GUJARAT STATE FINANCIAL CORPORATION
GANDHINAGAR
UNAUDITED FINANCIAL RESULTS (PROVISIONAL)
FOR THE QUARTER ENDED 30TH JUNE, 2015

PART-I **(Rs in Lacs)**

	PARTICULARS	Quarter ended (Reviewed)			Year ended (Audited)
		30.06.2015	**31.03.2015**	**30.06.2014**	**31.03.2015**
1	(a) Interest Income	477.16	369.87	72.76	797.43
	(b) Other Operating Income	60.09	491.92	-94.84	683.70
	Total Income (a+b)	537.25	861.79	-22.08	1481.13
2	Expenditure				
	(A) Interest Expenses	2993.61	2943.72	2920.69	11825.91
	(B) Staff Expenses	100.26	143.73	86.51	510.28
	(C) Other Expenses	425.10	285.01	122.55	1267.44
	(D) Depreciation	8.65	20.69	7.00	41.69
	Total Expenditure (A+B+C+D)	3527.62	3393.15	3136.75	13645.32
3	Profit(+)/Loss(-) before Tax (1+2-3)	-2990.37	-2531.36	-3158.82	-12164.19
4	Provision for Taxation	0.00	0.00	0.00	0.00
5	Net Profit(+)/Loss(-) (5-6) before exceptional items	(2990.37)	(2531.36)	(3158.82)	(12164.19)
6	Exceptional items				
	(i) Profit on Sale of assets	0.00	385.32	0.00	385.32
	(ii) Profit on Sale of Investment	0.00	1412.92	0.00	1412.92
	(iii) Provision for NPA written back	0.00	885.02	0.00	885.02
7	Net Profit(+)/Loss(-) after exceptional items	(2990.37)	151.90	(3158.82)	(9480.93)
8	Paidup Equity Share Capital (Face value of Rs. 10/- each)	8911.40	8911.40	8911.40	8911.40
9	Reserves (As per Balance Sheet of previous year)	27336.67	27336.67	27336.67	27336.67
10	Accumulated Loss	(226463.35)	(223472.98)	(217150.88)	(223472.98)
11	Earning per Share (Basic & diluted)	-3.36	0.17	-3.54	-10.64
	PART - II SELECT INFORMATION FOR THE QUARTER ENDED 30.06.2015				
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	14303600	14303600	14303600	14303600
	- Percentage of shareholding	16.05	16.05	16.05	16.05
2	Promotors and Promoter Group Shareholding				
a	Pledged / Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a% of the total shareholding of the promoter and promoter group)	NA	NA	NA	NA
	- Percentage of shares (as a% of the total share capital of the Corporation)	NA	NA	NA	NA
b	Non-encumbered				
	- Number of shares	74810400	74810400	74810400	74810400
	- Percentage of shares (as a% of the total shareholding of the promoter and promoter group)	100	100	100	100
	- Percentage of shares (as a% of the total share capital of the Corporation)	83.95	83.95	83.95	83.95
B	INVESTOR COMPLAINTS			3 months ended 30.06.2015	
	Pending at the beginning of the quarter			NIL	
	Received during the quarter			NIL	
	Disposed of during the quarter			NIL	
	Remaining unresolved at the end of the quarter			NIL	

Note :

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10.08.2015
2. Limited Review of the said results were carried out by Statutory Auditors.
3. The figure for the quarter ended 31st March, 2015 are balancing figures between audited figures in respect of full financial year and the year to date figures upto the third quarter ended December 31, 2014
4. As the Corporation operates in a single segment i.e. term lending, segment reporting is not applicable
5. NPA provision or write back, if any, will be made at the end of the year by the Corporation

By Order of the Board

Arvind Agarwal
Managing Director

Place : Gandhinagar
Date :10/08/2015

Manubhai & Shah
Chartered Accountants
(Formerly Manubhai & Co.)

Independent Auditor's Review Report

To,
The Board of Directors,
Gujarat State Financial Corporation

Introduction

We have reviewed the accompanying statement of un-audited financial results of **Gujarat State Financial Corporation** ('the Corporation') for the first quarter ended 30th June, 2015 (the Statement) except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been audited by us. This statement is the responsibility of Corporation's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statements based on our review.

Scope of Review

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Basis for qualified conclusion

1. *Interest income on loans and advances on account of recovery from the parties are not made on actual receipt basis. The effect of the same on financial results could not be ascertained.*

2. *Accounting entries in respect of write back of provision for loan and advances on account of recovery from the parties are not made. Effect of the same on financial result could not be ascertained.*

3. *Interest of deposits with Gujarat State Financial Services Limited, Fixed deposit with the bank as well as on loans to employees is accounted on cash basis. The effect of the interest to be recognized on mercantile basis as compared to interest recognized on cash basis is not ascertainable.*

4. *The balance of loan borrowed from Government of Gujarat is subject to confirmation and adjustment, if any, required upon such confirmation. Pending such confirmation, the effect thereof on interest and penal interest is not ascertainable.*

5. *It is given to understand that the fixed assets records are under preparation. Pending such preparation of records, the effect on fixed assets and depreciation is not ascertainable in respect of discrepancy, if any.*

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MANUBHAI & SHAH AHMEDABAD

6. *The Corporation has not accounted liability in respect of Leave encashment for the quarter. The effect thereof on the financial results is not ascertainable. The Corporation has accounted liability in respect of Gratuity on the cash basis. The effect of the Gratuity liability to be recognized on mercantile basis as compared to cash basis is not ascertainable.*

7. *The financial results of the corporation are prepared on a going concern basis, notwithstanding the fact that its net worth is completely eroded and defaulted in repayment obligations due to liquidity problems. This is not in accordance with Accounting Standard (AS) – 1 "Disclosure of Accounting Policies". The effect of the same on the financial results is not ascertainable.*

Qualified Conclusion

Based on our review, *with the exception of the matter described in the preceding paragraph,* nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Accounting Standards and other accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

For, Manubhai & Shah
Chartered Accountants
(ICAI Firm Registration No: 106041W)

MANUBHAI & SHAH AHMEDABAD CHARTERED ACCOUNTANTS

(K. B. Solanki)
(Partner)
Membership Number: 110299

Place: Ahmedabad
Date: August 10, 2015