Officer designated as Key Managerial Personnel of the Company. Except the above, there was no change in the Key Managerial Personnel during the year under review.

#### **(b) DIRECTOR RETIRING BY ROTATION**

Ms. Kavita N.Mandan, director of the Company retires by rotation and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment as director as detailed in the notice convening the 36<sup>th</sup> Annual General Meeting. For your perusal, a brief resume and other relevant details of Ms. Kavita N.Mandan are given in the Corporate Governance Report,

#### **(c) DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149 (7) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director for FY 2018-19 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

#### **(d) APPROVAL FOR CONTINUANCE OF DIRECTORSHIP OF SHRI SURENDRA M. SHAH AND SHRI VASANT A. SHAH AS NON-EXECUTIVE & INDEPENDENT DIRECTORS OF THE COMPANY DESPITE HAVING ATTAINED THE AGE OF 75 YEARS OR MORE**

In view of the provisions of Regulation 17(1A) of SEBI(Listing Obligations and Disclosure Requirements) (Amendment)Regulations, 2018, with effect from 1<sup>st</sup> April, 2019, a listed entity is required to obtain the approval of Members by way of Special Resolution to appoint or continue the directorship of any non-executive director who has attained the age of 75 years .

In order to continue the directorship of Shri Surendra M. Shah(DIN: 00016578), Non-Executive Independent Director aged 83 years old and Shri Vasant A. Shah(DIN: 00011596), Non –Executive Independent Director aged 76 years old with effect from April 1, 2019, the Board of Directors at their meeting held on May 28, 2019 recommended to obtain approval of Shareholders by way of special resolution at item no. 4 and 5 at the ensuing 36<sup>th</sup> Annual General Meeting.

All the existing terms and conditions of re-appointment of Shri Surendra M. Shah as Non-Executive Independent Director, Shri Vasant A. Shah as Non-Executive Independent Director, shall remain unchanged.

## **14. NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular interval with gap between two meetings not exceeding 120 days.

During the year under review, the Board met six times as mention below:

Sr. No	Date of Board Meeting
1.	25 <sup>th</sup> May, 2018
2.	30 <sup>th</sup> June, 2018
3.	7 <sup>th</sup> August, 2018
4.	1 <sup>st</sup> November, 2018
5.	2 <sup>nd</sup> February, 2019
6.	27 <sup>th</sup> February, 2019

## 15. POLICY ON DIRECTORS' APPOINTMENT AND REMUENERATION

The Nomination and Remuneration Committee (NRC) has approved the criteria and process for identification / appointment of Directors which are as under:

### 15(a) Criteria for appointment:

(i) Proposed Director ("Person") shall meet all statutory requirements and should:

- possess the highest ethics, integrity and values
- not have direct/indirect conflict with present or potential business/operations of the Company
- have the balance and maturity of judgment
- be willing to devote sufficient time and energy
- have demonstrated high level of leadership and vision, and the ability to articulate a clear direction for an organization
- have relevant experience with respect to Company's business (In exceptional circumstances, specialisation/ expertise in unrelated areas may also be considered)
- have appropriate comprehension to understand or be able to acquire that understanding :
  - o relating to Corporate Functioning
  - o involved in scale, complexity of business and specific market and environment factors affecting the functioning of the Company.

### 15(b) Process for Identification / Appointment of Directors

- (i) Board members may (formally or informally) suggest any potential person to the Chairman of the Company meeting the above criteria. If the Chairman deems fit, necessary recommendation shall be made by him.
- (ii) Chairman of the Company can himself also refer any potential person meeting the above criteria.
- (iii) Board will consider such proposal on merit and decide suitably.

### 15(c) Remuneration Policy

The Company has formulated policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees of the Company. The remuneration policy is available on the website of the Company [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in). The salient features of this policy are as under :

#### Elements of Remuneration

#### (1) Employee remuneration may have any one or more of the following elements.

- a) Fixed Pay, which includes Basic Salary, House Rent Allowance , Car Allowance or Conveyance Allowance, Special Allowances (for specific purposes), Company's Contribution to Provident Fund & Superannuation Fund and Gratuity.

Fixed Pay Comprising of the following :

- **Economic Rise** : based on All India Consumer Price Index published by the Government of India or Internal survey wherein inflation on commonly used items calculated.
- **Performance Rise** : based on the Industry and overall business scenario and factoring the following aspects :
  - a. Company's Performance vis-a-vis the industry (Grades ranging from A+ to C-Higher the Grades, higher the rating).

b. Individual Performance/track record including care for health /balance between quality of work and family life.

- **Promotion Rise** :Which is either in the form of Variable Pay and Retention Pay.
- b) Variable Pay, Which may be in form of Performance-based Pay(upto 20% of total remuneration), Retention Pay (determined case- by case basis), One time Reward(in addition to agreed remuneration) and Commission based on profits for directors on the Board.
- c) Other benefits, comprising Hospitalisation Insurance & Personal Accident Insurance , both with defined benefits provided to all employees; annual leave and accumulation /encashment hereof; provision of Company maintained Car; and Directors & Officers Liability Insurance with Defined benefits.
- d) Retention Pay, in the case where stability is an issue, part of the CTC is kept as retention pay which is being paid after 3 years or more.

## **(2) Annual Review of Performance and Increment in Remuneration**

- a) Soon after the end of financial year, an annual appraisal of performance of all employees will be conducted by the department.
- b) The annual appraisal (except for Executive Directors and Directors on Board)will be based on an objective and subjective assessment of performance of employees involving self-assessment, assessment by immediate supervising officer and assessment by Head of Department on defined parameters. Employees will be ranked based on such performance appraisal and promotion and increment in remuneration will be determined.
- c) Annual appraisal of Executive Director/CFO/Company Secretary and all other employees covered within the meaning of "Senior Management" as defined in SEBI Listing Regulations/Companies Act, 2013, will be conducted by the Chairman /MD based on individual performance and contribution to the business and the same will be placed before the Nomination and Remuneration Committee(NRC)
- d) Subject to satisfactory annual appraisal, annual revision will be determined based on (a) industry and overall business scenario and financial performance of the Business Unit /Company for the year; (b)general price inflation for the financial year under appraisal; (c) individual performance merits;(d) refixation required (due to market factors, increased role or promotion).

In addition to annual revision, the annual appraisal of performance will also be used to determine variable pay component and one-time reward, where applicable.

## **(3) Remuneration of INED/NED**

Remuneration of INED/NED may be by way of :

- a) Sitting fees based on attendance for each meeting of the Board or Committee thereof , subject to applicable law and as determined by the Board, from time to time.
- b) Commission for the financial year based on attendance of meetings of the Board and Audit Committee and contribution, subject to applicable law and as determined by the shareholders/Board from time to time.

## **(4) Remuneration of MD and WTD**

- a) Remuneration for MD/WTD may comprise Fixed Pay, Other benefits and Variable Pay in form of Commission based on profits of the Company.
- b) The remuneration and annual revision of MD/WTD will be reviewed & recommended by NRC and approved by the Board and Shareholders, where required.

## **(5) Other Employees**

Remuneration of other MC employees, including annual review will be determined by the Chairman /MD/Unit Head, upon recommendation by the department.

## **16. CRITERIA FOR PERFORMANCE EVALUATION**

During the year under review, the Board considered and refined the criteria as well as the process for performance evaluation of itself that of its Committees and Individual Directors as follows:

#### **16(a) Criteria for Board Evaluation**

1. Degree of fulfillment of key responsibilities including special responsibilities as under:
  - Focus on strategic and policy issues
  - Governance and compliance
  - Stakeholders' value and responsibility
2. Effectiveness of Board process and information sharing.
3. Board culture and dynamics
4. Quality of decisions.
5. Establishment and delineation of responsibilities to Committees.
6. Facilitation of Independent Directors.

#### **16(b) Criteria for Committee Evaluation**

1. Degree of fulfillment of key responsibilities.
2. Frequency and effectiveness of meetings.
3. Committee dynamics, especially openness of discussions, including with the Board.
4. Adequacy of Committee composition.
5. Quality of relationship of the committee with the Board and the management.

#### **16(c) Criteria for Evaluation of Individual Directors**

1. Fulfillment of functions
2. Attendance
3. Contribution at meetings
4. Guidance / support to management outside Board / Committee meetings
5. Participation in Board in terms of adequacy (time & content)
6. Independent views and judgment (only for IDs)

#### **16(d) Criteria for Evaluation of Chairperson**

1. Attendance.
2. Contribution and Impartiality at meetings.
3. Guidance / support to management outside Board / Committee meetings.
4. Effectiveness as Chairman of the Board including leading the decision making on vision, strategy ethics and values for the Company, Ability to keep shareholders' interest in mind and communicating with external stakeholders.
5. Handling the evaluation process.

#### **16(e) Criteria for Flow of Information between Management and Board**

1. Unrestricted flow of Information
2. Adequacy, quality and timeliness of Information.

### **17. MANNER OF EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Evaluation of Board, its Committees and Individual Directors were carried out as per the process and criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

The obtaining and consolidation of feedback from all Directors in this regards, was co-ordinated by the Vice Chairman. Based on this, Chairman/Vice Chairman briefed the Board and each of the Individual Directors, as applicable.

### **18. FAMILIARISATION PROGRAMME**

Familiarization Programme imparted to Independent Directors may be viewed at the following link on the Company's official website: <http://www.gujaratleasefinancing.co.in/>policy>

### **19. AUDIT COMMITTEE**

The Composition of the Audit Committee is in compliance with the provisions of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the year under review, the Board met six times as mention below:

Sr. No	Date of Audit Committee Meeting
1.	25 <sup>th</sup> May, 2018
2.	30 <sup>th</sup> June, 2018
3.	7 <sup>th</sup> August, 2018
4.	1 <sup>st</sup> November, 2018
5.	2 <sup>nd</sup> February, 2019
6.	27 <sup>th</sup> February, 2019

The Composition of Committee as on 31<sup>st</sup> March, 2019 is given below:

Name of the Director	Category of Directorship	No. of Meetings Attended
Shri Surendra M. Shah Chairman	Independent Director	6
Shri Vasant A. Shah	Independent Director	6
Shri YogeshK.Vyas	Non - Executive Non Independent Director	4

During the year, the Board has accepted all the recommendations made by the Audit Committee.

#### 20. VIGIL MECHANISM

The Company has established the vigil mechanism through Whistle Blower Policy for all the stakeholders of the Company, which also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases as per the Policy.

The Whistle Blower Policy will be applicable to all the stakeholder of the Company, which is an extension of the Code of Business Conduct through which the Company seeks to provide a mechanism for the Stakeholders to disclose their concerns and grievances on Unethical Behavior and Improper/Illegal Practices and Wrongful Conduct taking place in the Company for appropriate action. The Company shall oversee the vigil mechanism only through the Audit Committee. If any of the members of the Audit Committee have a conflict of interest in a given case, they should rescue themselves and the others in the Committee would deal with the matter on hand.

The Policy provides necessary safeguards to all Whistle Blowers for making Protected Disclosures in Good Faith and any Stakeholder assisting the investigation. It also provides the detailed scope and role of Whistle Blower and the manner in which concern can be raised. Further, the Policy contains provisions relating to investigation of the protected disclosures, protection to the whistle blower, decision by CFO, CEO or Audit Committee and reporting & monitoring by the Company.

The policy has been placed on the website of the Company at the below link:

<http://www.gujaratleasefinancing.co.in/>policy>

#### 21. NOMINATION AND REMUNERATION COMMITTEE

The Board has on recommendation of Nomination and Remuneration Committee, framed a policy for selection of appointment of Director, Senior Management and their remuneration. The said policy may be referred to, at the Company's official website at the below web link: <http://www.gujaratleasefinancing.co.in/>policy>

#### 22. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Since, the Company does not fall under the criteria as mentioned in the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibilities) Rules, 2014; the Company has not formed the Corporate Social Responsibility (CSR) Policy and the CSR Committee. The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

#### 23. RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risk in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risk within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of Board threaten the existence of Your Company.

The Company has adopted a Risk Management Policy for a systematic approach to control risks. The Risk Management Policy of the Company lays down procedures for risk identification, evaluation, monitoring, review and reporting. The Risk Management Policy has been developed and approved by the Senior Management in accordance with the business strategy. The salient features of the policy are given here below :

<b>Identification of Risks</b>	Identity/update the industry risks & macro-economic risk affecting the Company. <b>Categorization</b> of risks (internal/External and controllable /uncontrollable ) based on Root Cause Analysis. <b>Impact assessment</b> to ascertain potential severity and <b>likelihood of occurrence</b> of the Risk followed by categorization into Low, Medium and High.
<b>Risk Assessment</b>	<b>Mitigation plan</b> with timelines for all risks, resulting into any one of the following : -Accept -Reduce -Share -Avoid/Eliminate
<b>Monitoring</b>	Monitoring of mitigation plans

The said policy may be referred to, at the Company's official website at the below web link: <http://www.gujaratleasefinancing.co.in/>policy>.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

There is no loans given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

**25. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORTS**

A separate report on Corporate Governance and Management Discussion and Analysis are furnished forms part of Annual Report as **Annexure - C & Annexure - D** respectively and the certificate from the Company's Auditors regarding compliance of conditions of Corporate Governance is annexed to the Boards'Report.

**26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The Company has no activities relating to conservation of energy or technology absorption. There has been no foreign exchange earning or outgo during the year under review.

**27. PROHIBITION OF INSIDER TRADING :**

The Company has adopted a code for Prohibition of Insider Trading which regulate the trading in securities by Directors and designated employee of the Company. The Board is responsible for implementation of the Code. The code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designed employee while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The relevant policy is available on the Company's website.

**28. PARTICULARS OF EMPLOYEES**

The information required under pursuant to Section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year : **Nil**
2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Eexecutive Officer, Company Secretary or Manager, if any, in the financial year : **Nil**
3. The percentage increase in the median remuneration of employees in the financial year : **Nil**

4. The number of permanent employees on the rolls of Company :

**Three employees as on 31<sup>st</sup> March, 2019.**

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year : **NIL**

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company has discontinued its business operation since the FY 1999-2000 hence performance evaluation of the Company could not be done. The Company does not have any operational income. The Company pays remuneration to its 3 employees (Key Managerial Personnel) during the year in accordance with applicable provisions of the Companies Act, 2013.

The Company does not have employee under the category as specified in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**29. CHANGE IN THE NATURE OF BUSINESS:**

No change in nature of the business of the Company occurred during the year under review.

**30. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :**

No other material changes have taken place after completion of the financial period upto the date of this report, which may have substantial effect on business and finances of the Company and which are required to be disclosed in this Report.

**31. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, Statutory Auditors, Secretarial Auditors have not reported any instances of fraud committed by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this report.

**32. EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return in Form MGT-9 is appended herewith as **Annexure-E** to this Report.

**33. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has no women employee working during the year under review, as such it was not required to constitute internal Complaints Committee under the Sexual Harassment at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and report the complaints received, disposed off and pending as on the end of the financial year.

**34. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE :**

There are no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**35. INDUSTRIAL RELATIONS**

During the year under review, your Company enjoyed cordial relationship with the employees at all the levels.

**36. ACKNOWLEDGEMENTS**

Your Directors are grateful to GIIC Limited, the Government of Gujarat and Torrent Group for their continued guidance and support to the Company. The Directors are pleased to place on record their appreciation for the excellent support extended by the banks.

The Board would also like to express great appreciation for the understanding and support extended by the employees and Shareholders of the Company in the difficult period.

**For and on behalf of the Board of Directors**

**Place:** Ahmedabad  
**Date:** 28<sup>th</sup> May, 2019

\_\_\_\_\_  
**Harnish Patel**  
**Director-in-Charge**  
**DIN: 00114198**

\_\_\_\_\_  
**Kavita Mandan**  
**Director**  
**DIN: 07419972**

## Annexure - A

## FORM NO. AOC – 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto								
1. Details of Contracts or arrangements or transactions not at arm's length basis								
Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
NIL								
2. Details of material contracts or arrangement or transactions at arm's length basis								
Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board and Audit Committee, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting u/s 188 (1)	
(a)	(b)	(c)	(d)	(e)	(f)	(g)		
NIL								

For and on behalf of the Board of Directors

Place: Ahmedabad  
Date: 28th May, 2019

\_\_\_\_\_  
**Harnish Patel**  
Director-in-Charge  
DIN: 00114198

\_\_\_\_\_  
**Kavita Mandan**  
Director  
DIN: 07419972

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

\*\*\*\*\*

**To,**  
**The Members,**  
**GUJARAT LEASE FINANCING LIMITED**  
*CIN: L65990GJ1983PLC006345*  
6<sup>th</sup>Floor, Hasubhai Chambers,  
Opp. Town Hall, Ellisbridge,  
Ahmedabad - 380006.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT LEASE FINANCING LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **GUJARAT LEASE FINANCING LIMITED'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **GUJARAT LEASE FINANCING LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
  - (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, 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; - **Not Applicable during the Reporting Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable during the Reporting Period**
  - (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;

(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. **Not Applicable during the Reporting Period**

(vi) During the period under report, no specific law is applicable to the Company.

I have also examined compliance with the applicable Clauses/ Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India ; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges i.e. read with the Regulations made by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

I further report that, during the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following Observations / Qualification.

***Pursuant to Regulation 19 (1) / 19 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has reconstituted Nomination and Remuneration Committee on 01-Nov-2018, i.e. after SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated 03-May-2018 became effective. Hence, BSE and NSE have imposed fine of Rs. 2,90,280/- and Rs. 2,90,280/- respectively in respect of the said non-compliance.***

I 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. The changes in the composition of the Board of Directors / Committee(s) that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all the 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

GLFL Housing Finance Ltd, GLFL Securities Ltd, GLFL International Ltd, the Wholly Owned Subsidiaries have been amalgamated into Gujarat Lease Financing Limited, the Company vide order of National Company Law Tribunal dated 4<sup>th</sup> February, 2019.

I further report that except the said Amalgamation during the audit period the Company has not conducted any actions/ events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place: Ahmedabad**

**Date: 28th May, 2019**

**FOR RAJESH PAREKH & CO.  
Company Secretary**

**Rajesh Parekh  
(Proprietor)  
M. No. 8073  
C.P. No: 2939**

**The Members,**  
**GUJARAT LEASE FINANCING LIMITED**  
**CIN: L65990GJ1983PLC006345**  
6th Floor, Hasubhai Chambers,  
Opp. Town Hall, Ellisbridge,  
Ahmedabad - 380006.

Our report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I follow provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I conducted my audit in the manner specified under Section 204 of the Companies Act, 2013 and Rules made there under, which seeks an opinion and reasonable assurance about the compliance status of various applicable acts and rules to the Company.

**For RAJESH PAREKH & CO.,**  
**Company Secretary**

**Date : 28-5-2019**  
**Place : Ahmedabad**

**Rajesh Parekh**  
**(Proprietor)**  
**Mem. No: 8073**  
**C. P No: 2939**

## CORPORATE GOVERNANCE REPORT: 2018-19

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Philosophy on Corporate Governance aims at attainment of the highest levels of transparency, accountability and equity in the functioning of the Company vis-à-vis interactions with employees, shareholders, creditors and customers. Good Corporate Governance is intrinsic to the management of the affairs of the Company. The objective of the Company is not only to meet the statutory requirements of the code but also go beyond it by instituting such systems and procedures as required in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company has fully complied with the requirements of Corporate Governance under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company during the year 2018 -19 as stated below:

### 2. BOARD OF DIRECTORS:

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and Section 149 of the Companies Act, 2013.

#### 2.1 COMPOSITION OF THE BOARD :

The Board Comprise experts drawn from various fields/professionals. The Board of Directors as on the date of this report comprises of 5 (Five) Directors out of which 4 (Four) are Non-executive Directors, including 2 (Two) Independent Directors (80% of Board Strength). The Chairman of the Board is an Independent Director.

#### 2.2 APPOINTMENT AND TENURE :

2/3<sup>rd</sup> of the Directors (Other than the Independent Directors) are rotational Directors. 1/3<sup>rd</sup> of rotational Directors retire in every Annual General Meeting (AGM) and if, eligible, offer themselves for re-appointment. The Director-in-Charge (Executive Director) was appointed by the Members for a period of five years. The contracts with Director-in-Charge (Executive Director) provide notice period of 6 months and no remuneration are paid under the provisions of the Companies Act, 2013. The Independent directors fulfill the conditions specified in the Regulations and are independent of the management.

The Board has identified following skills/expertise/competence required by the Board of Directors in the context of the businesses and sectors of the Company to function effectively and those available with it :

Skills/Expertise/Competence	Status
Commercial	Available
Finance	Available
General Management	Available
Legal including laws related to Corporate Governance	Available

The Non Executive Directors are qualified professionals drawn from the above areas.

### 2.3 BOARD MEETINGS

The Board meets at least once in every quarter to discuss and decide on inter alia the policies and review the financial performance of the Company. Time elapsed between any two consecutive meetings never exceeded 120 days.

The Board of Directors of the Company met Six times during the FY 2018-19 on 25<sup>th</sup> May, 2018, 30<sup>th</sup> June, 2018, 7<sup>th</sup> August, 2018, 01<sup>st</sup> November, 2018, 2<sup>nd</sup> February, 2019 and 27<sup>th</sup> February, 2019.

During the FY 2018 -19, Independent Directors of the Company have also met at their separate meeting on 25<sup>th</sup> May, 2018.

Relevant details about the board members are as under :

**2.4 COMPOSITION/CATEGORY OF DIRECTORS/ATTENDANCE AT MEETINGS/ DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES AS ON 31<sup>ST</sup> MARCH, 2019:**

Name of the Director & Designation	Category	No. of other Directorship held in public Companies in India*	No. of other Board committees of which Member(M)/ Chairperson(C)*	Board meetings attended	Attendance at the last AGM	No. of Shares held of the Company
Mr.Surendra M. Shah, Chairman	Non-Executive, Independent Director	1	1(M)	6	Yes	-
Mr. Vasant A. Shah, Director	Non-Executive, Independent Director	2	2 (C)	6	Yes	-
Mr. Harnish J. Patel, Director-in-charge	Executive Director	2	-	5	Yes	10
Mr. Yogesh K.Vyas, Director	Non-Executive, Non-Independent Director	5	-	4	No	-
Mrs. Kavita N. Mandan, Director	Non-Executive, Non- Independent Director	-	-	6	Yes	-

- For the purpose of considering the number of directorships and committee membership/chairpersonship in Audit and Stakeholders Relationship Committee, all public limited Companies other than the Company, whether listed or not, are included and all other Companies including private limited Companies, foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 are excluded.
- Details of committee membership comprise only membership/chairpersonship of Audit Committee and Stakeholders Relationship Committee.

Smt.Kavita Mandan is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, she has offered herself for re-appointment.

The details of Directors with respect to directorship in other listed entities alongwith category are as under :

Sr. No.	Name of Director	Name of Other Listed Entities in which the Director is a Director	Category
1.	Mr. Surendra M. Shah	-	-
2.	Mr. Vasant A. Shah	-	-
3.	Mr. Harnish J. Patel,	-	-
4.	Mr. Yogesh K. Vyas,	Gujarat Sidhee Cement Limited Gujarat Poly Electronics Limited	Non-Independent Director Non-Independent Director
5.	Mrs. Kavita N. Mandan	-	-

**2.5 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Familiarization Programme imparted to Independent Directors may be referred to, at the Company's official website:<http://www.gujaratleasefinancing.co.in/>Policy>.

None of the Directors are related inter-se.

**2.6 APPOINTMENT/CESSATION :**

**2.6.1 DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING**

Name of the Director	Smt. Kavita Mandan (Retirement by Rotation)
DIN	07419972
Date of Birth	11-07-1964
Date of Appointment	19-05-2016
Qualifications	Master Degree-Statistics
Expertise in specific functional areas	IT Specific Projects for business Transformation, Technologies Deliveries with Quality Assurance & Process Improvement
Relation between Directors interse	She is not related to any director of the Company
List of Public Ltd. Co (s) in which Directorship held	NIL
Chairman/Member of the committees of the Board of Directors of the Company	NIL
Chairman/Member of the Committees of the Board of Directors of other Company	NIL
Attendance at the Board Meeting of the Company during the year 2018-19	She has attended 6(Six) meetings of the Board of Directors of the Company during the year 2018-19

## 2.6.2 RESIGNATION : Nil

## 2.7 REMUNERATION

Sr. No.	Name of the Director	Remuneration During the year			
		Sitting Fees	Salary & Perquisites	Commission	Total
1	Mr. Surendra M. Shah	1,05,000.00	-	-	1,05,000.00
2	Mr. Vasant A. Shah	1,05,000.00	-	-	1,05,000.00
3	Mr. Harnish J. Patel	-	-	-	-
4	Mr. Yogesh K. Vyas	-	-	-	-
5.	Mrs. Kavita N. Mandan	-	-	-	-

There is no managerial remuneration paid by the Company to the Directors, except the Company pays sitting fees to the Non- Executive Directors/Independent Directors of the Company.

## 3. BOARD COMMITTEES :

**The Board constituted the following committees:**

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee

### 3.1 AUDIT COMMITTEE

The Company has complied with the requirements of Regulation 18 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as regards composition of Audit Committee.

#### 3.1.1 THE ROLE AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS UNDER :

- (i) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) recommending appointment/re-appointment and remuneration of the auditors to the Board of Directors and review of adequacy and performance of auditors, internal control systems and internal audit function.
- (iii) review the annual and quarterly financial statement.
- (iv) review changes in the accounting policies and practices of major accounting entries,
- (v) ensuring compliance with the regulatory guidelines.
- (vi) review and approve related party transactions or any subsequent modification of transactions with related parties.
- (vii) review the functioning of the Whistle Blower (Vigil) mechanism.
- (viii) review of Financial Statements of Subsidiaries, significant findings (if any) apart from the other mandatory requirements specified under Listing Regulations.
- (ix) approval of appointment of the Chief Financial Officer.
- (x) conducting pre-audit work discussions with auditors specifying scope and nature of the audit and post audit discussions for any area of concern.
- (xi) conducting valuation of undertaking or assets, wherever necessary.
- (xii) deciding the scope, functioning periodicity and methodology for conducting Internal Audit after consulting Internal Auditor.
- (xiii) code of Conduct and related matters.
- (xiv) reviewing the compliances with the provisions of the SEBI (Prohibition of Insider Trading)Regulations, 2015 and its operation and internal control system.
- (xv) significant transactions and arrangements made with unlisted subsidiary companies.
- (xvi) reviewing the Auditors' Independence, performance and effectiveness of the audit process.
- (xvii) reviewing with Internal Auditors major findings of any investigations matters and suspected fraud, irregularity, and failure of internal control system of material and to report to the Board.
- (xviii) review compliance reports of all applicable laws and steps taken to rectify non compliances periodically.
- (xix) reviewing Management Discussion and Analysis of financial matters and results of operation.
- (xx) reviewing internal control weakness reported to management by the Statutory Auditors.
- (xxi) statement of Use of funds raised through (Public/Right/Preferential issue) and statement of funds utilized for purposes other than those mentioned.
- (xxii) scrutinizing inter corporate loans and investments.

During the year under review, 6 (Six) meetings were held on 25<sup>th</sup> May, 2018, 30<sup>th</sup> June, 2018, 7<sup>th</sup> August, 2018, 01<sup>st</sup> November, 2018, 2<sup>nd</sup> February, 2019 and 27<sup>th</sup> February, 2019. Time elapsed between two meetings did not exceed 120 days.

The Audit Committee at its meeting held on 7<sup>th</sup> August, 2018, 01<sup>st</sup> November, 2018 and 2<sup>nd</sup> February, 2019 reviewed the unaudited financial results for the quarter ended on 30<sup>th</sup> June, 2018, 30<sup>th</sup> September, 2018 and 31<sup>st</sup> December, 2018 respectively.

The Audit Committee at its meeting held on 25<sup>th</sup> May, 2018 reviewed the Audited Annual Financial Statements for the year 2017-18 and recommended the same for approval of the Board of Directors.

### 3.1.2 COMPOSITION OF THE AUDIT COMMITTEE AND ATTENDANCE OF EACH MEMBER DURING THE MEETINGS HELD IN FINANCIAL YEAR 2018-19 IS GIVEN BELOW:

Name of the Committee Member	Category of Directorship	Qualification / Competence	No. of Meetings Held	No. of Meetings Attended
Shri Surendra M. Shah Chairman	Non - Executive Independent Director	B.Sc.(Eco.) London	6	6
Shri Vasant A. Shah	Non - Executive Independent Director	B.Com , FCA	6	6
Shri Yogesh K.Vyas	Non-Executive Non Independent Director	B.E. (Chemical)	6	4

The Statutory Auditors, Chairman, CEO, CFO and the Company Secretary are permanent invitees to the meetings. The Board noted the minutes of the meeting of the Audit Committee Meetings.

Ms. Preeti Singh, Company Secretary and Compliance officer acted as Secretary to this Committee upto 31.05.2018 following her resignation, Mr. Kamlesh Patel has been appointed as Company Secretary and Compliance Officer with effect from 16<sup>th</sup> November, 2018. He acts as Secretary to this Committee.

### 3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has complied with the requirements of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 as regards composition of Stakeholders Relationship Committee.

#### 3.2.1 THE ROLE AND TERMS OF REFERENCE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE BROADLY INCLUDES:

- (i) The Stakeholders Relationship Committee (SRC) has to mainly focus on the redressal of complaint/ queries relating to Transfer / Transmission / Dematerialization of Shares, Issue of Duplicate Share Certificates, Non-receipt of Annual Report, Dividend Warrants, Repayment of principal and/or interest on Fixed Deposits / Debentures, etc.
- (ii) Resolving the complaints/grievances of the security holders in respect of the above matters.
- (iii) Reviewing any other related matter which the Committee may deem fit and proper and in the circumstances of the case including the following:
  - a) adherence to the service standards in respect of various services being rendered by the Registrar and Share Transfer Agent.
  - b) change of name(s) of the Members on share certificate.
  - c) consolidation of share certificates.
  - d) deletion of name(s) of guardian(s)
  - e) deletion of name(s) from share certificate.
  - f) dematerialized of shares.
  - g) issue of Duplicate Shares.
  - h) measures taken for effective exercise of voting rights by the shareholders.
  - i) measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholder(s) of the Company.
  - j) rematerialization of Shares.
  - k) replacement of Shares.
  - l) splitting up of shares.
  - m) transfer of shares.
  - n) transmission of shares.
  - o) transposition of shares.

During the year, the Committee met 4 (Four) times on 25<sup>th</sup> May, 2018, 7<sup>th</sup> August, 2018, 01<sup>st</sup> November, 2018 and 2<sup>nd</sup> February, 2019.

**3.2.2 COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE AND ATTENDANCE OF EACH MEMBER DURING THE MEETINGS HELD IN FINANCIAL YEAR 2018-19 ARE GIVEN BELOW:**

<b>Name of the Committee Member</b>	<b>Category of Directorship</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Shri Surendra M. Shah Chairman	Non Executive Independent Director	4	4
Shri Vasant A. Shah	Non Executive Independent Director	4	4
Shri Yogesh K. Vyas	Non-Executive Non Independent Director	4	3

Ms. Preeti Singh, Company Secretary and Compliance Officer acted as Secretary to this Committee upto 31.05.2018 following her resignation. Mr. Kamlesh Patel has been appointed as Company Secretary and Compliance Officer with effect from 16<sup>th</sup> November, 2018. He acts as Secretary to this Committee. The Board Notes the minutes of the Stakeholders' Relationship Committee meetings.

**3.2.3 INVESTORS' GRIEVANCE REDRESSAL**

The Company has not received any complaints during the year. No complaint was pending as on 31<sup>st</sup> March, 2019. The Company has no transfers pending at the closure of the FY – 2018 -19.

**3.3 NOMINATION AND REMUNERATION COMMITTEE**

The Company has generally complied with the requirements of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 as regards composition of Nomination and Remuneration Committee. NSE and BSE had issued notices for the non compliance of Regulations 19(1)(2) of SEBI (LODR) Regulations, 2015 for the period from 1<sup>st</sup> July, 2018 to 31<sup>st</sup> October, 2018 levying the penalties of Rs. 2,90,280/- by each NSE and BSE. The Company has submitted their clarification on the observation of NSE and BSE in the month of November 2018.

In response to their letter, we have submitted that the Company has been regular compliant with all the terms and conditions of the Listing Agreement executed with the Stock exchanges (BSE and NSE). The Company had constituted a Remuneration Committee as per the requirements of the Listing Agreements having two members as Non Executive Independent Directors on the Committee and one member as Non-executive and non-independent director. Shri S.M. Shah, Independent Director was appointed as the Chairman of the Committee, thereafter the name of the committee was changed to Nomination and Remuneration Committee in May, 2014 and till 31<sup>st</sup> October, 2018 Shri S.M. Shah Independent Director continued to be the Chairman of the Committee.

This is not therefore a case where Nomination & Remuneration Committee was not constituted at all. The Company did have a Nomination & Remuneration Committee (initially called the Remuneration Committee and thereafter renamed as Nomination & Remuneration Committee). SEBI has specified the eligibility criteria of the Chairman and subsequently the Chairman has been appointed as per SEBI's requirement. The situation was rectified as soon as it was brought to the notice of the Company.

The Company has been regular in making various compliances of the Companies Act as well as Regulations of the SEBI (LODR) Regulations, 2015 with both the stock exchanges. NSE and BSE had advised the Company to take appropriate actions to comply with the requirements of the Regulations 27(2) of SEBI (LODR) Regulations, 2015 and particularly the Regulation 19(1)&(2) pertaining to constitution of Nomination and Remuneration Committee.

Accordingly, the board at its meeting held on 01.11.2018 appointed Shri Vasant A. Shah as Chairman of the Nomination and Remuneration Committee in place of Shri Surendra M. Shah to comply with the requirements of the Act and Regulations.

NSE and BSE have observed that there has been non compliance under Regulation 27(2) of SEBI(LODR) Regulations, 2015 for the period from 1<sup>st</sup> July, 2018 till 31<sup>st</sup> October, 2018 imposing fines of Rs. 2,90, 280/- by each stock exchange. NSE turned down our request made vide its letter dated 11.04.2019 in response to our earlier letter dated 22.11.2018.

Thereafter, GLFL had represented vide its letter dated 29th April, 2019, requesting for waiver of fine for the non-compliance for the quarter ended September, 2018 and December, 2018, (Upto 31<sup>st</sup> October, 2018).

We have further clarified vide our letter dated 29.04.2019 that, Nomination and Remuneration Committee Meeting was held on 01.11.2018 (i.e. first meeting after the effective date of circular dated 03.05.2018) wherein, Shri Vasant A. Shah was appointed as the Chairperson of the NRC and has accordingly, was the chairperson of the

NRC. Thus the provisions of Regulation 19 were complied. We understand that NSE would take up the matter with appropriate authority.

**3.3.1 THE ROLE AND THE TERMS OF REFERENCE OF THE NOMINATION & REMUNERATION COMMITTEE BROADLY INCLUDES:**

- (i) evaluating and recommending the composition of the Board of Directors and Committees thereof,
- (ii) formulating the criteria for determining qualification, positive attributes and independence of a director and formulating criteria for appointment of KMPs and senior management,
- (iii) performance evaluation of independent directors, considering and recommending the appointment of Directors, KMP and Senior Management in accordance with the criteria formulated,
- (iv) to recommend and monitor the levels of remuneration of senior management of the Company.
- (v) formulating criteria for evaluation of the Independent directors and the Board.
- (vi) recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

During the year, 3 (Three) meetings of the Nomination and Remuneration Committee were held on 25<sup>th</sup> May, 2018, 1<sup>st</sup> November, 2018 and 2<sup>nd</sup> February, 2019.

**3.3.2 COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE AND ATTENDANCE OF EACH MEMBER DURING THE MEETINGS HELD IN FINANCIAL YEAR 2018-19 ARE GIVEN BELOW :**

Name of the Committee Member	Category of Directorship	No. of meetings held	No. of meetings attended
Shri Surendra M. Shah Chairman (upto 31.10.2018)	Non Executive Independent Director	3	3
Shri Vasant A. Shah Chairman (from 01.11.2018)	Non Executive Independent Director	3	3
Shri Yogesh K. Vyas	Non-Executive Non Independent Director	3	2

Ms. Preeti Singh, Company Secretary and Compliance officer acted as Secretary to this Committee upto 31.05.2018 following her resignation, Mr. Kamlesh Patel has been appointed as Company Secretary and Compliance Officer with effect from 16<sup>th</sup> November, 2018. He acts as Secretary to this Committee. The Board Notes the minutes of the Nomination and Remuneration Committee meetings.

**3.3.3 PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS**

The Criteria as well as process for evaluation of Independent Directors are given below:

**CRITERIA**

1. Fulfillment of functions
2. Attendance
3. Contribution at Meetings
4. Guidance/Support to management outside Board/Committee Meetings
5. Participation in Board in terms of adequacy (time & content)
6. Independent views and judgment (only for IDs)

**PROCESS**

1. The Chairman/Vice Chairman of the Board to discuss self and peer evaluation on a One-on-One basis with each Director.
2. The Chairman/Vice Chairman to consolidate the comments and give the feedback to Individual Directors.

(Evaluation by IDs in this context as per Schedule IV of the Companies Act, 2013 and the Listing Regulations. Role of IDs shall be fulfilled by Chairman/Vice Chairman of board summarizing the IDs feedback.)

**4. REMUNERATION**

None of the Directors is drawing any remuneration from the Company. However the Board has approved the payment of sitting fees to Independent Directors of the Company pursuant to Section 197(5) of the Companies Act, 2013.

None of the Non-Executive Directors holds any shares of the Company.

Detail of sitting fees paid during the year is specified under the table. The Company does not pay any severance fee to its Directors.

Name of the Independent Directors	Sitting Fees
Shri Surendra M. Shah	Rs.1,05,000/-
Shri Vasant A. Shah	Rs.1,05,000/-
<b>Total</b>	<b>Rs. 2,10,000/-</b>

## 5. GENERAL BODY MEETINGS

Details of the AGM held during the last three years are as under:

AGM	Year	Venue of AGM	Date	Time	No. of Special Resolution passed
33 <sup>rd</sup> AGM	2015-16	ATMA Hall Ahmedabad Textile Mills Association, Opp. La-Gajjar Chambers, Ashram Road Ahmedabad-380009	19 <sup>th</sup> July, 2016	10.00 A.M.	2
34 <sup>th</sup> AGM	2016-17	ATMA Hall Ahmedabad Textile Mills Association, Opp. La-Gajjar Chambers, Ashram Road Ahmedabad-380009	27 <sup>th</sup> July, 2017	10.00 A.M.	2
35 <sup>th</sup> AGM	2017-18	ATMA Hall Ahmedabad Textile Mills Association, Opp. La-Gajjar Chambers, Ashram Road Ahmedabad-380009	7 <sup>th</sup> August, 2018	10.00 A.M.	NIL

No Extra Ordinary General Meeting (EGM) was held during last three years.

During FY – 2017 -18, no Special Resolution were passed by poll and by E-voting in accordance with the applicable provisions of Section 108 of the Act and rules made thereunder.

## 6. MEANS OF COMMUNICATION

During the year, quarterly unaudited financial results with Limited Review Report and annual audited financial results of the Company with Auditor's Report thereon were submitted to the Stock Exchanges upon their approval by the Board of Directors. The Company publishes its financial results in two newspapers, Western Times (English) and Western Times (Gujarati). These results are also put on the Company's website: <http://www.gujaratleasefinancing.co.in/>Others>.

The Company also informs by way of intimation to the stock exchanges all the price sensitive matters or such other matters which are material and of relevance to the shareholders and the same is made available on the Company's website.

The Company will be sending soft copies of Annual Report for FY 2018-19 to those Shareholders whose E-mail IDs are registered with the Depository Participants (DPs) and/or with the Company's Registrar and Share Transfer Agent (RTA), unless they have opted for a physical copy, to support the "Green Initiative in Corporate Governance", an initiative taken by the Ministry of Corporate Affairs. Your Company encourages its shareholders to register/update the E-mail IDs for communication purpose thereby contributing to the environment.

## 7. OTHER DISCLOSURES

### 7.1 RELATED PARTY TRANSACTIONS

The Company has formed related party transactions policy pursuant to the requirements of Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The same is also placed at the website of the Company <http://www.gujaratleasefinancing.co.in/>policy>

During the year, the Company has not entered into any transaction with the related parties which are material in nature. Adequate care was taken to ensure that there is no potential conflict of interest in related party transactions.

For details about related parties transactions, see Note No. 29 of the Standalone Financial Statement for the financial year 2018-19.

## 7.2 WHISTLE BLOWER POLICY

The Company had adopted a "Whistle Blower Policy" through which the Company has institutionalized a mechanism to disclose any unethical behavior, improper practice and wrongful conduct taking place in the Company for suitable action. The Policy, by design, provides access to the Chairman of the Audit Committee. Confidentiality of Whistle Blower is maintained without any discrimination. The same is also placed at the website of the Company <http://www.gujaratleasefinancing.co.in/>policy>.

None of the personnel of the Company has been denied access to the Audit Committee.

No complaint has been received during the year 2018-19.

## 7.3 RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risk in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risk within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of Board threaten the existence of your Company.

The Company has adopted a Risk Management Policy for a systematic approach to control risks. The Risk Management Policy of the Company lays down procedures for risk identification, evaluation, monitoring, review and reporting. The Risk Management Policy has been developed and approved by the Senior Management in accordance with the business strategy, the salient features of the same were as follows and the same is also placed at the website of the Company <http://www.gujaratleasefinancing.co.in/>policy>:

<b>Identification of Risks</b>	Identity/update the industry risks & macro-economic risk affecting the Company.
<b>Risk Assessment</b>	<b>Categorization</b> of risks (Internal/External and controllable /uncontrollable ) based on Root Cause Analysis.
	<b>Impact assessment</b> to ascertain potential severity and likelihood of occurrence of the Risk followed by categorization into Low, Medium and High.
	<b>Mitigation plan</b> with timelines for all risks, resulting into any one of the following:- -Accept -Reduce -Share -Avoid/Eliminate
<b>Monitoring</b>	Monitoring of mitigation plans

## 7.4 LEGAL COMPLIANCES

The Compliance Certificates confirming due compliances with statutory requirements are placed at the Board Meeting for review by the Directors. The Company follows a formal management policy and system of legal compliance & reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There was an instance of non-compliance during the year under review as a result of appointment of Board Chairman as the Chairman of the Nomination and Remuneration Committee upto 31.10.2018. The Company ratified the same in November, 2018. For such non-compliance fines were imposed on the Company by both the Stock Exchange(s) as per SEBI Circular no. SEBI/HO/CFD/CIR/P/2018/77 dated 03.05.2018. The Company has already made the submission for the waiver of the fine and the matter is yet not finalized.

No penalties were imposed either by SEBI or any statutory authorities on any matter related to Capital Markets during the last three years except as mentioned above.

## 7.5 MATERIAL SUBSIDIARY POLICY

The Company has formulated a Policy for determining 'Material' Subsidiary in accordance with Listing Regulations and the Companies Act, 2013, which is uploaded on the website of the Company at <http://www.gujaratleasefinancing.co.in/>policy>.

## **7.6 CODE OF BUSINESS CONDUCT**

The Company has adopted a Code of Business Conduct based on the business principles of the Company. The Code of Business Conduct has also been posted on the website of the Company i.e <http://www.gujaratleasefinancing.co.in/>policy> in compliance with the Code, Directors and Senior Management of the Company have affirmed their compliances with the Code for the year under review. A declaration to this effect signed by the Chief Executive Officer forms part of this report.

## **7.7 CEO / CFO CERTIFICATE**

Shri Anil Jhaveri, Chief Executive Officer and Shri Janak Mehta, Chief Financial Officer of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The CEO and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

## **7.8 PREVENTION OF INSIDER TRADING**

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has in place the Code of Conduct to Regulate, Monitor and Report Trading by Insiders to avoid any insiders trading and it is applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company.

## **7.9 DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 except the non-compliance of the appointment of Chairman of the Board as the Chairman of the Nomination and Remuneration Committee as mentioned above.

## **7.10 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

- i) The Company has not been trading in commodities including through hedging, accordingly, the Company has not devised a policy on Risk management for trading in commodities through hedging.
- ii) Foreign exchange risks are not affecting the Company as the Company is not having any Short-term foreign currency asset - liability involving Foreign Exchange Risk.

## **7.11 CREDIT RATING**

The Company has not borrowed any Short Term / Long Term Debt including Debentures and Fixed Deposit Scheme or Money from Public and Outside Agencies, Commercial Papers, accordingly, it was not required to obtain Credit Ratings from the Credit Rating Agencies for the long-term /short term borrowings, debts, fixed deposits, commercial papers of the Company.

## **7.12 SUBSIDIARY COMPANIES**

During the year under review, the Company has received order from National Company Law Tribunal dated 04.02.2019 amalgamating three wholly owned subsidiary Companies viz. GLFL Housing Finance Limited, GLFL Securities Limited, GLFL International Limited with the Company(GLFL) with effect from 28.02.2019.

## **7.13 RECONCILIATION OF SHARE CAPITAL AUDIT**

As required by the Securities and Exchange Board of India (SEBI) , quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively depositories) and held in physical form with the total issued and listed capital. The Auditor's Certificate confirming the same is submitted to BSE Limited and the National Stock Exchange of India Limited on a quarterly basis and is also placed before the Board of Directors.

## **7.14 DETAILS OF UNCLAIMED SHARES AS PER LISTING REGULATIONS**

In terms of Regulation 39(4) of the Listing Regulations, the Company Reports the following details in respect of equity shares transfer from the "Gujarat Lease Financing Limited – Unclaimed Suspense Account " during the year and the balance in the same at the beginning and at the end of the year :

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year i.e. 1 <sup>st</sup> April, 2018	11	1661
Number of shareholders who approached the Company /Registrars and Transfer Agents(RTA) for transfer of shares from unclaimed suspense account during the year ended 31 <sup>st</sup> March, 2019	0	0
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March, 2019	0	0
Number of shares transferred to IEPF authority from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March, 2019	0	0
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year i.e. as on 31 <sup>st</sup> March, 2019	11	1661

The Voting rights on such shares shall remain frozen till the rightful owner claims the shares.

#### 7.15 STATUS OF INDEPENDENT DIRECTORS

The Independent directors in the opinion of the Board fulfill the conditions specified in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

#### 7.16 DISCLOSURE OF RELATION SHIP BETWEEN THE DIRECTORS INTERSE

None of the Directors are related to each other.

### 8. GENERAL SHAREHOLDERS' INFORMATRION

#### 8.1 ANNUAL GENERAL MEETING -2019

##### 8.1.1 36<sup>TH</sup>ANNUAL GENERAL MEETING DETAILS ARE AS UNDER :

<b>Date</b>	7 <sup>th</sup> August, 2019
<b>Time</b>	10.00 A.M.
<b>Venue</b>	ATMA Hall, Ahmedabad Textile Mills' Association, Opp. La-Gujjar Chamber, Ashram Road, Ahmedabad 380009.
<b>Financial year</b>	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019
<b>Book Closure Dates</b>	From 22nd July, 2019 to Saturday 27th July, 2019 (Both days Inclusive)
<b>Cut-Off date for e-voting</b>	Saturday, 20th July, 2019
<b>Remote E-voting period</b>	Start Date and time-Saturday, 3rd August, 2019 at 09:00 a.m. End Date and time-Tuesday, 6th August, 2019 at 05:00 p.m.
<b>Dividend Payment Date</b>	Not Applicable

### 8.1.2 TENTATIVE FINANCIAL CALENDAR FOR THE YEAR 2019-20

Financial Year	01 <sup>st</sup> April, 2019 To 31 <sup>st</sup> March, 2020
First Quarter Results	End of July / First Week Of August, 2019
Second Quarter Results	End of October / First Week Of November, 2019
Third Quarter Results	End of January / First Week Of February, 2020
Results For The Year End	End of May, 2020

### 8.1.3 LISTING ON STOCK EXCHANGES AND SECURITY CODES

Name of Stock Exchange	Security Code
Equity Shares	
BSE Limited (BSE)	500174
National Stock Exchange of India Limited (NSE)	GLFLEQ
ISIN	INE540A01017

The Company has paid the annual listing fees for the year 2019-20 to both the above stock exchanges.

### 8.1.4 SHARE PRICE AND COMPARISON WITH THE BSE SENSEX AND NSE NIFTY

The monthly movement of equity share prices during the year ended 31<sup>st</sup> March, 2019 at BSE & NSE is summarized below:

Month	BSE					NSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)	BSE Sensex (High)	BSE Sensex (Low)	High (Rs.)	Low (Rs.)	Volume (Nos.)
April '18	1.64	1.42	7409	35213	32973	—	—	—
May '18	1.64	1.49	6,151	35994	34303	2.00	1.95	211
June '18	—	—	—	35877	34785	—	—	—
July '18	1.48	1.35	200	37645	35107	2.00	1.95	901
Aug '18	1.61	1.47	5,376	38990	37129	2.00	2.00	1
Sept '18	1.68	1.45	2,474	38934	35986	2.00	1.90	21
Oct '18	1.45	1.22	7,515	36617	33292	1.90	1.90	50
Nov '18	1.41	1.05	49,908	36389	34303	1.90	1.85	203
*Dec'18	2.13	1.48	16,916	36555	34426	1.80	1.70	6,919
*Jan '19	2.23	2.03	4,150	36701	35376	1.65	1.65	5,000
*Feb '19	—	—	—	37172	35287	-	-	-
*Mar '19	—	—	—	38748	35926	—	—	—

\* Scrip of GLFL has been put under Category from GSM Stage -3 to Stage - 2 by both the stock exchanges i.e under Graded Surveillance Measure. According to the SEBI Circular dated 23<sup>rd</sup> Feb, 2017, the Trading is permitted with Additional Surveillance Deposited (ASD) 100% of trade value to be deposited by the buyers. Stage of GSM could be improved with the improvement in the working results and other parameters of the Company.

### 8.1.5 SHARE TRANSFER AGENT

Name	MCS Share Transfer Agent Limited
Address	101, 2nd Floor, Shatdal Complex, Opp. Bata Show Room, Off. Ashram Road, Ahmedabad – 380009.
LandlineNo.	079-26580461/62/63
Fax No.	079-26581296
E – Mail	<a href="mailto:mcsstaahmd@gmail.com">mcsstaahmd@gmail.com</a>

### 8.1.6 SHARE TRANSFER SYSTEM

To expedite the transfer of shares held in physical mode, the powers to authorize transfers have been delegated to specified officials of the RTA and Company. Share transfers are taken up for approval at least once in a fortnight and the transferred securities are dispatched to the transferees within the stipulated time. Details of transfer/ transmission approved by the delegates are noted by the Stakeholders Relationship Committee at its next meeting. All requests for dematerialization of securities are processed and the conformation is given to the depositories within 15 days or the additional time allowed by the SEBI, as the Case may be. The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the stock exchanges for due compliance of share transfer formalities by the Company. Pursuant to the Securities & Exchange Board of India (Depositories and Participants) Regulations, 1996, certificates were also received from the Company Secretary in practice for timely dematerialization of shares and for conducting Secretarial Audit on a quarterly basis for reconciliation of the Share Capital of the Company. All the Certificates were filed with the Stock Exchanges, where the shares of the Company are listed.

### 8.1.7 DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2019

#### 8.1.7.1 ON THE BASIS OF SHARES HELD:

No. of Equity Shares held (Range)	No. of share-holders	Percentage to total share-holders (%)	No. of Shares held	Percentage to total shares held
Up to 5000	28,716	98.88	9269394	34.17
5001 – 10000	175	0.60	1308140	4.82
10001 - 50000	134	0.46	2712406	10.00
50001 - 100000	9	0.03	632588	2.33
Above 100000	10	0.03	13203239	48.68
<b>T O T A L</b>	<b>29,044</b>	<b>100.00</b>	<b>27125767</b>	<b>100.00</b>

#### 8.1.7.2 ON THE BASIS OF CATEGORY :

Category	No. of Shares held	Percentage to total shares held
Promoters	12387222	45.67
Individuals	13808234	50.91
Bodies Corporate	484082	1.78
Financial Institutions / Mutual Funds / Banks	14827	0.05
Central Govt. / State Govt. Companies	250000	0.92
Others	181402	0.67
<b>T O T A L</b>	<b>27125767</b>	<b>100.00</b>

### 8.1.8 DETAILS OF SHARES

Types of Shares : Equity Shares  
No. of paid up Shares : 27125767  
Market lot of Shares : 1 Share

### 8.1.9 DEMATERIALIZATION OF SHARES AND LIQUIDITY

Consequent upon the compulsory Demat of the Equity Shares of the Company as notified by SEBI, about 89.89% (24382903) shares have been dematerialized as on 31<sup>st</sup> March, 2019 and the balance 10.11% (2742864) shares are in physical mode. The shares are traded on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

### 8.1.10 OUTSTANDING AMERICAN DEPOSITORY RECEIPTS/GLOBAL DEPOSITORY RECEIPTS / WARRANTS / OR ANY OTHER CONVERTIBLE INSTRUMENTS, CONVERSION AND LIKELY IMPACT ON EQUITY

Paid-up Share Capital of the Company comprises equity shares. It does not have any preference shares, outstanding American Depository Receipts, Global Depository Receipts, Warrants or any convertible instruments.

#### 8.1.11 EQUITY SHARES HELD BY THE NON –EXECUTIVE DIRECTORS

Sr. No.	Name	Equity Shares Held
01.	Mr. Surendra M. Shah Chairman	0
02.	Mr. Vasant A. Shah Director	0
03.	Mr. Yogesh K. Vyas Director	0
04.	Mrs. Kavita N. Mandan Director	0

#### 8.1.12 LOCATION OF PLANT /REGISTERED OFFICE

The Company has not been engaged in any manufacturing activities. The Company is having only Registered Office, from where it operates its functions and the address of the Registered Office is as under:

**Registered Office** : 6<sup>th</sup> Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380006.  
Tele No. (079) 2657 5722 , E-mail Id: [glfho\\_ahm@yahoo.co.in](mailto:glfho_ahm@yahoo.co.in)

#### 8.1.13 ADDRESS FOR CORRESPONDENCE

<b>Registered Office &amp; Shareholders Correspondence Address</b>	Gujarat Lease Financing Limited 6 <sup>th</sup> Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380006. Tele No. : (079) 2657 5722 E-mail Id : <a href="mailto:glfho_ahm@yahoo.co.in">glfho_ahm@yahoo.co.in</a>
<b>Compliance Officer</b>	Ms. Preeti Singh (Company Secretary) (upto 31.05.2018) Mr. Kamlesh Patel (Company Secretary) (from 16.11.2018)
<b>Redressal of Investor Grievances</b>	<a href="mailto:glf.invcomplaints@yahoo.co.in">glf.invcomplaints@yahoo.co.in</a>

#### 8.1.14 NOMINATION FACILITY

A Member can nominate a person who will have rights to shares and | or amount payable in respect of shares registered in his | her name in the event of his | her death. This facility is available to the Members and the nomination form can be obtained from the Company.

#### 8.1.15 COMMUNICATION

Half-yearly report sent to each household of the Members	Half-yearly report was not sent to the Members.
Quarterly and half-yearly results	Quarterly and half-yearly results of the Company were sent to the Stock Exchanges immediately after approval by the Board and published in the Western Times (English & Gujarati) Ahmedabad Editions. The results were published in accordance with the guidelines of the Stock Exchanges.
Website where displayed	On the website of the Company: <a href="http://www.gujaratleasefinancing.co.in">www.gujaratleasefinancing.co.in</a> and on the website of the Stock Exchanges: 1. <a href="http://www.bseindia.com">www.bseindia.com</a> 2. <a href="http://www.nseindia.com">www.nseindia.com</a>
Official news releases	Official news releases as and when issued are placed on the website of the Company.
Presentations made to the institutional investors or to the analysts	Not Applicable
Management Discussion and Analysis	Management Discussion and Analysis is part of the Board Report (Annexure-D).

#### **8.1.16 DETAILS OF COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND EXTENT OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**

##### **8.1.16.1 COMPLIANCE WITH MANDATORY REQUIREMENTS**

The Company has complied with the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and Clauses(b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### **8.1.16.2 EXTENT OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS -NIL**

##### **8.1.17 PAYMENT TO STATUTORY AUDITORS**

During 2018-19, the Company has paid Rs. 50,000/- to M/s. G.K. Choksi & Company the Statutory Auditors/Entities in Network Firm/Network Entity of which the Statutory Auditors are members of.

##### **8.1.18 EVALUATION BY INDEPENDENT DIRECTORS**

The Independent directors at their meeting held on May 25, 2018 carried out annual evaluation in accordance with the Regulation 25(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

##### **8.1.19 ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Directors have access to the suggestions and services of the Company Secretary in ensuring an effective functioning of the board and its committees. The Company Secretary administers, attends and prepares minutes of the Board and the Committee proceedings in accordance with the statutory requirements as well as the norms of Corporate Governance.

##### **8.1.20 CERTIFICATION BY THE STATUTORY AUDITORS**

Certificate from M/s. G. K. Choksi & Co. Practising Chartered Accountants firm, regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Report.

##### **8.1.21 DECLARATION BY THE CHIEF EXECUTIVE OFFICER**

In accordance with Schedule V and Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges, all the directors and Senior Management Personnel have, affirmed compliance with the Code of Conduct as approved and adopted by the Board and forms part of this report.

##### **8.1.22 CERTIFICATION BY THE PRACTISING COMPANY SECRETARY**

Certificate from M/s. Rajesh Parekh & Co., Practising Company Secretary, that no directors of the Company are disqualified under the Companies Act, 2013 as per MCA-21 as well as SEBI (LODR), Regulations, 2015 issued By SEBI during the financial year 2018-19.

##### **8.1.23 PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has no women employee working during the year under review, as such it was not required to constitute internal Complaints Committee under the Sexual Harassment at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and report the complaints received, disposed off and pending as on the end of the financial year.

**For and on behalf of the Board of Directors**

**Place:** Ahmedabad  
**Date:** 28<sup>th</sup> May, 2019

**Harnish Patel**  
**Director-in-Charge**  
**DIN: 00114198**

**Kavita Mandan**  
**Director**  
**DIN: 07419972**

#### **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct framed pursuant to Regulation 26(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31<sup>st</sup> March, 2019.

**Place :** Ahmedabad  
**Date :** 28.05.2019

**Anil Jhaveri**  
**Chief Executive Officer**

## **CORPORATE GOVERNANCE CERTIFICATE**

To the Members of the **GUJARAT LEASE FINANCING LIMITED**

We have examined the compliance of conditions of Corporate Governance by Gujarat Lease Financing Limited ('the Company') for the year ended on 31st March 2019, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For G.K. CHOKSI & CO.**  
**(Firm Registration No. 101895W)**  
**Chartered Accountants,**

**Place : Ahmedabad**  
**Date : 28th May, 2019**

**SANDIP A. PARIKH**  
**Partner**  
**Mem. No.040727**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry structure and developments

The Company has discontinued its business operation a very long back and as such not carried on any new business during the year under review. Hence there is no major impact of Industry structure and developments on a Company.

### Opportunities and Threats

As the business of the Company had been stopped since 2000, the management is not looking for suitable business opportunities to restart any operation right now. Considering the present condition of the Company there is no threats to the Company.

### Segment-wise or product-wise performance

At present, the Company does not have any product or provide any services and hence it was not required to provide segment wise or product wise performance of the Company.

### Detail of significant changes in Key Financial Ratios

As the Company has not done any operational business during the year under review, as such it will not be required to provide the details of the significant changes in Key Financial Ratios(i.e. 25% or more as compared to the immediately previous financial year) such as Debtor Turnover Ratio, Inventory Turnover Ratio, Interest Coverage Ratio, Current Ratio, Debt Equity Ratio, Operating Profit Margin and Net Profit Margin or sector specific equivalent Ratios as applicable to the Company alongwith detailed explanation thereof. The details of any change in Return of Net worth as compared to the immediately previous financial year alongwith detailed explanation thereof is also not required to be provided in this report.

### Outlook

The Company do not envisage any new business opportunity in the near future.

### Risks and concerns

The Company does not have any operational activities and income,however the Company has income from other sources viz. interest on investments which may attract interest rate risk. The Company has made diversified investment in fixed deposit to mitigate risks posed by external environment.

### Internal control systems and their adequacy

During the year under review, the Company has appointed external independent person to carry out internal audit of the Company. The Internal Audit Reports are reviewed by the Audit Committee of the Board from time to time and no weakness was found in the existing internal control system. The present internal control mechanism is adequate looking to the size and the nature of the business of the Company. The Company has also laid down adequate internal financial controls.

### Discussion on financial performance with respect to operational performance

The Company does not have any operational activities, as such the financial performance of the Company are not comparable with the operational performance during the year under review.

### Material developments in Human Resources

The Company has duly appointed Key Managerial Personnel in compliance of the Companies Act, 2013 and Rules made there under as well as SEBI (LODR) Regulations,2015 during the year under review..

### Cautionary statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied.

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i) CIN:-	L65990GJ1983PLC006345
ii) Registration Date:	13/07/1983
iii) Name of the Company:	Gujarat Lease Financing Limited
iv) Category / Sub-Category of the Company:	
Category	Company limited by Shares
Sub-Category	Indian Non-govt Company
v) Address of the Registered Office and contact details:	6 <sup>th</sup> Floor, Hasubhai Chambers Opp. Town Hall, Ellisbridge Ahmedabad-380 006 Ph.: 079-26575722 Email : glflho_ahm@yahoo.co.in
vi) Whether listed Company Yes / No :	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :	MCS Share Transfer Agent Limited 101, 2nd Floor, Shatdal Complex, Opp. Bata Show Room, Off Ashram Road, Ahmedabad-380 009 Telephone No.:079-26580461,62,63 E-mail : mcsstaahmd@gmail.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
NOT APPLICABLE			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

Sr. No.	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	GLFL Housing Finance Ltd.	6 <sup>th</sup> Floor, Hasubhai Chamber, Opp. Town Hall, Ellisbridge, Ahmedabad, 380 006.	U65922GJ1992PLC018275	Subsidiary	100	2 (87) (ii)
2	GLFL Securities Ltd.	6 <sup>th</sup> Floor, Hasubhai Chamber, Opp. Town Hall, Ellisbridge, Ahmedabad, 380 006.	U67120GJ1993PLC020780	Subsidiary	100	2 (87) (ii)
3	GLFL International Ltd.	6 <sup>th</sup> Floor, Hasubhai Chamber, Opp. Town Hall, Ellisbridge, Ahmedabad, 380 006.	U65910GJ1995PLC027822	Subsidiary	100	2 (87) (ii)

- The above three wholly owned subsidiaries of the Company remains subsidiaries of the Company upto 28.02.2019 and thereafter merged with the Company and accordingly no subsidiary companies as on 31.03.2019.

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

**i) Category-wise Share Holding**

CATEGORY OF SHAREHOLDER	No. of shares held at the beginning of the year 01/04/2018				No. of shares held at the end of the year 31/03/2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>PROMOTER AND PROMOTER GROUP</b>									
<b>INDIAN</b>									
Individual /HUF	0	0	0	0	0	0	0	0	0
Central Government	0	0	0	0	0	0	0	0	0
State Government(s)	0	0	0	0	0	0	0	0	0
Bodies Corporate	12387222	0	12387222	45.67	12387222	0	12387222	45.67	0
Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total A(1) :</b>	<b>12387222</b>	<b>0</b>	<b>12387222</b>	<b>45.67</b>	<b>12387222</b>	<b>0</b>	<b>12387222</b>	<b>45.67</b>	<b>0</b>
<b>FOREIGN</b>									
Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Institutions	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of</b>									
<b>Promoter(A)=A(1)+A(2)</b>	<b>12387222</b>	<b>0</b>	<b>12387222</b>	<b>45.67</b>	<b>12387222</b>	<b>0</b>	<b>12387222</b>	<b>45.67</b>	<b>0</b>
<b>PUBLIC SHAREHOLDING</b>									
<b>INSTITUTIONS</b>									
Mutual Funds	262	0	262	0	262	0	262	0	0
Financial Institutions /Banks	12715	1850	14565	0.05	12715	1850	14565	0.05	0.00
Central Government	0	0	0	0	0	0	0	0	0
State Government(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total B(1) :</b>	<b>12977</b>	<b>1850</b>	<b>14827</b>	<b>0.05</b>	<b>12977</b>	<b>1850</b>	<b>14827</b>	<b>0.05</b>	<b>0.00</b>
<b>NON-INSTITUTIONS</b>									
Bodies Corporate	482417	25783	508200	1.87	459524	24558	484082	1.78	(0.09)
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.2 lakh	7273764	2797416	10071180	37.13	8533073	2715107	11248180	41.46	4.33
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	3710572	0	3710572	13.67	2560054	0	2560054	9.44	(4.23)
Others	398749	412	399161	1.47	398175	912	399087	1.47	0.00
Foreign Bodies	0	0	0	0	0	0	0	0	0
NRI	34605	0	34605	0.13	31878	437	32315	0.12	(0.01)
Foreign Portfolio - Corp	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
<b>Sub-Total B(2) :</b>	<b>11900107</b>	<b>2823611</b>	<b>14723718</b>	<b>54.28</b>	<b>11982704</b>	<b>2741014</b>	<b>14723718</b>	<b>54.28</b>	<b>(0.00)</b>
<b>Total Public Shareholding (B)=B(1)+B(2) :</b>	<b>11913084</b>	<b>2825461</b>	<b>14738545</b>	<b>54.33</b>	<b>11995681</b>	<b>2742864</b>	<b>14738545</b>	<b>54.33</b>	<b>0</b>
Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A+B+C) :</b>	<b>24300306</b>	<b>2825461</b>	<b>27125767</b>	<b>100</b>	<b>24382903</b>	<b>2742864</b>	<b>27125767</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2018)			Shareholding at the end of the year (31-03-2019)			% 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	Torrent Private Limited	8015525	29.55	NIL	8015525	29.55	NIL	NIL
2	Gujarat Industrial Investment Corporation Limited	1793572	6.61	NIL	1793572	6.61	NIL	NIL
3	Gujarat State Investments Limited	1328125	4.90	NIL	1328125	4.90	NIL	NIL
4	Gujarat Industrial Development Corporation	625000	2.30	NIL	625000	2.30	NIL	NIL
5	Gujarat Maritime Board	625000	2.30	NIL	625000	2.30	NIL	NIL

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Promoters' Shareholding				
During the year under review there was no Change in Promoters' Shareholding					

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of shares at the beginning/ end of the year	% of shares of the Company				No. of Shares	% of total shares of the Company
1	Gujarat Alkalies And Chemicals Limited	250000	0.923	01-04-2018	-	-		
		250000	0.923	31-03-2019			250000	0.923
2	Anjanaben Himanshubhai Patel	180107	0.664	01-04-2018	-	-		
		180107	0.664	31-03-2019			180107	0.664
3	Bharat Kantilal Shah	160000	0.590	01-04-2018	-	-		
		160000	0.590	31-03-2019			160000	0.590
4	Varsha Sagar Nevgi	120000	0.442	01-04-2018	-	-		
		120000	0.442	31-03-2019			120000	0.442
5	Puneet Jain	90000	0.332	01-04-2018	-	-		
		90000	0.332	31-03-2019			90000	0.332
6	Virsen Vithaldas Thakkar	84274	0.311	01-04-2018	-	-		
		84274	0.311	31-03-2019			84274	0.311
7	Preeti Nilesh Kamerkar	82937	0.306	01-04-2018	-	-		
		82937	0.306	31-03-2019			82937	0.306
8	Chhotalal Ramjibhai Bhandari	64000	0.239	01-04-2018	- 1000	Transfer		
		63000	0.232	31-03-2019			63000	0.232
9	Himani Sanjay Dhotre	61916	0.228	01-04-2018	-	-		
		61916	0.228	31.03.2019			61916	0.228
10	Gajinder Singh Dawer	61449	0.227	01-04-2018	-	-		
		61449	0.227	31.03.2019			61449	0.227

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2018		Shareholding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>DIRECTORS:</b>					
1	Shri Surendra M.Shah	0	0	0	0
2	Shri Vasant A.Shah	0	0	0	0
3	Shri Harnish J.Patel	10	0	10	0
4	Shri Yogesh K. Vyas	0	0	0	0
5	Smt. Kavita Mandan	0	0	0	0
<b>KMP :</b>					
1	Shri Anil K. Jhaveri	10	0	10	0
2	Shri Janak J.Mehta	10	0	10	0
3	Shri Kamlesh P. Patel	10	0	10	0

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment : (Rs. in Crore)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness as on 01-04-2018</b>				
(i) Principal Amount	-	15.00	-	15.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	15.00	-	15.00
<b>Change in Indebtedness during the financial year 2018-19</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness as on 31-03-2019</b>				
i) Principal Amount	-	15.00	-	15.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	15.00	-	15.00

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

No remuneration is paid.

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	Name	Shri Harnish Patel	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL NIL NIL	NIL NIL NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others specify Others, please specify	NIL NIL NIL	NIL NIL NIL
	<b>Total (A)</b>	NIL	NIL
	Ceiling as per the Act	5% of the Net Profit of the Company	

**B. Remuneration to other Directors**

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Surendra M. Shah	Shri Vasant A. Shah	Shri Yogesh K. Vyas	Smt. Kavita Mandan	
	<b>Independent Directors</b>					
	Fee for attending board / committee meetings	1.05	1.05	-	-	2.10
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	1.05	1.05	-	-	2.10
	<b>Other Non-Executive Directors</b>					
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	1.05	1.05	-	-	2.10
	Total Managerial Remuneration	Rs. 2.10 Lacs				
	Overall Ceiling as per the Act	1% of the Net Profit of the Company				

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

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO (Shri Anil Jhaveri)	CFO (Shri Janak Mehta)	CS (Mr. Kamlesh Patel)*	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.60	3.00	1.09	7.69
	(b) Value of perquisites u/s 17(2) of the Income Tax, Act 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others specify	- -	- -	- -	- -
5	Others, please specify	-	-	-	-
	Total	3.60	3.00	1.09	7.69

\*Ms. Preeti Singh, Company Secretary had resigned w.e.f. 31.05.2018 and Mr. Kamlesh Patel, Company Secretary was appointed w.e.f. 16.11.2018.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of Companies Act	Brief description	Details of penalty/ punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any give details
<b>A. COMPANY</b>					
Penalty					
Punishment			Nil		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			Nil		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			Nil		
Compounding					

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**GUJARAT LEASE FINANCING LIMITED**  
Ahmedabad.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **GUJARAT LEASE FINANCING LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as financial statements').

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 Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

#### 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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial Statements 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 statements under the provisions of the Companies Act, 2013 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.

#### Emphasis of Matters

We draw attention to Note 2 to the financial statements, which indicates that the Company incurred a net loss of Rs. 38.40 lacs for the year ended 31<sup>st</sup> March, 2019, and as that date the accumulated losses exceeded its net worth and the Company's current liabilities exceeded its current assets. These conditions, along with other matters set forth in note indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of the said matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How our audit addressed the Key Audit Matters
<p>Amalgamation in the nature of merger of Company's wholly owned subsidiary Companies.</p> <p>During the year under review, Hon'ble National Company Law Tribunal approved the Scheme of Amalgamation in the nature of merger by passing the order on 4<sup>th</sup> February, 2019 which entails the merger of company's wholly owned subsidiary company in to the company with effect from appointed date 1<sup>st</sup> April, 2017. Pursuant to such order all the Assets, Liabilities, Rights and obligations of wholly owned subsidiary companies stands transferred to and vested into the company which has significant effect in the form of elimination of Company's Investment, Borrowing from Subsidiary Companies and other receivables / payables from / to such subsidiary companies.</p> <p>In terms of provision of para 9(c) of Standard on Auditing (SA) 701 we have identified such event as significant event having effect on audit for the current financial year.</p>	<p>Our audit procedures an recognition of Scheme of Amalgamation and the accounting treatment in the books of accounts of the company include :</p> <ol style="list-style-type: none"> <li>1. Inspected Minutes Books of Meetings of Board of Directors to ascertain that Board has passed a valid resolution approving Scheme of amalgamation in the nature of merger.</li> <li>2. Obtained the copy of scheme duly approved by Board and ascertained the accounting treatment suggested in the scheme.</li> <li>3. Obtained the copy of the order passed by Hon'ble National Company Law Tribunal approving such scheme.</li> <li>4. Ascertained Appointed date with effect from which amalgamation is required to be recognized in Company's books.</li> <li>5. Performed a review and evaluated the Accounting Treatment given by the company and also evaluated the elimination of intra company transactions / balances sitting in the books of company and subsidiary companies.</li> <li>6. Performed the review to ensure that all the Assets, Liabilities, Rights and obligations of such subsidiary companies are transferred to and rested into the company with effect from appointed date.</li> <li>7. Ensured the compliance of provisions with respect to recognition, measurement and disclosures requirement.</li> </ol>

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including Annexure to Board's Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

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 Companies Act, 2013, we give in the Annexure - A - a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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 25 to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

**SANDIP A. PARIKH**  
*Partner*  
Mem. No. 40727

Place : Ahmedabad  
Date : 28th May, 2019

**Annexure - A to the Independent Auditors' Report of even date on financial statements of Gujarat Lease Financing Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals having regard to size of company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (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) The Company doesn't have any inventory and hence reporting under clause (ii) of CARO, 2016 is not applicable.
- (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 u/s.189 of the Companies Act, 2013.
- (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, in respect of making investments, as applicable. The Company has not granted any loans or provided guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) Having regard to the nature of Company's business/activities, reporting under clause (vi) of CARO 2016 is not applicable.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2019 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31<sup>st</sup> March, 2019.
- (viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, bank and government and has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year or term loans and hence reporting under clause (ix) of CARO 2016 is not applicable.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not paid managerial remuneration during the year. Hence reporting under clause (xi) of CARO 2016 is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 of the Companies Act, 2013, where applicable, for all transactions with related parties and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of CARO 2016 is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 28<sup>th</sup> May, 2019

**SANDIP A. PARIKH**  
*Partner*  
Mem. No. 40727

## **“Annexure B” to the Auditors’ Report**

(Referred to in our Report of even date to the members of **GUJARAT LEASE FINANCING LIMITED**)

### **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 **GUJARAT LEASE FINANCING LIMITED** (“the Company”) as of 31 March 2019 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 unauthorised 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<sup>st</sup> March 2019, 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 G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 28<sup>th</sup> May, 2019

**SANDIP A. PARIKH**  
*Partner*  
Mem. No. 40727

**GUJARAT LEASE FINANCING LIMITED**  
**Balance Sheet as at March 31, 2019**

(Rs.In Lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	9.94	11.96
Financial Assets			
Investments	6	904.81	763.48
Other financial assets	7	11.00	18.04
		<u>925.75</u>	<u>793.48</u>
<b>Current assets</b>			
Financial assets			
Cash and Cash Equivalents	8	6.12	18.74
Current Tax Assets (Net)	9	3.56	6.90
Other Current Assets	10	0.09	0.09
		<u>9.77</u>	<u>25.73</u>
<b>Total Assets:</b>		<b><u>935.52</u></b>	<b><u>819.21</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11	2 716.05	2 716.05
Other Equity	12	( 3 338.09)	( 3 453.02)
		<u>( 622.04)</u>	<u>( 736.97)</u>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	13	1 500.00	1 500.00
Deferred Tax Liabilities	14	12.58	0.00
		<u>1 512.58</u>	<u>1 500.00</u>
<b>Current liabilities</b>			
Financial Liabilities			
Trade Payables	15		
Total outstanding dues of Micro Enterprise and Small Enterprise		0.00	0.00
Total outstanding dues of Creditors other than Micro Enterprise and Small Enterprise		13.14	10.92
Other Financial Liabilities	16	28.97	26.86
Other Current liabilities	17	1.16	16.99
Provisions	18	1.71	1.41
		<u>44.98</u>	<u>56.18</u>
<b>Total Equity and Liabilities:</b>		<b><u>935.52</u></b>	<b><u>819.21</u></b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR AND ON BEHALF OF THE BOARD**

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]

Chartered Accountants

**SANDIP A. PARIKH**

Partner

Mem. No. 40727

**S.M.Shah**  
Chairperson  
(DIN: 00016578)

**Harnish Patel**  
Director-In-Charge  
(DIN: 00114198)

**Janak Mehta**  
Chief Financial Officer

**Kamlesh Patel**  
Company Secretary

Place: Ahmedabad

Date: 28th May, 2019

Place: Ahmedabad

Date: 28th May, 2019

## Statement of Profit and Loss for the year ended March 31, 2019

(Rs.In Lacs)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
Other Income	19	24.44	7.21
<b>Total Income:</b>		<b>24.44</b>	<b>7.21</b>
<b>EXPENSES</b>			
Employee benefits expense	20	8.45	8.93
Depreciation and Amortization	21	2.42	2.35
Other Expenses	22	48.50	32.91
<b>Total Expenses:</b>		<b>59.37</b>	<b>44.19</b>
<b>Profit / (Loss) before tax</b>		<b>( 34.93)</b>	<b>( 36.98)</b>
<b>Tax expense</b>			
Current tax	23	0.07	0.00
Tax in respect of earlier years		3.40	0.00
Deferred tax		0.00	0.00
<b>Total tax expense:</b>		<b>3.47</b>	<b>0.00</b>
<b>Profit / (Loss) for the year operations</b>		<b>( 38.40)</b>	<b>( 36.98)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gain on measurement of equity instruments at FVTOCI		165.91	186.27
Tax relating to measurement of equity instruments at FVTOCI		( 12.58)	0.00
		<b>153.33</b>	<b>186.27</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>114.93</b>	<b>149.29</b>
Earning per Equity Share	24		
Basic		( 0.14)	( 0.14)
Diluted		( 0.14)	( 0.14)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]  
Chartered Accountants

**SANDIP A. PARIKH**

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(DIN: 00114198)

**Janak Mehta**  
Chief Financial Officer

**Kamlesh Patel**  
Company Secretary

Place: Ahmedabad  
Date: 28th May, 2019

Place: Ahmedabad  
Date: 28th May, 2019

## Statement of Cash Flows for the year ended March 31, 2019

(Rs.In Lacs)

Particulars	2018-2019	2017-2018
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	(34.93)	(36.98)
<b>Adjustments for</b>		
Depreciation and amortisation	2.43	2.35
Interest Income from Bank Deposit	(0.94)	(2.73)
Profit on sale of investmens	(1.91)	(0.04)
Dividend Income	(5.24)	(4.43)
Operating profit before working capital changes	<b>(40.59)</b>	<b>(41.83)</b>
<b>Adjustment for</b>		
Decrease / (Increase) in Other current assets	(0.01)	(0.01)
Increase / (Decrease) in Other current financial liabilities	2.11	2.40
Increase / (Decrease) in Other current liabilities	(15.83)	0.17
Increase / (Decrease) in Trade Payables	2.22	5.15
Increase / (Decrease) in Provisions	0.30	0.46
	(51.80)	(33.66)
Direct taxes Refund/(paid)	(0.13)	0.10
<b>Net Cash from Operating Activities</b>	<b>[A] (51.93)</b>	<b>(33.56)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed property,plant and equipment	(0.40)	0.00
Investment in fixed deposits (net)	6.75	30.00
Proceeds for sale of Shares	26.50	0.00
Payment for purchase of investments	0.00	12.47
Interest received	1.22	2.96
Dividend received	5.24	4.43
<b>Net Cash from / (used in) investing activities</b>	<b>[B] 39.31</b>	<b>49.86</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from allotment of shares	0.00	0.00
<b>Net cash flow from financial activities</b>	<b>[C] 0.00</b>	<b>0.00</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>[A+B+C] (12.62)</b>	<b>16.30</b>
Cash and cash equivalents opening	18.74	2.44
Cash and cash equivalents closing	<b>6.12</b>	<b>18.74</b>
Components of Cash and cash equivalent		
Balances with scheduled banks	5.90	18.61
Cash in hand	0.22	0.13
	<b>6.12</b>	<b>18.74</b>

### Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement has been prepared under the Indirect method as set out in IND As- 7 on Statement of Cash Flows notified under section 133 of the Companies Act,2013 (the Act Companies Indian Accounting Standards Rules,2015 as amended).
- Figures in brackets indicate cash outflow.The above statement of cash flow should be read in conjunction with the accompanying notes.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants  
**SANDIP A. PARIKH**  
Partner  
Mem. No. 40727

**S.M.Shah**  
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Director-In-Charge  
(DIN: 00114198)

**Janak Mehta**  
Chief Financial Officer

**Kamlesh Patel**  
Company Secretary

Place: Ahmedabad  
Date: 28th May, 2019

Place: Ahmedabad  
Date: 28th May, 2019

## Statement of changes in Equity for the year ended March 31, 2019

### A. Equity share capital

	(Rs. In Lacs)
As at April 1, 2017	2 716.05
Issue of Equity Share capital	0.00
<b>As at March 31, 2018</b>	<b>2 716.05</b>
Issue of Equity Share capital	0.00
<b>As at March 31, 2019</b>	<b>2 716.05</b>

### B. Other equity

Particulars	Reserves and Surplus					Other Comprehensive Income		Total equity	
	Securities Premium	Capital Reserve	Retained Earnings	Special reserve	Reserve fund	General reserve	Equity Instruments through OCI		Other items of comprehensive Income
<b>Balance as at April 1, 2017</b>	6 759.39	2 358.77	(16 375.63)	678.10	0.80	2 834.53	145.48	0.00	(3 598.56)
Profit /(Loss) for the year	0.00	0.00	(36.98)	0.00	0.00	0.00	0.00	0.00	(36.98)
Addition during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior period adjustment	0.00	0.00	(3.75)	0.00	0.00	0.00	0.00	0.00	(3.75)
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other comprehensive income for the year	0.00	0.00	0.00	0.00	0.00	0.00	186.27	0.00	186.27
<b>Balance as at March 31, 2018</b>	6 759.39	2 358.77	(16 416.36)	678.10	0.80	2 834.53	331.75	0.00	(3 453.02)
Profit /(Loss) for the year	0.00	0.00	(38.40)	0.00	0.00	0.00	0.00	0.00	(38.40)
Addition during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other comprehensive income for the year	0.00	0.00	0.00	0.00	0.00	0.00	153.33	0.00	153.33
<b>Balance as at March 31, 2019</b>	6 759.39	2 358.77	(16 454.76)	678.10	0.80	2 834.53	485.08	0.00	(3 338.09)

As per our report of even date

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

**SANDIP A. PARIKH**  
Partner  
Mem. No. 40727

Place: Ahmedabad  
Date: 28th May, 2019

**FOR AND ON BEHALF OF THE BOARD**

**S.M.Shah**  
Chairperson  
(DIN: 00016578)

**Harnish Patel**  
Director-In-Charge  
(DIN: 00114198)

**Janak Mehta**  
Chief Financial Officer

**Kamlesh Patel**  
Company Secretary

Place: Ahmedabad  
Date: 28th May, 2019

## Notes to the Financial Statements

### Note 1: Company Overview

Hitherto the Company was a registered Non-Banking Finance Company ("NBFC"). The Company has ceased to carry on business as NBFC since 1999-2000 due to precarious financial condition and negative net worth. The Board of Directors at its meeting held on 23<sup>rd</sup> June, 2016 had decided to surrender voluntarily a Certificate of Registration (COR) under category 'B' as Non-Banking Finance Company (NBFC) issued by Reserve Bank of India as the Company at present, was not in a position to comply the requirements of NBFCs Regulations.

Based on the Company's request RBI has issued order cancelling Certificate of Registration (CoR) under category "B" with effect from 8th March, 2017 vide its letter no. DNBS (AHO) No. 1315/01.10.234/2016-17 dated 22<sup>nd</sup> March, 2017.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on 28<sup>th</sup> May, 2019.

### Note 2: Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("IndAS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The financial statements are prepared in INR and all the values are rounded to the nearest lakhs, Rupees except when otherwise indicated.

During the year, the Company continued to not having any significant business operations. The Company has also surrendered its license as stated above. It has incurred losses amounting to Rs. 38.40 lacs (2017-18: Rs. 36.98 Lacs) and as at 31<sup>st</sup> March, 2019, its accumulated losses exceed its paid-up capital and reserves by Rs. 622.04 lacs (March 31, 2018: Rs. 736.97 lacs). These conditions may cast a doubt on the Company's ability to continue as a going concern.

However, the Company is exploring avenues for restructuring of its capital and operations. In terms of the Scheme of Compromise and Arrangement (refer note 30) sanctioned by High Court of Gujarat in 2004 borrowings from a promoter group company of Rs. 1500.00 Lacs (March 31, 2018: Rs. 1500.00 Lacs), would not be repaid before repayment of all other liabilities. Further, the said promoter group company continues to provide support to the Company. The assets of the Company continue to be stated at-least at their realisable values and the Company would continue its current activities at least till such time it realises its investments and settles its obligations.

In view of the above, the financial statements have been prepared on going concern basis and do not include any adjustments relating to recorded amounts and the classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

#### 2.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended 31<sup>st</sup> March, 2019 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting.

#### 2.2 Basis of Measurement

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through OCI are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.11.

### **2.3 Functional and Presentation Currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (Rs.) which is the company's presentation currency.

### **Note 3: Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the financial statements.

#### **3.1 Impairment of investments in subsidiaries**

The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

#### **3.2 Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

#### **3.3 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

#### **3.4 Litigations**

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation arising at the reporting period.

### **Note 4: Significant Accounting Policies**

#### **4.1 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

##### **(a) Financial Assets**

Financial Assets comprises of investments in equity instruments, cash and cash equivalents and other financial assets.

### **Initial Recognition:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at Fair Value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

### **Subsequent Measurement:**

#### **(i) Financial assets measured at Amortized Cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

#### **(iii) Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

### **De-recognition of Financial Assets:**

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

## **(b) Financial Liabilities**

### **Initial Recognition and Measurement**

Financial Liabilities are initially recognized at Fair value plus any transaction costs that are attributable to acquisition of the financial liabilities except financial liabilities through profit or loss which are initially measured at Fair Value.

### **Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

#### **(i) Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective Interest Method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at FVTPL.

**De-recognition of Financial Liabilities:**

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceased to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**4.2 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

**4.3 Property, Plant and Equipment**

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

**Estimated useful lives of the assets are as follows:**

Type of Asset	Useful Life
Buildings (Freehold)	30 years
Data Processing Equipment / Computers	3 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office equipment	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognized net within "other income / other expenses" in the Statement of profit and loss.

#### 4.4 Intangible assets

##### **Intangible Assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

##### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is derecognised.

#### 4.5 Impairment

##### **I Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

##### **II Non-financial assets**

##### **Tangible and Intangible assets**

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

##### **Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

#### **4.6 Provisions**

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

#### **4.7 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### **Dividend and Interest Income**

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **4.8 Employee benefits**

##### **(a) Short-term obligations**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### **(b) Post-employment obligations**

The Company does not operate any post-employment schemes except defined contribution plan i.e. provident fund.

###### **(i) Defined contribution plans**

The Company has defined contribution plan for the post-employment benefits namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

#### 4.9 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### 4.10 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### 4.11 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3- unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques. In respect of non-significant investments in equity and debt securities where fair values could not be ascertained, the fair values are considered as Rs. NIL and therefore such investment are stated at Rs. NIL only.

- (b) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

- (c) Non derivative financial liabilities

Fair Value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

#### **4.12 Current / non- current classification**

An asset is classified as current if:

- (a) It is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) It is held primarily for the purpose of trading;
- (c) It is expected to be realized within twelve months after the reporting period; or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) It is expected to be settled in normal operating cycle;
- (b) It is held primarily for the purpose of trading;
- (c) It is expected to be settled within twelve months after the reporting period;
- (d) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### **4.13 Cash and cash equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

**Notes to the Financial Statements**  
**Note 5 : Property, Plant and Equipment**  
**Note 5.1 : As at March 31, 2019**

[Rs in Lacs]

Particulars	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at 01/04/2018	Additions	Deductions	As at 31/03/2019	Upto 31/03/2018	For the year	Adjustments	Upto 31/03/2019	As at 31/03/2019
<b>Owned Assets</b>									
Computer Equipments	0.10	0.30	0.00	0.40	0.00	0.08	0.00	0.08	0.32
Building	16.03	0.00	0.00	16.03	4.70	2.34	0.00	7.04	8.99
Office Equipments	0.45	0.10	0.00	0.55	0.12	0.00	0.00	0.12	0.43
Office Furniture	0.11	0.00	0.00	0.11	0.00	0.00	0.00	0.00	0.11
Electrical Installation	0.09	0.00	0.00	0.09	0.00	0.00	0.00	0.00	0.09
	16.78	0.40	0.00	17.18	4.82	2.42	0.00	7.24	9.94

**Note 5.2 : As at March 31, 2018**

[Rs in Lacs]

Particulars	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at 01/04/2017	Additions	Deductions	As at 31/03/2018	Upto 31/03/2017	For the year	Adjustments	Upto 31/03/2018	As at 31/03/2018
<b>Owned Assets</b>									
Computer Equipments	0.10	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.10
Building	16.03	0.00	0.00	16.03	2.35	2.35	0.00	4.70	11.33
Office Equipments	0.45	0.00	0.00	0.45	0.12	0.00	0.00	0.12	0.33
Office Furniture	0.11	0.00	0.00	0.11	0.00	0.00	0.00	0.00	0.11
Electrical Installation	0.09	0.00	0.00	0.09	0.00	0.00	0.00	0.00	0.09
	16.78	0.00	0.00	16.78	2.47	2.35	0.00	4.82	11.96

## Notes to the Financial Statements

### Note 6 : Investments

[Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Non current</b>		
<b>Financial instruments at FVTOCI</b>		
Investment in equity Instruments of other entities	904.81	763.48
<b>Total (A)</b>	<u>904.81</u>	<u>763.48</u>
Aggregate amount of quoted investments and market value thereof	904.81	763.48
Aggregate amount of unquoted investments	0.00	0.00

#### Note 6.1 : Details of investments in equity instruments – other than subsidiaries (fully paid up) – classified as FVTOCI

Name of the entity	Currency	Face Value Rs.	Number of Units as at		Balances as at (Rs. in lacs)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Equity Instrument</b>						
<b>Quoted</b>						
Adarsh Chemicals & Fertilisers Ltd	INR	10	34 000	34 000	0.00	0.00
Gujarat Himalaya Cement Ltd	INR	10	42 796	42 796	0.00	0.00
K.J.International Ltd	INR	10	20 300	20 300	0.00	0.00
Samrat Ashoka Exports Ltd	INR	10	7 900	7 900	0.00	0.00
Vikram Projects Ltd	INR	10	26 600	26 600	0.00	0.00
Amethi Textiles Ltd.	INR	10	200	200	0.00	0.00
Bluechip Stockspin Ltd.	INR	10	100	100	0.00	0.00
HDFC BANK	INR	10	39 005	40 305	904.49	762.35
Chemo Pharma Ltd.	INR	10	3 000	3 000	0.32	1.13
Energy Products (India) Ltd.	INR	10	39 800	39 800	0.00	0.00
Excel Glasses Ltd.	INR	10	100	100	0.00	0.00
Galaxy Appliances Ltd.	INR	10	500	500	0.00	0.00
Jolly Plastics Ind. Ltd.	INR	10	1 500	1 500	0.00	0.00
Pan Auto Ltd.	INR	10	3 50 000	3 50 000	0.00	0.00
Rahi Chemicals Ltd.	INR	10	200	200	0.00	0.00
Rahul Dairy & Allied Prod. Ltd.	INR	10	100	100	0.00	0.00
Reil Products Ltd.	INR	10	500	500	0.00	0.00
Sarthak Securities Ltd.	INR	10	500	500	0.00	0.00
Shree Araveli Finlease Ltd.	INR	10	100	100	0.00	0.00
SIEL Financial Services Ltd.	INR	10	25	25	0.00	0.00
Silver Oak (India) Ltd.	INR	10	1 000	1 000	0.00	0.00
Somani Cement Company Ltd.	INR	10	100	100	0.00	0.00
<b>Total (A):</b>			5 68 326	5 69 626	904.81	763.48

**Note 6 : Investments ...Continued..****Note 6.1 : Details of investments in equity instruments – other than subsidiaries (fully paid up) – classified as FVTOCI**

Name of the entity	Currency	Face Value (Rs)	Number of Units as at		Balances as at (Rs. in lacs)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Equity Instrument</b>						
<b>Unquoted</b>						
Harvic Management Serv. (I) Ltd.	INR	10	200	200	0.00	0.00
Indo Deutche Metallo Chemique Ltd	INR	10	1 71 400	1 71 400	0.00	0.00
Jayant Paper Mills Ltd ( Rs 5/- paid up)	INR	10	1 00 000	1 00 000	0.00	0.00
Liverpool Finance Ltd.	INR	10	100	100	0.00	0.00
Malvika Steel Ltd ( Rs 5/- paid up)	INR	10	1 53 900	1 53 900	0.00	0.00
Malhotra Steel Ltd.	INR	10	1 500	1 500	0.00	0.00
Merry Sherefin Ltd.	INR	10	900	900	0.00	0.00
Preyanshu Exports Ltd.	INR	10	800	800	0.00	0.00
Somani Iron & Steel Co Ltd	INR	10	13 100	13 100	0.00	0.00
Somani Iron & Steel Ltd.	INR	10	26 200	26 200	0.00	0.00
Somani Strips Ltd.	INR	10	500	500	0.00	0.00
Sonal Sil-Chem Ltd.	INR	10	400	400	0.00	0.00
Sonell Clocks & Gift Ltd.	INR	10	100	100	0.00	0.00
SSP Polymer Industries Ltd.	INR	10	400	400	0.00	0.00
<b>Total (B):</b>			4 69 500	4 69 500	0.00	0.00
<b>Total (A+B):</b>			10 37 826	10 39 126	904.81	763.48

**Note 7 : Other financial assets (Non-current)**

[Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit with Ahmedabad Stock Exchange	1.00	1.00
Fixed Deposits with bank	10.00	16.75
Interest accrued but not due	0.00	0.29
	11.00	18.04

**Note 8 : Cash and cash equivalents**

Balance with Bank		
in Current Accounts	5.90	18.61
Cash on hand	0.22	0.13
	6.12	18.74

**Note 9 : Current tax assets**

Advance tax (Net of Provisions)	3.56	6.90
	3.56	6.90

**Note 10 : Other Current Assets**

<b>Current</b>		
Pre-paid expenses	0.05	0.05
Advance to staff	0.04	0.04
	0.09	0.09

## Notes to the Financial Statements

### Note 11 : Equity share capital

[Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised share capital</b> 5,00,00,000 (March 31, 2018: 5,00,00,000 ) Equity Shares of Rs. 10/ each fully paid up	5 000.00	5 000.00
<b>Issued share capital</b> 2,80,15,117(March 31, 2018: 2,80,15,117) Equity Shares of Rs. 10/ each fully paid up	2 801.51	2 801.51
<b>Subscribed share capital</b> 2,71,99,017(March 31, 2018: 2,71,99,017; ) Equity Shares of Rs. 10/ each fully paid up	2 719.90	2 719.90
<b>Fully Paid up share capital</b> 2,71,25,767(March 31, 2018: 2,71,25,767; ) Equity Shares of Rs. 10/ each fully paid up	2 712.58	2 712.58
Forfeited Shares	3.47	3.47
	2 716.05	2 716.05

### Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

Particulars	As at March 31, 2019	As at March 31, 2018
At the beginning of the year	2 71 25 767	2 71 25 767
<b>Add:</b> Shares issued for Cash or Right Issue	0	0
	2 71 25 767	2 71 25 767
<b>Less:</b> Shares bought back / Redemption	0	0
At the end of the year	2 71 25 767	2 71 25 767

### Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

### Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Torrent Pvt. Ltd.	80 15 525	29.55	80 15 525	29.55
Gujarat Industrial Investment Corporation Ltd.	17 93 572	6.61	17 93 572	6.61

## Notes to the Financial Statements

### Note 12 : Other Equity

[Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
General Reserve	2 834.53	2 834.53
Securities Premium	6 759.39	6 759.39
Capital Redemption Reserve	2 358.77	2 358.77
Retained Earnings	( 15 969.68)	( 16 084.61)
Special Reserve	678.10	678.10
Reserve Fund	0.80	0.80
	( 3 338.09)	( 3 453.02)
<b>Note 12.1 : Other Equity</b>		
<b>Securities Premium</b>		
Balance as per previous financial statements	6 759.39	6 759.39
Add : Additions during the year	0.00	0.00
Balance at the end of the year	6 759.39	6 759.39
<b>Capital reserve</b>		
Balance as per previous financial statements	2 358.77	2 358.77
Add : Additions during the year	0.00	0.00
Balance at the end of the year	2 358.77	2 358.77
<b>Special Reserve</b>		
Balance as per previous financial statements	678.10	678.10
Add : Additions during the year	0.00	0.00
Balance at the end of the year	678.10	678.10
<b>Reserve Fund</b>		
Balance as per previous financial statements	0.80	0.80
Add : Additions during the year	0.00	0.00
Balance at the end of the year	0.80	0.80
<b>General Reserve</b>		
Balance as per previous financial statements	2 834.53	2 374.53
Add : Additions during the year	0.00	460.00
Balance at the end of the year	2 834.53	2 834.53
<b>Statutory General Reserve</b>		
Balance as per previous financial statements	0.00	460.00
Add : Additions during the year	0.00	0.00
Less: Transfer to General Reserve	0.00	( 460.00)
Balance at the end of the year	0.00	0.00
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>		
Balance as per previous financial statements	( 16 084.61)	( 16 230.15)
Add : Profit for the year	( 38.40)	( 36.98)
Add / (Loss) : Adjust on account of Prior Period items	0.00	( 3.75)
Add / (Less): OCI for the year	153.33	186.27
Balance available for appropriation	( 15 969.68)	( 16 084.61)
<b>Less: Appropriation</b>	0.00	0.00
	( 15 969.68)	( 16 084.61)
<b>Net Surplus / (Deficit)</b>	( 3 338.09)	( 3 453.02)

### Note 13 : Borrowings (Non- Current)

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured (Refer note)</b>		
<b>From related parties</b>		
Associate Entity (Refer note)	1 500.00	1 500.00
	1 500.00	1 500.00

## Notes to the Financial Statements

### Note

#### Terms of Repayment of Loans

Due to precarious financial condition of the company, the Company had decided to settle outside liabilities of Banks and Debenture holders through a Scheme of Compromise and Arrangement. Hon'ble High Court of Gujarat vide its order dated February 19, 2002 approved the said Scheme. As per the aforesaid Scheme, one of the promoter company i.e. Torrent Private Limited was to fund the amount to enable the Company to settle the liabilities of Banks and Debenture holders as approved by the Hon'ble High Court of Gujarat. In view of the same, Torrent Private Limited had not stipulated any terms and conditions so far as interest and its repayment are concerned and gave amount interest free against which 0% unsecured debentures or instrument of like nature to be issued. Therefore, the Company does not intend to pay any interest or repay such borrowings within next 12 months period and it continue to classify such borrowings as "Non-Current Borrowings" and is not able to work out the amortised cost of such borrowings. Accordingly, the Company considers its' carrying amount as amortised cost.

#### Note 14 : Deferred tax liabilities (net)

The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.

Particulars	(Rs. in Lacs)	
	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liabilities</b>		
Fair Value of Investments in Equity Instruments	12.58	0.00
	12.58	0.00
<b>Deferred Tax Assets</b>	0.00	0.00
	0.00	0.00
<b>Net Deferred Tax Liability / (Asset)</b>	12.58	0.00

#### Movement of Deferred Tax Liabilities / (Assets) during the year

Particulars	(Rs. in Lacs)			
	Opening Balance as at April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at March 31, 2019
<b>Deferred Tax liabilities / (assets) in relation to Fair value of investment in Equity Instruments</b>				
	0.00	0.00	12.58	12.58
	0.00	0.00	12.58	12.58

#### Note 15 : Trade Payables

Particulars	[Rs in Lacs]	
	As at March 31, 2019	As at March 31, 2018
Micro, Small and Medium Enterprise (Refer note 35)	0.00	0.00
Others	13.14	10.92
	13.14	10.92

#### Note 16 : Other Financial liabilities (Current)

Particulars	[Rs in Lacs]	
	As at March 31, 2019	As at March 31, 2018
Payable for Dividend (Refer Note 32)	28.47	26.36
Other Liability	0.50	0.50
	28.97	26.86

## Notes to the Financial Statements

### Note 17 : Other current liabilities [Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Liabilities	1.16	16.99
Other Payable	0.00	0.00
	<u>1.16</u>	<u>16.99</u>

### Note 18 : Provisions (Current) [Rs in Lacs]

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Leave obligation	1.71	1.41
	<u>1.71</u>	<u>1.41</u>

### Note 19 : Other Income [Rs in Lacs]

Particulars	2018-2019	2017-2018
Interest Income		
From Banks	0.94	2.73
On Income Tax Refund	0.00	0.01
	<u>0.94</u>	<u>2.74</u>
Provision no longer required	16.35	0.00
Profit on sale of Investments	1.91	0.04
Dividend Income	5.24	4.43
	<u>23.50</u>	<u>4.47</u>
	<u>24.44</u>	<u>7.21</u>

### Note 20 : Employee benefits expense [Rs in Lacs]

Particulars	2018-2019	2017-2018
Salary, Allowances & Bonus	7.98	8.44
Contribution to Provident & other funds	0.12	0.18
Staff Welfare expenses	0.35	0.31
	<u>8.45</u>	<u>8.93</u>

### Note 21 : Depreciation and Amortization [Rs in Lacs]

Particulars	2018-2019	2017-2018
Depreciation expense on property, plant and equipment	2.42	2.35
	<u>2.42</u>	<u>2.35</u>

## Notes to the Financial Statements

[Rs in Lacs]

### Note 22 : Other expenses

Particulars	2018-2019	2017-2018
Electricity Expenses	0.36	0.38
Advertisement Expenses	0.63	0.54
Auditors' Remuneration	0.77	0.77
Postage Expense	4.90	1.44
Telephone Expenses	0.38	0.43
Rates and Taxes	0.93	0.85
Professional and legal expenses	6.36	12.71
Merger Expenses	13.80	0.00
Insurance	0.03	0.03
Printing and Stationery	4.89	2.92
Repairs and Maintenance	0.80	0.43
Conveyance expenses	0.82	0.58
Bank charges	0.10	0.05
Listing and Custodian Fees	8.47	7.13
Sitting Fees	2.10	1.40
Miscellaneous Expenses	3.16	3.25
	48.50	32.91
<b>Payment to Auditor</b>		
As Statutory Auditors	0.77	0.77

### Note 23 : Income Tax Expense

[Rs in Lacs]

Particulars	2018-2019	2017-2018
<b>Current tax</b>		
Current tax on profits for the year / period	0.07	0.00
Adjustment for current tax of prior periods	3.40	0.00
	3.47	0.00
<b>Deferred tax (other than disclosed under OCI)</b>		
Decrease / (increase) in deferred tax assets	0.00	0.00
(Decrease) / increase in deferred tax liabilities	0.00	0.00
	0.00	0.00
Income tax expense attributable to continuing operations	3.47	0.00

### Note 23.1 : Details of Current Tax

[Rs in Lacs]

Particulars	2018-2019	2017-2018
Long Tern Capital Gain on sale of Investment	0.62	0.00
Tax Effect on LTCG @10.3%	0.07	0.00

### Note 24 : Earning per Share

[Rs in Lacs]

Particulars	2018-2019	2017-2018
Profit attributable to Equity shareholders (Rs. in Lacs)	( 38.40)	( 36.98)
Number of equity shares	2 71 25 767	2 71 25 767
Weighted Average number of Equity Shares	2 71 25 767	2 71 25 767
Basic earning per Share (Rs.)	( 0.14)	( 0.14)
Diulted earning per Share (Rs.)	( 0.14)	( 0.14)

Note : The Company has not issued any equity shares during the year.

## Notes to the Financial Statements

### Note 25 : Contingent Liabilities and Commitments

[Rs in Lacs]

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Contingent Liabilities not provided for in respect of:</b>		
Liability with respect to Demand raised from NSE	2.91	—

During the year under review, National Stock Exchange have raised demand of Rs. 2.91 Lacs for non-compliance with Corporate Governance requirements under Regulation under section 27(2) of SEBI (LODR) regulations, 2015 for the quarter ended September, 2018 and for the month of October, 2018. The company has represented its case to NSE in the month of April, 2019 for waiver of demand raised. Pending final outcome from NSE, the company has considered such liability as contingent liability.

### Note 26 : Tax expense

- (a) In view of unabsorbed losses and in the absence of taxable income under the provisions of the Income Tax Act, 1961 in the current year, the company believes that there will be no tax liability. Accordingly, no provision for income tax for the year has been made in the accounts.
- (b) The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961. In the absence of virtual certainty supported by convincing evidence of sufficient future taxable income, deferred tax assets are not recognized in the accounts.

### Note 27 : Employee Benefits

#### Note 27.1 Defined contribution plan

The Company has defined contribution plan in form of Provident Fund for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[Rs in Lacs]

Particulars	For the year 2018-2019	For the year 2017-2018
Contribution to Provident Fund	0.12	0.18

### Note 28 : Segment Information

As the Company has ceased operations, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

### Note 29 : Related Party Disclosures for the year ended 31<sup>st</sup> March, 2019

- (a) Details of Related Parties

Description of Relationship		Names of Related Parties
Entity exercising significant influence	1	Torrent Private Limited
Enterprises controlled by the entity exercising significant influence over the company	2	Torrent Power Limited
Key Management Personnel (KMP)	3	Shri Harnish Patel
	4	Shri Anil Jhaveri

- (b) **Transactions with Related Parties**

Key management personnel compensation

Particulars	Rs. in Lacs
Short-term employee benefits	3.60
Total Compensation	3.60

(c) Amount due to / from related parties as at 31<sup>st</sup> March, 2019

[Rs in Lacs]

Sr. No.	Nature of Relationship / Transaction	Controlling Company	KMP & Relatives	Total
1	Amount Payable Torrent Private Ltd.	1500.00	—	1500.00

### Note 30 : Business Combinations

- (i) The board of directors of the company in their meeting held on 7<sup>th</sup> August, 2018 approved the scheme of Amalgamation between Gujarat Lease Financing Ltd. (Transferee Company) and GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. (Transferor Companies) for Amalgamation (hereinafter "Scheme" of the above mentioned companies with effect from 1<sup>st</sup> April, 2017 (being Appointed Date) as per the scheme tabled in the meeting. The Scheme was approved by National Company Law Tribunal (NCLT) vide its order dated 4<sup>th</sup> February, 2019 and filed with Registrar of Companies on 28<sup>th</sup> February, 2019.

Amalgamation of three wholly owned subsidiary companies with the Gujarat Lease Financing Ltd.:

- (a) In the terms of the Scheme sanctioned by order dated 4<sup>th</sup> February, 2019 (notified on 28<sup>th</sup> February, 2019) of the National Company Law Tribunal, the Transferor Companies - GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. are being amalgamated with the Company with effect from 1<sup>st</sup> April, 2017 (that being the appointed date of the Scheme).
- (b) In accordance with the Scheme
- (i) All the assets, liabilities, rights and obligations of the Transferor Companies have been vested in Gujarat Lease Financing Limited (Transferee Company) with effect from 1<sup>st</sup> April, 2017 and have been recorded at their respective book values being commonly control entity.
- (ii) GLFL Housing Finance Limited, GLFL Securities Ltd and GLFL International Ltd. being the wholly owned subsidiaries of Gujarat Lease Financing Limited (Transferee Company), the entire issued, subscribed and paid up equity capital of such companies is held by Transferee Company. Upon scheme become effective, the said shares of Transferor Companies will stand automatically cancelled and there will be no consideration.
- (iii) The Investment of transferee companies amounting to Rs. 1585.00 Lacs consisting 16600007 equity shares of Rs. 10/- each (1,36,00,007 shares fully paid up Rs. 1360.00 Lacs and 3000000 equity shares s partly paid up Rs. 225.00 Lacs) has been adjusted against the share capital of the transferor companies.
- (iv) Transferor companies viz. GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. stand dissolved without being winding up.
- (v) In terms of provisions contained in Ind AS 103 "Business Combinations" the company has given accounting effect of the scheme of amalgamation in the manner stated in the said accounting standard which has warranted restatement of corresponding number for the previous year. Further pursuance to such scheme the company technically falls within the definition of Investment Company as per the norms of NBFC. However considering the numbers as appeared in the company's audited financial statements of previous financial year (i.e. pre amalgamation number). It does not attract the provisions of NBFC since the income from financial assets does not exceed 50% of the total income. Therefore the company does not envisage the applicability of Section 45IA of Reserve Bank of India Act, 1934.
- (ii) Further, the Hon'ble High Court of Gujarat had sanctioned the Scheme of Compromise and Arrangement between the Company and a consortium of 16 banks on 27<sup>th</sup> July, 2004 under section 391 of the Companies Act, 1956. Accordingly, amount was paid, as per the Hon'ble Court's Order, to the Banks in the accounting year 2004-2005. However, the final Deed of Assignment of the charged assets, as per the Hon'ble Court's Order, in favor of banks is yet to be made.

### Note 31 : Capital Management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings

**Note 32 :**

In accordance with the Memorandum of Understanding dated 9<sup>th</sup> January, 2008 entered into between the Company and Banks, 1,79,520 equity shares of Competent Automobiles Ltd of Rs. 10/- each, belonging to the Banks will be sold / transferred by the Company as per the advice of the banks. Until such time, the Company will hold the shares on behalf of the Banks in its DEMAT Account. Therefore, the amount of dividend received on such shares on behalf of the Banks has been classified and disclosed under "Other Financial Liabilities (Current)".

**Note 33 : Fair value measurements****A. Financial instruments by category**

[Rs in Lacs]

Particulars	31 <sup>st</sup> March, 2019			31 <sup>st</sup> March, 2018		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
Investments	—	—	904.81	—	—	763.48
Cash and cash Equivalents	6.12	—	—	18.74	—	—
Other financial assets	11.00	—	—	18.04	—	—
<b>Total Financial Assets</b>	<b>17.12</b>	<b>—</b>	<b>904.81</b>	<b>36.78</b>	<b>0.00</b>	<b>763.48</b>
<b>Financial Liabilities</b>						
Borrowings	1 500.00	—	—	1 500.00	—	—
Trade payables	13.14	—	—	10.92	—	—
Other financial liabilities	28.97	—	—	26.86	—	—
<b>Total Financial Liabilities</b>	<b>1 542.11</b>	<b>—</b>	<b>—</b>	<b>1537.78</b>	<b>—</b>	<b>—</b>

**Fair value hierarchy**

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**B. Fair value hierarchy for assets****Financial assets measured at fair value at 31<sup>st</sup> March, 2019**

(Rs. In Lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Equity Instruments	904.81	—	—	<b>904.81</b>

**Financial assets measured at fair value at March 31, 2018**

(Rs. In Lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Equity Instruments	763.48	—	—	<b>763.48</b>

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

**B. Fair value hierarchy for assets**

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**C. Valuation techniques used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- (i) The use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

**D. Fair value of financial assets and liabilities measured at amortized cost**

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature.

**Note 34 : Financial risk management**

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reuect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management of risk</b>
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of bank deposit and Regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Price Risk	Investments in mutual funds	Credit ratings	Portfolio diversification and regular monitoring

**(a) Credit risk**

**Cash and Cash Equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains uexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows

## Notes to the Financial Statements

### Financing arrangements

The working capital position of the Company is as given below:

(Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Cash and cash equivalents	6.12	18.74
Investments in mutual funds (quoted)	—	—

### Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31<sup>st</sup> March, 2019

(Rs. In Lacs)

Financial Liabilities	Less than 1 year	1-2 years	5 years and above
Non-current financial liabilities			
Borrowings	—	—	1500.00
	—	—	1500.00
Current financial liabilities			
Trade payables	13.14	—	—
Other financial liabilities	28.97	—	—
	42.11	—	—
Total financial liabilities	42.11	—	1500.00

As at March 31, 2018

(Rs. In Lacs)

Financial Liabilities	Less than 1 year	1-2 years	5 years and above
Non-current financial liabilities			
Borrowings	—	—	1500.00
	—	—	1500.00
Current financial liabilities			
Trade payables	10.92	—	—
Other financial liabilities	26.26	—	—
	37.78	—	—
Total financial liabilities	37.78	—	1500.00

### (c) Price Risk

#### Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

**35. Due to Micro, Small and Medium Enterprise**

[Rs in Lacs]

Sr. No.	Particulars	2018-2019	2017-2018
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The company has received confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

**Note 36 : Statement of Management**

- (a) The non-current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

**Note 37:**

The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year. Figures are rounded off to nearest lakhs.

As per our report of even date

**FOR AND ON BEHALF OF THE BOARD**

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

**SANDIP A. PARIKH**  
Partner  
Mem. No. 40727

Place: Ahmedabad  
Date: 28th May, 2019

**S.M.Shah**  
Chairperson  
(DIN: 00016578)

**Janak Mehta**  
Chief Financial Officer

**Harnish Patel**  
Director-In-Charge  
(DIN: 00114198)

**Kamlesh Patel**  
Company Secretary

Place: Ahmedabad  
Date: 28th May, 2019



## Gujarat Lease Financing Limited **G/L/F/L**

**Registered Office** : 6th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad-380 006.

Phone No. : 079-26575722 CIN L65990GJ1983PLC006345

Email : glflho\_ahm@yahoo.co.in, Website : www.gujaratleasefinancing.co.in

### FORM NO. MGT-11

#### PROXY FORM

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

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 Gujarat Lease Financing Limited, hereby appoint.

- |                  |                   |
|------------------|-------------------|
| 1. Name : .....  | Address : .....   |
| Email ID : ..... | Signature : ..... |
| 2. Name : .....  | Address : .....   |
| Email ID : ..... | Signature : ..... |
| 3. Name : .....  | Address : .....   |
| Email ID : ..... | Signature : ..... |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General meeting of the Company, to be held on Wednesday 7th, August, 2019 at 10.00 a.m. at ATMA Hall, Ahmedabad Textile Mill Association, Law Gajjar Chamber, Ashram Road, Ahmedabad-380 009. and at any adjournment thereof in respect of such resolutions as are Indicated below :

TEAR HERE

Item No.	Please Indicate (Assent or Dissent)	Item No.	Please Indicate (Assent or Dissent)	Item No.	Please Indicate (Assent or Dissent)
1.		2.		3.	
4.		5.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Signature of Shareholder (S) \_\_\_\_\_

Signature of Proxy holder (S) \_\_\_\_\_

Affix  
Revenu  
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

## Gujarat Lease Financing Limited **G/L/F/L**

**Registered Office** : 6th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad-380 006.

Phone No. : 079-26575722 CIN L65990GJ1983PLC006345

Email : glflho\_ahm@yahoo.co.in, Website : www.gujaratleasefinancing.co.in

#### ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)  
36<sup>th</sup> Annual General Meeting - on Wednesday, 7th August, 2019

I hereby record my presence at the THIRTY SIXTH ANNUAL GENERAL MEETING of the Company at ATMA Hall, Ahmedabad Textile Mill Association, Law Gajjar Chamber, Ashram Road, Ahmedabad-380 009 on Wednesday, 7th August, 2019 At 10.00 a.m.

Full Name of the Member (in BLOCK LETTERS) : .....

Folio No. .... DP ID ..... Client ID ..... No. of Shares held .....

Full name of Proxy/Authorised Representative (in BLOCK LETTERS) : .....

Member's/Proxy's Signature : (1).....(2).....



## G/L/F/L

Atma House



**G/L/F/L**

## MCS Share Transfer Agent Limited

101, Shatdal Complex, 2nd, Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380009

Phone No : 079-26580461 / 462 / 463 Email: mcsstaahmd@gmail.com

Website: www.mcsregistrars.com, CIN: U67120WD2011PLC165872

To,

Dear Share holder/s

DT.

Dear Sir,

**3<sup>RD</sup> REMAINDER**

**Company: GUJARAT LEASE FINANCING LIMITED**

**Subject: (1) Submission of PAN and Bank Details**

**(2) Intimation of Share Transfer in Demat form only w.e.f 1<sup>st</sup> April, 2019.**

**Reference: (1) SEBI Circular No. SEBI/HO/MIRSD/DOPI/CIP/P/2018/73 dated April 20, 2018;**

**(2) Amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette Notification dated June 8, 2018**

**(3) SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16<sup>th</sup> July, 2018**

**(4) Second Reminder dated 16/04/2019.**

This has reference to the above mentioned circulars and notifications of the Securities and Exchange Board of India regarding collection of PAN and Bank Account details of all securities holders holding securities in physical form and intimation to them about transfer of securities in dematerialized form only w.e.f 1<sup>st</sup> April, 2019.

In order to comply with the above circulars, you are requested to provide the following documents within 21 days from the date of the receipt of this Reminder letter.

(a) Copy of self-attested Pan Card of the shareholders including joint holders.

(b) Bank A/c. details of the first /sole shareholder

(c) Original Cancelled cheque leaf with the name of the first/sole shareholder printed on it or copy of bank passbook showing name & account number & account details of the account holder only(first shareholder) duly attested by the bank (Bank Manager)

It may further be noted that pursuant to the above referred SEBI Notification [Ref: (2)], transfer in securities of the Company shall be allowed in dematerialized form only w.e.f. 1<sup>st</sup> April, 2019 and therefore shareholders of the Company still holding shares in physical form are hereby advised to dematerialize their shares as soon as possible. Transfer of the shares in physical form shall not be allowed after 1<sup>st</sup> April, 2019.

Detailed procedure of dematerialization of securities of the Company and guidance for transfer of shares has been displayed at the website of the Company at [www.gujaratleasefinancing.co.in](http://www.gujaratleasefinancing.co.in) for the information of the shareholders.

Thanking you,

Yours faithfully,

**For, MCS SHARE TRANSFER AGENT LIMITED**

**AUTHORISED SIGNATORY**

**This is computer generated letter no signature is required.**

This is for your information, knowledge and necessary action at your end.

Company Address: **GUJARAT LEASE FINANCING LIMITED**

6<sup>th</sup> Floor, Hasubhai Chambers, Opp. Town Hall,

Ellisbridge, Ahmedabad-380006

Tele No. 079-26575722 / 26585180

Email Address: gflfho\_ahm@yahoo.co.in

**BANK DETAILS, EMAIL ID ETC. REGISTRATION FORM**

**(FOR PHYSICAL SHARES)**

To:  
MCS Share Transfer Agent Ltd.  
Unit: **GUJARAT LEASE FINANCING LIMITED**  
Ahmedabad.

Dear Sirs

I give my consent to update the following details in your records for making payments of dividend and sending other communications by electronic means in compliance with the circulars as referred to our earlier 2<sup>nd</sup> remainder.

Folio No. / DP-Client Id : \_\_\_\_\_  
Name of the First/Sole holder : \_\_\_\_\_  
Bank's Name : \_\_\_\_\_  
Branch's Name & Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Account No.: \_\_\_\_\_ Account Type (SB/Current): \_\_\_\_\_

IFSC Code: \_\_\_\_\_ MICR Code: \_\_\_\_\_

PAN: \_\_\_\_\_

Email Id: \_\_\_\_\_

Phone No.: \_\_\_\_\_

Date:

\_\_\_\_\_  
Signature of First/Sole Holder  
(attested by Bank)

Encl: (1) original cancelled cheque  
(2) Self attested copy of PAN

If undelivered, please return to :

**GUJARAT LEASE FINANCING LIMITED**

(CIN NO. : L65990GJ1983PLC006345)

6th Floor, Hasubhai Chambers, Opp. Town Hall,  
Ellisbridge, Ahmedabad - 380 006.

