



2020 - 2021

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GALADA FINANCE LIMITED

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Gi GALADA FINANCE LIMITED

GALADA FINANCE LIMITED**THIRTY FIFTH ANNUAL REPORT 2020-21****BOARD OF DIRECTORS**

Mr. Ponniah Bhaskaran
Mr. Ashok Jawarilal Galada
Mr. Naveen Ashok Galada
Mr. Kunjithapatham Ramu
Mrs. Indira Srinivasan Royakottam

Chairman
Director
Managing Director
Director
Director

COMPANY SECRETARY

Mr. Bilal Mohammadali I

Company Secretary

BANKERS

Indian Bank,
Uthmar Gandhi Salai,
Nungambakkam,
CHENNAI 600 034

AUDITORS

Suresh Kumar & Co,
Chartered Accountants,
376, Mint Street,
Chandan Complex, 1st Floor,
Chennai-600001

SECRETARIAL AUDITORS

M/s. ASJ & Associates,
Practicing Company Secretaries,
1D, Middle Block, Saptamallika Apts
188, Poonamallee High Rd, Kilpauk
Chennai-600010

**REGISTERED AND
CORPORATE OFFICE**

“Shanti Sadan” Old No.4 (New No. 7)
Shaffee Mohammed Road, Thousand
Lights, CHENNAI 600 006
Tel : 28294830, 43099009, 28294831
Telefax : 28294830

**REGISTRARS AND SHARE
TRANSFER AGENTS**

M/s. Cameo Corporate Services Ltd,
‘Subramanian Building’,
No.1, Club House Road,
Chennai 600 002
Phone: 28460390-28460394
Fax : 28460129
E-mail : cameo@cameoindia.com
Website: www.cameoindia.com

Gi GALADA FINANCE LIMITED

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 35th Annual General Meeting of the Members of **GALADA FINANCE LIMITED** will be held on Saturday, September 25, 2021 at 04:00 p.m. at the registered office of the Company situated at "SHANTHI SADAN", O.No.4, N.No.7, Shaffee Mohammed Road, Thousand Lights, Chennai - 600006, to transact the following businesses:-

ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021, THE BOARD'S REPORT AND AUDITOR'S REPORT THEREON**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, be and are hereby considered and adopted."

- 2. TO APPOINT A DIRECTOR IN THE PLACE OF MR. ASHOK JAWARILAL GALADA (DIN: 00042295), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR REAPPOINTMENT**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, Mr. Ashok Jawarilal Galada (DIN 00042295), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company who continues to hold the position of Director."

SPECIAL BUSINESS:

- 3. Appointment of Mr. Naveen Ashok Galada (DIN: 00043054) as Managing Director of the Company for a period of five years with effect from 31st October 2020**

To consider, and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act') read with schedule V to the Act (including any amendment(s), statutory modification(s), variation(s) and/or re-enactment(s) for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and based on the recommendation of Nomination and Remuneration Committee and subject to such sanctions as may be necessary, the consent

of the members be and is hereby accorded for Appointment of Mr. Naveen Ashok Galada (DIN: 00043054) as Managing Director ('MD') of the Company for a five year term commencing from 31st October 2020, upon the terms and conditions set out in the statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and Managing Director.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to revise the remuneration of Managing Director from time to time to the extent it may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT any one of the Director of the company be and hereby authorized to sign necessary papers, documents or file any form with Registrar of Companies or to any other authority as to give effect to the above resolution”.

By the Order of the Board

For **GALADA FINANCE LIMITED**

Place: Chennai

Date: 13.08.2021

JUSTICE PONNIAH BHASKARAN

DIN: 00126136

NOTES:

1. In line with the MCA Circulars No.20/2020 dated May 05, 2020 and SEBI Circulars dated 12th May, 2020 and 15th January, 2021, the Notice calling the AGM and Annual Report 2020-21 are being sent through electronic mode only to those Members whose email addresses are registered with the Company / Depositories. Members may note that Notice and Annual Report 2020-21 will also be made available on the Company's website at www.galadafinance.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. 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.
7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
8. The Register of Members and Transfer Books of the Company will be closed from Sunday, 19th September, 2021 to Saturday, 25th September 2021, both days inclusive.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any. The Company or its Registrars and Transfer Agents, Cameo Corporate

Services Limited("Cameo") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Cameo.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Cameo.
12. The Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Annual Report and Notice of the AGM, may get themselves registered with our RTA by clicking the link: <https://investors.cameoindia.com> for obtaining the same.
13. To support the 'Green Initiative', Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc., from the Company electronically.
14. In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.
15. The relevant details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS – 2), of persons seeking appointment/re-appointment as Director under Item No. 2/ Item No.3 of the Notice, are annexed hereto and forms part of the explanatory statement. The Company has received requisite consent/ declaration from the director seeking their appointment/ reappointment.
16. Institutional Investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.

THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:

The voting period begins on 22nd September 2021 09.00 hours and ends on 24th September 2021 17.00 hours. During this period shareholders of the Company, holding shares either in physical format or in dematerialized form, as on the cut-off date 18th September 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

- I. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- II. The shareholders should log on to the e-voting website www.evotingindia.com.
- III. Click on Shareholders
- IV. Now Enter your User ID

For CDSL	16 digits beneficiary ID
For NSDL 8	Character DPID followed by 8 Digits Client ID
Members holding shares in Physical Form	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 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

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders:- I. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. II. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number, after the first two characters of the name in CAPITAL letters Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
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DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details or Date of Birth (DOB)	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 I. 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 (v)

- 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 Resolutions 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 out print of the voting done by you by clicking on “Click here to print” option on the Voting page

- XVII. If a Demat account holder has forgotten the same 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. M-voting app is available on iOS, Android & Windows based mobile. Shareholders may log into 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 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
- After receiving the login details, they have to create a compliance user should be create using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to 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, under help section or write an email to helpdesk.evoting@cdslindia.com
- XXI. Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to Scrutinizer email id: evoting.asj@gmail.com with copy to Cameo email id Investor@cameoindia.com. The file scanned image of the Board Resolution should be in the naming format “Corporate Name_ Event no”
- XXII. Kindly note that the members can opt only one mode for voting i.e. either by polling paper or e-voting. If you are opting for e-voting, then you will not be allowed to vote at the AGM.

OTHER INSTRUCTIONS

- I. The e-voting period commences on 22nd September 2021 9.00 hours and ends on 24th September 2021 17.00 hours. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 18th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- II. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 18th September, 2021
- III. ASJ & Associates, Company Secretaries in practice (Membership No. 10925), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner
- IV. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company
- V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.galadafinance.in and on the website of CSDL within three days of the passing of the resolutions at the AGM of the Company on 25th September 2021 and communicated to the Stock Exchange, where the shares of the Company are listed
- VI. Shareholders who have availed remote e-voting facility will not be allowed to cast their vote at the AGM.
- VII. The voting at the AGM shall take place by means of polling paper as per the provisions of the Companies Act, 2013 and shareholders attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.

By the Order of the Board

For **GALADA FINANCE LIMITED**

Place: Chennai

Date: 13.08.2021

JUSTICE PONNIAH BHASKARAN

DIN: 00126136

ANNEXURE TO THE NOTICE

Statement under section 102 of the Act and regulation 36(3) of the SEBI Listing Regulations

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND PROVISIONS OF THE ACT.

Item no:-2 of the notice

Mr. Ashok Jawarilal Galada (DIN: 00042295)

Information about the appointee:

Mr. Ashok Jawarilal Galada, graduated with a B. Com. Degree from A.M. Jain College, Chennai in 1972 has more than 40 years of experience in the Financial sector. He has been associated with the Company since its incorporation on 25th March 1986 and currently heads the Investment activities of the Company.

Mr. Ashok Jawarilal Galada is on the Board of Galada Trades Limited and Galada Housing Limited. He also a member in the Stakeholders Relationship Committee of the Company

Mr. Ashok Jawarilal Galada, promoter of the Company is related to Mr. Naveen Ashok Galada, Managing Director. As on March 31, 2021, he holds 1,71,850 equity shares in the Company

The Board commends item no. 2 for consideration and approval of the shareholders

Item no:-3 of the notice

Mr. Naveen Ashok Galada (DIN:00043054)

The Board, on recommendation of the Nomination and Remuneration Committee, Appointed him as Managing Director for term of 5 years effective from 31st October 2020 on the terms and conditions including remuneration as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof:

Remuneration

- I. Salary: not exceeding Rs. 1,00,000/- (Rupees One Lakhs only) per month. Salary comprises of Allowances, Perquisites and contribution to retirement funds but does not include reimbursement of expenses incurred for official purposes.

- II. Reimbursement of expenses incurred for official purposes: At actuals
- III. Subject to any statutory ceiling/s, annual performance pay will additionally be applicable based on the Company's performance from time to time and as may be determined by the Nomination and Remuneration Committee (NRC) and Board.
- IV. In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, the Managing Director shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013, from time to time

Information about the appointee

Director Identification Number : 00043054

Date of Birth : 24-12-1981

Date of first appointment on the Board : 01-07-2000

Mr. Naveen Ashok Galada is a Master of Business Administration (MBA) graduate. He currently heads the Finance Activities of the Company Galada Finance Limited and bears overall responsibility for managing the affairs of the Company.

Mr. Naveen Ashok Galada devotes his whole-time attention to the business of the Company and carries out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board

Mr. Naveen Ashok Galada is on the Board of Galada Trades Limited and Galada Housing Limited. He also a member in the Stakeholders Relationship Committee of the Company

Mr. Naveen Ashok Galada, promoter of the Company is related to Mr. Ashok Jawarilal Galada, Director. As on March 31, 2021, he holds 3,00,135 equity shares in the Company

The Board commends item no. 3 for consideration and approval of the shareholders

By the Order of the Board

For **GALADA FINANCE LIMITED**

Place: Chennai

Date: 13.08.2021

JUSTICE PONNIAH BHASKARAN

DIN: 00126136

BOARD'S REPORT

To,
The Members,
Your Directors have pleasure in presenting their 35th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)

DESCRIPTION	2020-2021	2019-2020
Total Income	90,83,758.00	98,41,079.00
Total Expenditure	94,60,581.00	1,65,83,736.00
Profit before tax	-3,76,823.00	-67,42,657.00
Tax	3,55,400.00	1,58,500.00
Profit after tax	-7,32,223.00	-69,01,157.00
Other Comprehensive Income	25,07,934.00	24,20,679.00
Total Comprehensive Income	17,75,711.00	-44,80,478.00
Earnings Per Share	-0.24	-2.30

DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances and the loss for the year, has decided, not to recommend any dividend for the year under review.

RESERVES

During the year under review an amount of Rs. 3,60,000/- (Rupees Three Lakhs Sixty Thousand only) being 20% of profit for the year 2020-21 being 20% of was transferred to Statutory Reserve as required under Section 45-IC of the Reserve Bank of India Act, 1934

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

During the year under report, the Company extended credit facility to the tune of Rs. 281.96 Lakhs.

The total income of the Company is at Rs. 90.84 lakhs during the year under review as against Rs. 98.41 lakhs in the previous financial year; and the company has incurred a loss of Rs.3.77 lakhs during the year under review as compared to Loss of Rs.67.43 lakhs in the previous financial year; and loss incurred after tax during the year under review is at Rs. 7.32lakhs as compared to Loss of Rs. 69.01 lakhs in the previous financial year.

INFORMATION REQUIRED UNDER NON-BANKING FINANCIAL COMPANIES ACCEPTANCE OF PUBLIC DEPOSITS (RESERVE BANK) DIRECTIONS, 1998

There are no instance where the public deposit of the company have not been claimed by the depositors or not paid by the company after the date on which the deposit became due for repayment.

As such the total amount due under such accounts remaining unclaimed or unpaid beyond the dates referred to above was NIL.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no significant change in the activities of the company. Your Company continues to advance finance under the various categories as in previous years

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report

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 instances wherein significant and material orders passed by regulators or courts or tribunals had impacted the going concern status and company's operations

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company's Internal Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. Adequate Internal Control Systems and checks are in place, commensurate with the size of the Company and nature of its business. The management exercises financial control on the operations through a well-defined monitoring process and standard operating procedures. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company do not have a Subsidiary/Joint Venture/Associate Company as such instances of reporting does not arise.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

As there are no subsidiaries, associates and joint venture companies, instances of reporting on their performance and financial position does not arise.

DEPOSITS

The details relating to deposits, covered under Chapter V of the Act,-

(a)	Accepted during the year including renewal of interest accrued on renewal of existing deposits;	Nil
(b)	Remained unpaid or unclaimed as at the end of the year;	Nil
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved – a) at the beginning of the year; b) maximum during the year; c) at the end of the year;	Nil
(d)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil

Note: Rs. 32.11lakhs exempted deposit from directors& Rs.16 lakhs inter corporate deposit.

STATUTORY AUDITORS

M/s. Suresh Kumar & Co., Chartered Accountants (FRN.004273S) are the Statutory Auditors of the Company who were appointed at the 34th Annual General Meeting held on 26th September, 2020 to hold office until the conclusion of 37th Annual General Meeting. The statutory auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

AUDITOR'S REPORT

The Board of Directors wish to state that the Auditors' Report on the Audited Financial Statement of the Company for the year ended 31st March 2021 do not contain any qualification, reservation or adverse remark, so need not require any explanation or comment.

FRAUDS REPORTED BY THE AUDITOR

During the Year under review, no frauds were reported by the Auditor (Statutory Auditor, Secretarial Auditor) to the Audit Committee/ Board.

SECRETARIAL AUDIT REPORT

The Board of Directors of the company had appointed ASJ & Associates, Practicing Company Secretaries represented by Abishek Jain (Membership No. ACS 10925/CP 15508), having address at 1D, Middle Block, Saptamallika Apt, 188, Poonamlee High Road, Kilpauk, Chennai-600010 who has conducted the Secretarial Audit of the Company for the Financial Year 2020-2021. The Secretarial Audit report issued by him is attached to this report as **ANNEXURE-“C”**. As there are no qualifications, reservation or adverse remark or disclaimer made by the Company secretary in whole time practice in the secretarial audit report, the need for providing explanation or comments on the same by the Board of Directors does not arise

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the Financial Year 2020-21, your Company has complied with applicable Secretarial Standards, namely SS-1 & SS-2 issued by the Institute of Company Secretaries of India

SHARE CAPITAL

- **Issue of equity shares with differential rights**

The Board of Directors wish to inform that there are no instance during the financial year for issue of equity shares with differential rights as such the requirement for providing details as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014 does not arise.

- **Issue of sweat equity shares**

The Board of Directors wish to inform that there are no instance during the financial year for issue of sweat equity shares as such the requirement for providing details as provided in Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014 does not arise

- **Issue of employee stock options**

The Board of Directors wish to inform that there are no instance during the financial year for issue of employee stock options as such the requirement for providing details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014 does not arise.

CASH FLOW STATEMENT

In compliance with the provisions of Section 134 of Companies Act, 2013 and Regulation 34(2) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cash flow statement for the financial year ended March 31, 2021 forms part of this Annual Report

PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES

The Board of Directors wish to inform that there are no instance during the financial year where the company had made provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as such the requirement for providing details as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 does not arise

EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, the Annual return as per provisions of Section 92 (3) of the Companies Act, 2013 can be viewed on the website of the company www.galadafinance.in and can be accessed at

<https://galadafinance.in/investor-relations-corporate-announcements.php>

http://galadafinance.in/downloads/Notice_Boards%20Report_AR_MR_%20GFL_2020-2021.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS OUTGO:**A. Details of Conservation of Energy: NIL**

- I. Steps taken or impact on conservation of energy
- II. Steps taken by the company for utilizing alternate sources of energy
- III. Capital investment on energy conservation equipment

B. Technology Absorption: Nil

- I. Efforts made towards technology absorption:
- II. Benefits derived as a result of the above efforts:
- III. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):
 - (a) Details of technology imported:
 - (b) Year of import:
 - (c) Whether the technology been fully absorbed:
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:
- IV. Expenditure incurred on Research and Development:

The Company has not incurred any cost towards undertaking R&D Activity during the period under review

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year: NIL

Foreign Exchange outgo during the year in terms of actual outflows: NIL

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility (CSR) which is applicable to every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the preceding financial year is Not applicable and as such instances of disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 does not arise.

DECLARATION FROM INDEPENDENT DIRECTOR

The Company has received declarations from all the Independent Directors on the board of the Company as on the end of financial year 2020-21 confirming that they continue to meet with the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 & 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made under thereto.

In the opinion of the Board, all the Independent Directors are the person of integrity and are expert in various field of Finance, Law, Technology, Commerce and have more than 20 years of vast experience. As all the Independent directors on the Board carries more than 10 years of experience, they are exempted from appearing in online proficiency self-assessment test conducted by the institute notified under sub-section (1) of section 150 of the Companies Act, 2013, hence in the opinion of the Board all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management.

FORMAL ANNUAL EVALUATION

The Board periodically evaluates its own performance and that of its committees and individual directors

LISTING OF SHARES

The equity shares of the Company are listed on the Stock Exchange viz., BSE Limited (BSE). The Company has paid the applicable listing fees to the Stock Exchange within the stipulated time.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your company has always believed in providing a safe and harassment free work place for every individual working in the company's premises through various interventions and practices. The company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The company have a formal Anti Sexual Harassment policy in line with the requirements of The Sexual Harassment of

Workmen at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal complaints committee has been set up to redress complaints contractual, temporary and trainees are covered under the policy.

The following is the summary of sexual harassment complaints received and disposed off during the 2020-2021:

No. Of complaints received: NIL

No. Of complaints disposed off : NIL

DIRECTORS:

The Current Directors on the Board are Mr. Ashok Jawarilal Galada, Mr. Naveen Ashok Galada, Mr. Ponniah Bhaskaran, Mr. Kunjithapatham Ramu and Mrs. Indira Srinivasan Royakottam

Mr. Ashok Jawarilal Galada, Director is liable to retire by rotation and being eligible has offered himself for re-appointment. Your Directors recommend the re-appointment of the Mr. Ashok Jawarilal Galada retiring by rotation to the members.

During the financial year ended March 31, 2021, Mr. Ashok Jawarilal Galada having (DIN: 00042295), Managing Director changed designation from Managing Director in executive capacity to Non- Executive Director with effect from 31st October 2020 and Mr. Naveen Ashok Galada having (DIN: 00043054) Non-Executive Director of the Company changed designation as a Managing Director in executive Capacity with effect from 31st October 2020 subject to the ratification and approval of the Member at the forthcoming Annual General Meeting

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE:

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performances of the Company. The details of number of board meetings and other committee meetings held during the Financial Year 2020-21 are as follows:

COMPOSITION OF BOARD& NUMBER OF MEETING

Name of the Director	Designation	Category
Mr. Ponniah Bhaskaran	Chairman	Independent and Non-Executive Director
Mr. Ashok Jawarilal Galada	Director	Promoter and Non- Executive Director
Mr. Naveen Ashok Galada	Managing Director	Promoter and Executive Director
Mr. KunjithapathamRamu	Director	Independent and Non-Executive Director
Mrs.Indira Srinivasan Royakottam	Director	Independent and Non-Executive Director

No. of Board Meetings: 4 (Four): 27th July, 2020; 08th August, 2020; 31st October, 2020 and 05thFebruary, 2021

The interval between two Board Meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013, and SEBI Listing (Disclosures and Obligations Requirements) Regulations, 2015.

COMPOSITION OF COMMITTEES OF BOARD:

Currently the board has following Committees: Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee & Risk Management Committee

Name of the Committee	Composition of the Committee/ No. of times the committee met	Highlights of duties, responsibilities & Activities
Audit Committee	Mr. Ponniah Bhaskaran DIN: 00126136 {Independent and Non-Executive Director} Chairman of the Committee Mrs. Indira Srinivasan Royakottam DIN:06823929 {Independent and Non-Executive Director} Member Mr. Kunjithapatham Ramu DIN:01538291 {Independent and Non-Executive Director} Member The Committee met 4 times on :- 27th July, 2020 08th August, 2020 31st October, 2020 05th February, 2021	➤ The Audit Committee was mandated with the same Terms of Reference specified in SEBI (LODR) REGULATIONS, 2015 ➤ The current Terms of Reference conform to the requirements of the Companies Act-2013. ➤ The Audit committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half yearly/annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, recommending the appointment/reappointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations and also statutory compliance issues

		➤ The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company
Nomination & Remuneration Committee	Mr. Kunjithapatham Ramu DIN:01538291 {Independent and Non-Executive Director} Chairman of the Committee Mr. Ponniah Bhaskaran DIN: 00126136 {Independent and Non-Executive Director} Member Mrs. Indira Srinivasan Royakottam DIN:06823929 {Independent and Non-Executive Director} Member The Committee met 1 times on :- 31st October, 2020	➤ To fix salary allowances and other perks to senior level personnel as and when appointed by the Company. ➤ REMUNERATION POLICY: The managing director is the only executive director on the board who is entitled to receive remuneration. The non-executive directors are not entitled to any remuneration. The compensation to the managing director is within the scale approved by the shareholders. The elements of compensation comprise a fixed component and a performance incentive. The compensation is determined based on the level of responsibility and scales prevailing in the industry. The managing director is not paid sitting fees for any board / committee meetings attended by him
Stakeholders Relationship Committee	Mrs. Indira Srinivasan Royakottam DIN:06823929 {Independent and Non-Executive Director} Chairman of the Committee Mr. Ashok Jawarilal Galada DIN:00042295 {Promoter and Non-Executive Director} Member	➤ The role of the committee includes formulation of shareholders' servicing plans and policies, consideration of valid share transfer requests, share transmissions, issue of duplicate share certificates, issue of share certificates for split, dematerialization, consolidation of shares, etc. The committee also monitors and reviews the

	Mr. Naveen Ashok Galada DIN:00043054 {Promoter and Executive Director } Member There was no meeting of the committee held during 2020-21 The company has not received any grievances/complains from the investors during the financial year 2020-2021.	mechanism of share, transfers, dematerialization of shares and payment of dividends. ➤ It further looks into the redressing of shareholders grievances like non-receipt of balance sheet, non-receipt of declared dividends and determining, monitoring and reviewing the standards for resolution of shareholders' grievances.
Risk Management Committee	Mr. Ponniah Bhaskaran DIN: 00126136 {Independent and Non-Executive Director} Chairman of the Committee Mrs. Indira Srinivasan Royakottam DIN:06823929 {Independent and Non-Executive Director} Member Mr. Kunjithapatham Ramu DIN:01538291 {Independent and Non-Executive Director} Member The Committee met 1 times on :- 05th February, 2021	➤ The role of the committee includes review of the risk management policy developed by the management, review of the risk management framework document and implementation of the actions planned in and periodical review of the process for systematic identification and assessment of the business risks

DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The Audit Committee generally makes certain recommendations to the Board of Directors of the

Company during their meetings held to consider any financial results (Unaudited and Audited) and such other matters placed before the Audit Committee as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time. During the year the Board of Directors has considered all the recommendations made by the Audit Committee and has accepted and carried on the recommendations suggested by the Committee to its satisfaction. Hence there are no recommendations unaccepted by the Board of Directors of the Company during the year under review

INDEPENDENT DIRECTORS COMMITTEE

The Company has in place Independent Directors Committee as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

KEY MANAGERIAL PERSONNEL

The following Directors/Officials of the Company have been designated as Key Managerial Personnel (KMP) of the Company by the Board of Directors in terms of provisions of Section 203 of the Companies Act, 2013 and the SEBI Listing Regulations:

1. Mr. Naveen Ashok Galada - Managing Director
2. Mrs- Kavirala Deepika -Company Secretary**
3. Mr. Bilal Mohammadali I -Company Secretary***
4. Mrs. K. R. Manimeghala - Chief Financial Officer

** Mrs-Kavirala Deepika resigned from the Company with effect from July 31, 2021. The Board places its sincere gratitude for the services and support rendered by the said Key Managerial personnel during their tenure in the Board

***Mr. Bilal Mohammadali I, Qualified Company Secretary appointed as a Compliance officer Cum Company Secretary of the company with effect from August 01, 2021

CHANGE IN KEY MANAGERIAL PERSONNEL

During the financial year ended March 31, 2021, Mr. Ashok Jawarilal Galada having (DIN: 00042295), Managing Director changed designation from Managing Director in executive capacity to Non- Executive Director with effect from 31st October 2020 and Mr. Naveen Ashok Galada having (DIN: 00043054) Non-Executive Director of the Company changed designation as a Managing Director in executive Capacity with effect from 31st October 2020 subject to the ratification and approval of the Member at the forthcoming Annual General Meeting .

ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of Companies Act 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a whistle blower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected frauds or violation of the Company's code of conduct and ethics. The Audit Committee of the Board oversees the functioning of Whistle Blower Policy. The Whistle Blower Policy covering all employees and directors is available in the Company's website at www.galadafinance.in

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees covered under the provision of section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements which forms part of this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transaction that was entered into during the financial year was on an arm's length basis in the ordinary course of business. There are no 'material' contracts or arrangements or transactions which were not at arm's length basis and therefore disclosure in form AOC -2 is not required.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseeable and repetitive nature. For the transactions entered into pursuant to the omnibus approval so granted, a statement giving details of all related party transactions is placed before the Audit Committee and the board of Directors for their approval on a quarterly basis

PARTICULARS OF EMPLOYEES

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **ANNEXURE-A** attached herewith which forms part of this report.

The statement containing such particulars of employees as required in terms of the provisions of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. Pursuant to the provisions of the Section 136(1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all members of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours upto the date of Annual General Meeting and if any member

is interested in obtaining such information, may write to the Company Secretary at the registered office of the Company in this regard.

CORPORATE GOVERNANCE

As prescribed under the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, your Company does not fall under the purview of complying with the provisions of Corporate Governance. During the year your Company has informed the non-applicability provision to the Bombay Stock Exchange. Since, the provision of Corporate Governance is not applicable for the entire Financial Year 2020-21, a separate report of Corporate Governance is not disclosed in the Annual Report 2020-21.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with schedule-V thereof, the Management Discussion and Analysis report has been annexed to the Boards Report as **ANNEXURE-B** and forms part of the Annual Report

COMPLIANCE WITH CODE OF CONDUCT

The Company has framed a Code of Conduct for the Board of Directors and Senior Management personnel of the Company. The Code of Conduct is available on the Company's website. All the Board of Directors and Senior Management personnel have affirmed compliance with the Code of conduct as on March 31, 2021.

As required under Regulation 34(3) and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a declaration from Mr. Naveen Ashok Galada, Managing director to this effect is annexed which forms part of this Annual Report

RISK MANAGEMENT POLICY

A Risk Management Policy for the Company has been adopted by the Board. The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed by the Board through appropriate structures that are in place.

NOMINATION AND REMUNERATION POLICY

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members. The Remuneration Policy is available on the website of the company www.galadafinance.in.

AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY

The Company has formulated the Nomination and Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy governs the criteria for deciding the remuneration for Directors and Key Managerial Personnel. It is affirmed that the remuneration to Directors and Key Managerial Personnel is being fixed based on the criteria and parameters mentioned in the above mentioned policy of the Company.

BOARD DIVERSITY

The Company recognizes and values the importance of a diverse board as part of its corporate governance and success. The Company believes that a truly diverse Board will leverage differences in ideas, knowledge, thought, perspective, experience, skill sets, age, ethnicity, religion and gender which will go a long way in retaining its competitive advantage

CRITERIA FOR PAYMENT OF REMUNERATION TO NON-EXECUTIVE DIRECTORS (PURSUANT TO PART-D SCHEDULE II (1) OF SEBI (LODR) REGULATIONS, 2015

The Criteria For Payment Of Remuneration To Non-Executive Directors (Pursuant To Part-D Schedule II (1) Of SEBI (LODR) Regulations, 2015 is available on the website of the company www.galadafinance.in.

DIRECTORS' RESPONSIBILITY STATEMENT

The terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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; and
- e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for the assistance and cooperation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and employees.

By the Order of the Board

For **GALADA FINANCE LIMITED**

Place: Chennai

JUSTICE PONNIAH BHASKARAN

Date: 13.08.2021

DIN: 00126136

ANNEXURE-A

Disclosure of remuneration under section 197 (12) of the companies act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Nature of Disclosure	Name of the Director / Designation	Ratio of Remuneration to Median Remuneration of employees	% increase in remuneration in the financial year 2020-21
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Percentage increase in remuneration of each Director, in the financial year	Mr. Ashok J. Galada (Till 30.10.2020) Managing Director	N.A.	0.00%
	Mr. Naveen Galada (From 31.10.2020) Managing Director	N.A.	0.00%
b) Percentage increase in remuneration of CFO, CS in the financial year	Mrs. K.R.Manimeghala Chief Financial Officer	1.86:1	0.00%
	Mrs. K. Deepika Company Secretary	1.49:1	0.00%
c) Percentage increase in median remuneration of employees in the financial year	-10.07% increase in remuneration considering employees who were in employment for the whole of FY2020-21 and FY 2019-2020		
d) Number of permanent employees on the rolls of company (as of 31 March, 2021) :	(i) Directors : 1 (ii) Employees : 2		
e) Explanation on the relationship between average increase in remuneration and company performance	The average increase in remuneration is -10.07% for employees who were in the employment for whole of FY 2020-21 and FY 2019-20. The improvement in company's performance on key parameters(as compared to previous year) was as follows: Operating Income: -4.77% Profit Before Tax : -94.41% Profit After Tax : -89.39%		
f) Comparison of the remuneration of the KMP against performance of the company	Aggregate KMP remuneration as a % of PBT for FY 2020-21 is -1.50%		
g) Variations in the market capitalization of the company, price	Market capitalization has increased from Rs.2.97crores as		

earnings ratio as at the closing date of the current financial year and previous financial year & percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies	of FY 2019-20 to Rs. 3.15 crores as of FY 2020-21. Over the same period, the price earnings ratio moved down to- 43.75 from 19.10. The stock price of the company as of FY 2020-21 has increased by 5.74 to Rs.10.50 per share in comparison to Rs 9.93 per share in FY 2019-20.		
h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 2020-21 and FY 2019-20, the average decrease in salary is 10.07. The average decrease/ increase of salaries for managerial personnel (MD) is 0.00 %. The remuneration is in line with the remuneration policy of the company and any increase is approved by the appropriate authority.		
i) Comparison of each remuneration of the KMP against the performance of the company	Key Managerial Personnel	Remuneration as a % of PBT (2020-21)	Remuneration as a % of PBT (2019-20)
	Mr. Ashok J. Galada/ Mr.Naveen Galada - Managing Director(s)	Nil	Nil
	Mrs. K.R. Manimeghala Chief Financial Officer	-1.50%	-80%
	Mrs. K. Deepika Company Secretary	-0.54%	-30%
j) The key parameters for any variable component of remuneration availed by the directors	Managing Director: There was no variable components in director's remuneration. Other Directors: The sitting fee is a fixed fee paid on the basis of the director's attendance at a		

ANNEXURE-A

Disclosure of remuneration under section 197 (12) of the companies act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Nature of Disclosure	Name of the Director / Designation	Ratio of Remuneration to Median Remuneration of employees	% increase in remuneration in the financial year 2020-21
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Percentage increase in remuneration of each Director, in the financial year	Mr. Ashok J. Galada (Till 30.10.2020) Managing Director	N.A.	0.00%
	Mr. Naveen Galada (From 31.10.2020) Managing Director	N.A.	0.00%
b) Percentage increase in remuneration of CFO, CS in the financial year	Mrs. K.R.Manimeghala Chief Financial Officer	1.86:1	0.00%
	Mrs. K. Deepika Company Secretary	1.49:1	0.00%
c) Percentage increase in median remuneration of employees in the financial year	-10.07% increase in remuneration considering employees who were in employment for the whole of FY2020-21 and FY 2019-2020		
d) Number of permanent employees on the rolls of company (as of 31 March, 2021) :	(i) Directors : 1 (ii) Employees : 2		
e) Explanation on the relationship between average increase in remuneration and company performance	The average increase in remuneration is -10.07% for employees who were in the employment for whole of FY 2020-21 and FY 2019-20. The improvement in company's performance on key parameters(as compared to previous year) was as follows: Operating Income: -4.77% Profit Before Tax : -94.41% Profit After Tax : -89.39%		
f) Comparison of the remuneration of the KMP against performance of the company	Aggregate KMP remuneration as a % of PBT for FY 2020-21 is -1.50%		
g) Variations in the market capitalization of the company, price	Market capitalization has increased from Rs.2.97crores as		

ANNEXURE-B

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management has taken up detailed discussion of the risk factors related to our Company in specific and industry in general and attempts to lay down the impact of the same on the company's performance. Please find reproduced hereunder a summary of Management's Disc

INTERNAL RISK FACTORS

- 1. The growth rate of NBFCs largely builds upon the ability to develop brand name for its financial products which compete the Industry.**

We believe that promoting and positioning our brand is necessary for achieving recognition of our services. Brand promotion activities may not yield increased revenues and even if they do, increased revenues may not offset the expenses we incur in brand building. If we fail to promote our brand, our business, financial condition and result of operation could be affected

- 2. Our business is vulnerable to interest rate risk. Changes in interest rate may affect our income from operation and adversely affect our financial performance and profitability.**

In our NBFC business, we are exposed to the risk of higher interest rates. If the yield on our Company's interest -earning assets does not increase at the same time or to the same extent as our cost of funds, or our cost of funds does not decline at the same time or to the same extent as the yield on its interest earning assets, our net interest income and net interest margin would be adversely impacted. This could have a material adverse effect on the financial performance.

- 3. Our Company may experience delays in enforcing the collateral when borrowers default on their obligations, which will result in failure to recover the expected value of collateral and affect our financial performance**

Our Company may not be able to realize the full value of the collateral as a result of delays in bankruptcy and foreclosure proceedings, inability to foreclose, defects in the title of collateral, fraudulent transfers by borrowers and other factors which includes legislative changes and judicial pronouncements. The inability to recover the expected value of collateral could expose our Company to losses, which will have impact on business and financial performance

- 4. If our company fails attract and retain key employees, our operation could be affected.**

The Company believes that human resource is most important element for success of any organization. The company takes every step to promote feeling of belongingness among its employees and maintains a separate Human Resource department to care of

concerns and well being of employees. The staff turnover in the company is considerably less as compared to the industry. In any case, skilled and/or trained manpower is available in the market. It has a strong Culture & Corporate Core Values

5. The changes in the regulations that govern our Company could cause the business to suffer

NBFCs in India are regulated by the RBI. Any changes in the regulatory framework will affect the profitability of our business and our future financial performance

6. We may require additional funds to satisfy our capital needs, which we may not able to procure.

We may need to raise additional capital from time to time, which we may not able to procure. The Company may not be able to raise adequate funds on attractive terms and conditions, which could have an adverse effect on our results of operations

7. Our business is dependent on the financial performance of the market and financial policy of the Government; it also depends upon the RBI point of view of the interest rates for public and business class at large.

8. Our business is subject to regulation by several authorities, which could have an adverse effect on our business and our results of operations. We are outsourcing entire Financial and Corporate Advisory. We are being in the field of professional services unable to market our products in an aggressive fashion.

EXTERNAL RISK FACTORS

1. A slowdown in economic growth in India could cause business to suffer

The performance and growth of the company and the industry are dependent on the health of the Indian economy as well the secondary industries. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely impact business and financial performance and the price of Equity Shares

2. Political instability or changes in the government could delay the further liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact financial results and prospects.

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant. The

leadership of India has changed many times since 1996. The current central government is headed by the Indian National Congress and is a coalition of several political parties. Although the current government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization could change, and specific laws and policies affecting industry, foreign investment and other matters affecting investment in securities could change as well.

3. Any downgrading of India's debt rating by an independent agency may harm ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on capital expenditure plans, business and financial performance.

4. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian financial markets and also adversely affect the worldwide financial markets. In addition, any deterioration in relations between India and its neighboring countries might result in investor concern about stability in the region, which could adversely affect the business. India has witnessed civil disturbances in the past and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact. Such incidents could also create perception in the minds of investors that, investment in Indian Companies involve a higher degree of risk.

5. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquake, tsunami, floods and drought in the past. The extent and severity of these natural disasters determines their impact on the Indian economy, which have an adverse impact on our business

6. Factors affecting Indian economy in general

Like any other entity, our financial results are also affected by the macro economic factors determining the growth of the Indian economy in general and continued growth of the securities market. The Growth of our business and ability to maintain the growth is influenced by the growth rate of the securities market indicators. Any

slowdown in Indian economy or slowdown in securities market or any changes in government regulation could have an impact on our financial performance.

Risk Relating to our Industry:

- **Risk of Bad Debts (Non-Performing Assets)**

The risk of NPA is always a pertinent part of the lending business. There is always a chance that accounts become bad due to fall or collapse in the value of the asset against which funds have been advanced due to a variety of reasons. However, in our case, the Company has put in place a strong asset verification and valuation processes.

- **Interest Rates**

The RBI had resorted to increasing the interest rates many times over the last eighteen months in order to control Inflation. The volatility in interest rate and high interest rate leads to default in re-payment and thus increase of interest rates would certainly affect the business of the Company

- **Risk of Competition**

With globalization and continuous flow of private as well as international institution in the finance market the risk of competition in any business, and the finance business is no different. We believe that competition spurs our team to innovate without losing sight of the customer needs, the need for safety of funds deployed and the need to ensure commensurate returns

- **Global Economic Uncertainties**

The international events affect all financial markets of the world, and India is also affected. The affect was clearly felt in the previous year as the Indian Rupee continued to remain weak due to the crisis in Euro zone. This may results into to stay-away attitude by foreign investors, volatility in crude price, inflation which may turned into further stress on finance market. Company there for focusing on investing its funds in assets that are fully secured and that will have least impact of global uncertainty.

ANNEXURE-C**FORM MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Galada Finance Limited
"SHANTI SADAN", Old No.4, New No.7
Shaffee Mohammed Road, Thousand Lights
Chennai-600006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GALADA FINANCE LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company 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. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- 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, 2018;¹
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;²
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;³
- 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; and⁴
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;⁵
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange,

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We report that having regards to the compliance prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company.

- 1) Reserve Bank of India Act, 1934, Rules, Regulations, Guidelines and Directions issued by the Reserve Bank of India as specifically applicable to the company.

¹Not applicable to the Company during the year, as the Company has not issued securities

²Not applicable to the Company, as the Company does not have any Employee stock option scheme

³Not applicable to the Company, as the Company does not have any debts listed

⁴ Not applicable to the Company, as there was no delisting done during the year.

⁵Not applicable to the Company, as there was no buy-back by the Company during the year.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent, at least seven days before the meeting, 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 decisions of the Board of Directors were unanimous and no dissenting views have been recorded.

We 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 applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above were undertaken/done by the Company.

This Report is to be read along with Annexure A of even date which forms integral part of this Report.

For ASJ & Associates, Company Secretaries

Place: Chennai
Date: 13.08.2021

Abishek Jain
Practicing Company Secretary
FCS 10925; CP 15508
UDIN:F010925C000750224

ANNEXURE - A

To,
The Members,
Galada Finance Limited
"SHANTI SADAN", Old No.4, New No.7
Shaffee Mohammed Road, Thousand Lights
Chennai-600006

Our secretarial audit report of even date is to be read along with this letter.

- a. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial and tax records and books of accounts of the Company.
- d. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedures on test/sample basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For ASJ & Associates, Company Secretaries

Place: Chennai
Date: 13.08.2021

Abishek Jain
Practicing Company Secretary
ACS 10925; CP 15508

DECLARATION PURSUANT TO CLAUSE D OF SCHEDULE V TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Naveen Ashok Galada, Managing Director of Galada Finance Limited, declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Galada Finance Limited Code of Conduct for the year ended March 31, 2021

Place: Chennai

NAVEEN ASHOK GALADA

Date: 13.08.2021

MANAGING DIRECTOR

DIN:00043054

CEO/CFO Certification under Regulation 17 (8) of SEBI (LODR), 2015

To,
The Board of Directors
GALADA FINANCE LIMITED

We hereby certify that for the financial year ended 31st March 2021, on the basis of the review of financial statements and the cash flow statement and to the best of our knowledge and belief that :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. These are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or violative of the Company's Code of Conduct;
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that

- a) There have been no significant changes in internal control over financial reporting during the year 2020-21;
- b) There have been no significant changes in accounting policies during the year 2020- 2021; and
- c) There have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

NAVEEN ASHOK GALADA
Managing Director

K R MANIMEGHALA
Chief Financial Officer

Place: Chennai
Date: 13.08.2021

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Galada Finance Limited
"SHANTI SADAN", Old No.4, New No.7
Shaffee Mohammed Road, Thousand Lights
Chennai-600006

We have examined the relevant registers, records, minute books, forms, returns, declarations/disclosures received from the Directors and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives of Galada Finance Limited (CIN L65191TN1986PLC012826) having its Registered Office at "SHANTI SADAN", Old No.4, New No.7 Shaffee Mohammed Road, Thousand Lights Chennai-600006 (hereinafter referred to as "The Company") for the purpose of issue of this certificate pursuant to regulation 34(3) read with para C(10)(i) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 issued by the Securities and Exchange Board of India.

In Our opinion and to the best of our knowledge and based on such examination/verification including Director Identification Number (DIN) status at the portal www.mca.gov.in as well as information and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors as stated below on the Board of the Company during the financial year 2020-21 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI)/ Ministry of Corporate Affairs or any such other statutory authority.

SN	DIN	Name	Designation
1.	00042295	Ashok Jawarilal Galada	Director
2.	00043054	Naveen Ashok Galada	Managing Director
3.	00126136	Ponniah Bhaskaran	Director
4.	01538291	Kunjithapatham Ramu	Director
5.	06823929	Indira Srinivasan Royakottam	Director

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification.

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 ASJ & Associates, Company Secretaries

Place: Chennai
Date: 25.08.2021

Abishek Jain
Practicing Company Secretary
ACS 10925; CP 15508
UDIN:F010925C000831712

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GALADA FINANCE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/s Galada Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements"). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We do not have any key audit matters that needs to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive loss, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of The standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 standalone 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

1. As required by Section 143(3) of the Act, based on our audit 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branches not visited by us.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 31st March, 2021 taken on record by the Board of Directors, none of the directors

is disqualified as on 31st March, 2021 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 A”.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its standalone financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SURESH KUMAR & CO.,

Chartered Accountants

Firm Regn. No : 004273S

SURESH KUMAR B

Proprietor

Membership No : 028376

Place: Chennai

Date: 29-06-2021

UDIN: 21028376AAAADS8344

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of M/s Galada Finance Limited of even date.)

Report on the Internal Financial Controls over Financial Reporting 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 of **M/s Galada Finance Limited** (“the Company”) as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS 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 specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March, 2021, 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 **SURESHKUMAR & CO.,**

Chartered Accountants

Firm RegnNo : 004273S

SURESH KUMAR B

Proprietor

Membership No : 028376

Place: Chennai

Date: 29-06-2021

UDIN: 21028376AAAADS8344

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of M/s Galada Finance Limited of even date.)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. The title deeds of immovable properties are held in the name of the company.
2. The Company is a Non-Banking Financial Company (NBFC) engaged in the business of Financing. Hence, paragraph 3 (ii) of the Order is not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act.
4. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
5. The Company has not accepted any deposits from public.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the company.
7. (a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, income-tax, Goods and Service Tax, customs duty, cess and any other statutory dues to the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, Goods and Service Tax, customs duty, cess and any other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of service tax, sales tax, customs duty, excise duty, value added tax or Goods and Service Tax outstanding on account of any disputes. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

8. The Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, governments or dues to debenture holders.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the Provision of Section 197 read with Schedule V to the Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Financial Statements as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.

16. The company is required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 and the company had already obtained the required registration from RBI.

For SURESHKUMAR & CO.,
Chartered Accountants
Firm RegnNo: 004273S

SURESH KUMAR B
Proprietor
Membership No : 028376

Place: Chennai
Date: 29-06-2021
UDIN: 21028376AAAADS8344

GALADA FINANCE LIMITED			
Balance Sheet as at 31st March, 2021			
Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
		INR	INR
ASSETS			
1 Financial Assets			
Cash & cash equivalents	3	12,43,039	9,09,251
Bank balances other than cash & cash equivalents		-	-
Receivables	4	-	-
(i) Trade receivables		-	-
(ii) Other receivables		-	-
Loans	5	7,00,59,149	6,06,14,918
Investments	6	62,17,814	18,56,770
Other financial assets	7	54,71,707	62,76,105
Total Financial Assets		8,29,91,709	6,96,57,044
2 Non-Financial assets			
Current tax assets (net)	8	10,40,946	10,38,939
Deferred tax assets (net)	8	15,14,228	21,09,610
Property, plant and equipment	9	21,99,935	28,00,463
Other non-financial assets		-	-
Total Non-Financial assets		47,55,109	59,49,012
TOTAL ASSETS		8,77,46,818	7,56,06,056
LIABILITIES AND EQUITY			
Liabilities			
3 Financial liabilities			
Payables	10		
(i) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		24,52,686	2,88,233
Debt securities		-	-
Borrowings (Other than debt securities)	11	2,95,52,217	2,31,38,398
Deposits	12	48,11,000	24,80,000
Other financial liabilities	13	1,44,033	6,88,254
Total Financial liabilities		3,69,59,936	2,65,94,885
4 Non-financial liabilities			
Current tax liabilities (net)		-	-
Provisions		-	-
Other non-financial liabilities		-	-
Total non-current liabilities		-	-
5 Equity			
Equity share capital	14	3,00,00,000	3,00,00,000
Other equity	15	2,07,86,882	1,90,11,171
Total current liabilities		5,07,86,882	4,90,11,171
TOTAL EQUITY AND LIABILITIES		8,77,46,818	7,56,06,056
Significant accounting policies	2	-	-

The accompanying notes are an integral part of the financial statements

In terms of our report of even date attached.

For SURESH KUMAR & Co.,
Chartered Accountants
Firm Regn No. 004273S

For and on behalf of the Board of Directors of M/s. Galada Finance Limited

Suresh Kumar B
Proprietor
Membership No. 028376

Ponniah Bhaskaran
Chairman
DIN : 00126136

Naveen Galada
Managing Director
DIN : 00043054

Place : Chennai
Date : 29th June, 2021
UDIN : 21028376AAAADS8344

Deepika
Company Secretary

K.R Manimeghala
Chief Financial Officer

GALADA FINANCE LIMITED				
Statement of Profit and Loss for the year ended 31st March, 2021				
Particulars		Note No.	Year ended	Year ended
			31st March, 2021	31st March, 2020
			INR	INR
I	Income			
	Revenue from operation	16	89,91,652	94,42,197
	Other income	17	92,106	3,98,882
	Total income		90,83,758	98,41,079
II	Expenses			
	Finance cost	18	36,57,432	40,47,907
	Impairment Loss Allowance		4,58,200	2,43,750
	Employee benefit expenses	19	16,64,530	14,17,673
	Depreciation and amortisation	9	6,54,227	9,37,391
	Other expenses	20	21,84,389	27,87,930
	Loss on sale of shares		8,41,803	71,49,085
	Total expenses		94,60,581	1,65,83,736
III	Profit / (Loss) before exceptional items and tax (3 - 4)		(3,76,823)	(67,42,657)
IV	Exceptional items		-	-
V	Profit before tax (III-IV)		(3,76,823)	(67,42,657)
VI	Tax expense:			
	- Current tax		3,57,500	1,82,000
	- Deferred tax	8	(2,100)	(23,500)
			3,55,400	1,58,500
VII	Profit / (Loss) for the year (V - VI)		(7,32,223)	(69,01,157)
VIII	Other Comprehensive Income			
	(A) Items that will be reclassified to profit or loss		-	-
	(B) Items that will not be reclassified to profit or loss			
	Net gain/(loss) on equity instruments through Other Comprehensive Income		31,05,416	29,97,373
	Income tax effect on above		(5,97,482)	(5,76,694)
IX	Total Comprehensive Income (VII+VIII)		17,75,711	(44,80,478)
	Earnings per share			
	- Basic & Diluted		(0.24)	(2.30)
	Significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements			
In terms of our report attached.				
For SURESH KUMAR & Co., Chartered Accountants Firm Regn No. 004273S		For and on behalf of the Board of Directors of M/s. Galada Finance Limited		
Suresh Kumar B Proprietor Membership No. 028376		Ponniah Bhaskaran Chairman DIN : 00126136	Naveen Galada Managing Director DIN : 00043054	
Place : Chennai Date : 29th June, 2021 UDIN : 21028376AAAADS8344		Deepika Company Secretary	K.R Manimeghala Chief Financial Officer	

Galada Finance Limited				
Statement of Cash Flows for the year ended 31st March, 2021				
Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	INR	INR	INR	INR
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(3,76,823)		(67,42,657)
<i>Adjustments for:</i>				
Depreciation and amortisation	6,54,227		9,37,391	
(Profit)/Loss on sale of Assets	-		(1,63,309)	
Interest income	(39,200)		(76,420)	
Dividend income	(52,899)		(1,32,539)	
Impairment Loss Allowance	4,58,200		2,43,750	
Net (gain)/loss on sale of investments	8,41,803		71,49,085	
		18,62,131		79,57,958
Operating profit / (loss) before working capital changes		14,85,308		12,15,301
<i>Movement in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Other receivables	(99,02,431)		(73,55,195)	
Other Financial Assets	8,04,398		(3,07,869)	
Other Liabilities	21,64,453		(5,499)	
Other Financial Liabilities	(5,44,220)		2,88,525	
Cash flow from extraordinary items		(74,77,800)		(73,80,038)
Cash generated from operations		(59,92,492)		(61,64,737)
Net income tax (paid) / refunds		(3,59,507)		(3,50,000)
Net cash flow from operating activities (A)		(63,51,999)		(65,14,737)
<u>B. Cash flow from investing activities</u>				
Payment for Property, plant and equipments (Net)	(53,699)		(1,41,533)	
Proceeds from disposal of property, plant and equipments	-		2,40,000	
Purchase of investments	(1,82,18,034)		65,11,734	
Proceeds from sale of investments	1,61,20,602			
Interest received	39,200		76,420	
Dividend received	52,899		1,32,539	
Net cash flow used in investing activities (B)		(20,59,032)		68,19,160
C. Cash flow from financing activities				
Proceeds from borrowings	87,44,819		-	
Repayment of borrowings			(9,24,735)	
Dividends & Tax paid	-		-	
Net cash flow used in financing activities (C)		87,44,819		(9,24,735)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		3,33,788		(6,20,312)
Cash and cash equivalents at the beginning of the year		9,09,251		15,29,563
Cash and cash equivalents at the end of the year		12,43,039		9,09,251
<u>Components of Cash and Cash Equivalents</u>				
(a) Cash on hand		4,84,072		5,97,881
(b) Cheques, drafts on hand		6,33,865		2,77,875
(c) Balances with banks				
(i) In current accounts		1,25,102		33,495
		12,43,039		9,09,251

See accompanying notes forming part of the financial statements

In terms of our report attached.

For SURESH KUMAR & Co.,
Chartered Accountants
Firm Regn No. 004273S

For and on behalf of the Board of Directors

Suresh Kumar B
Proprietor
Membership No. 028376

Ponniah Bhaskaran
Chairman
DIN : 00126136

Naveen Galada
Managing Director
DIN : 00043054

Place : Chennai
Date : 29th June, 2021
UDIN : 21028376AAADS8344

Deepika
Company Secretary

K.R Manimeghala
Chief Financial Officer

GALADA FINANCE LIMITED
Statement of Changes in Equity

Statement of Changes in Equity as at 31st March, 2020

Note (a) : Equity Share Capital

Particulars	As at	
	31st March 2021	31st March 2020
Balance at the beginning of the reporting period	3,00,00,000	3,00,00,000
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	3,00,00,000	3,00,00,000

Note (b) : Other Equity

Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Statutory Reserve (As per Sec 45-IC of the RBI Act,1934)	Retained earnings	Equity Instruments through OCI	
Balance at 31st March, 2019	87,64,000	2,14,79,301	(67,51,652)	2,34,91,649
Balance at the beginning of the reporting period	87,64,000	2,14,79,301	(67,51,652)	2,34,91,649
Profit for the year	-	(69,01,157)	-	(69,01,157)
Other comprehensive income for the year net of income tax	-	-	24,20,679	24,20,679
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(69,01,157)	24,20,679	(44,80,478)
Cash dividends	-	-	-	-
Dividend Distribution Tax (DDT)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2020	87,64,000	1,45,78,144	(43,30,973)	1,90,11,171
Balance at the beginning of the reporting period	87,64,000	1,45,78,144	(43,30,973)	1,90,11,171
Profit for the year	-	(7,32,223)	-	(7,32,223)
Other comprehensive income for the year net of income tax	3,60,000	(3,60,000)	25,07,934	25,07,934
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	3,60,000	(10,92,223)	25,07,934	17,75,711
Cash dividends	-	-	-	-
Dividend Distribution Tax (DDT)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2021	91,24,000	1,34,85,921	(18,23,039)	2,07,86,882

In terms of our report attached.

For SURESH KUMAR & Co.,
Chartered Accountants
Firm Regn No. 0042735

For and on behalf of the Board of Directors

Suresh Kumar B
Proprietor
Membership No. 028376

Ponniah Bhaskaran
Chairman
DIN : 00126136

Naveen Galada
Managing Director
DIN : 00043054

Place : Chennai
Date : 29th June, 2021
UDIN : 21028376AAAADS8344

Deepika
Company Secretary

K.R Manimeghala
Chief Financial Officer

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
1	<u>Corporate information</u> Galada Finance Limited ('the Company'), incorporated in Chennai, India, is a Non-Systemically Important Deposit taking Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The company has been debarred from taking deposits from public and it has repaid all deposits from public. The Company is mainly engaged in the business of lending across retail, SME and commercial customers with a significant presence in urban and rural India. The Registered office of the company is situated at Shanti Sadan, Old No. 4, New No.7, Shaffee Mohammed Road, Thousand Lights, Chennai 600006. These financial statements were approved for issues in the meeting of the Board of Directors held on 25-07-2020.
2	<u>Basis of preparation of financial statements</u>
2.1	<u>Basis of preparation and compliance with Ind AS</u> The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2019 and the effective date of such transition is April 01, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') (Collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2018. The corresponding figures presented in these results have been prepared on the basis of the previously published unaudited/audited results under previous GAAP for the relevant periods, duly re-stated to Ind AS.
2.2	<u>Basis of measurement</u> The financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for financial assets, financial liabilities and defined benefit plans which have been measured at fair value, as required by relevant Ind AS.
2.3	<u>Current and non-current classification</u> The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if it satisfies any of the following criteria: a) It is expected to be realised or intended to be sold in the Company's normal operating cycle. b) It is held primarily for the purpose of trading, c) It is expected to be realised within twelve months after the reporting period, or d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. All other assets are classified as non-current. A liability is classified as current if it satisfies any of the following criteria: a) it is expected to be settled in the Company's normal operating cycle, b) it is held primarily for the purpose of trading, c) it is due to be settled within twelve months after the reporting period, d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as noncurrent. Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
2.4	Use of estimates and assumptions In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities. Effective Interest Rate (EIR) Method The Company recognizes interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument. Impairment of Financial Assets The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk. The Company's Expected Credit Loss calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include: - The Company's criteria for assessing if there has been a significant increase in credit risk - The segmentation of financial assets when their ECL is assessed on a collective basis - Development of ECL model, including the various formulae and the choice of inputs - Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model. It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary. Provisions and other contingent liabilities The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.
2.5	First time adoption of Ind AS : The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2019, with a transition date of 1st April, 2018. These financial statements for the year ended 31st March, 2020 are the first financial statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). The Company has prepared opening Balance Sheet as per Ind AS as of 01st April, 2018 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from Previous GAAP to Ind AS as required and applying Ind AS to measure the recognised assets and liabilities. The optional exemption and mandatory exceptions availed by the Company under Ind AS 101 are as follows : (A) Deemed cost for property, plant and equipment and intangible assets - The Company has elected to measure property, plant and equipment, and intangible assets at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS. (B) Mandatory Exceptions Use of Estimates On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessary to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that are required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.
2.6	Property, plant and equipment Property, plant and equipments are stated at historical cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs , if any , in bringing the assets to its working condition for its intended use. Transition to Ind AS On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
	Depreciation (i) Depreciation on Property, plant and equipment is provided for on Written down value method in the manner prescribed in Part C of Schedule II of the Companies Act, 2013 and reckoning the maximum residual value @ 5% of the original cost of the asset. (ii) In respect of addition of assets during the year, depreciation has been provided on Pro-rata basis.
2.7	Revenue recognition a) Recognition of interest income on loans Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset. If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis. Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection. b) Dividend and interest income on investments: - Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. - Interest income from investments is recognised when it is certain 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.
2.8	Employee benefits (i) Short-term employee benefits Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered. (ii) Post Employment benefits (a) Defined contribution plans A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Contributions paid/payable for Provident Fund of eligible employees is recognized in the statement of Profit and Loss each year. (b) Defined benefit plans A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Post employment benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services.
2.9	Financial instruments Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. (A) Financial Assets The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. The financial assets are classified in the following measurement categories: a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) Those to be measured at amortised cost. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss as incurred. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
	(i) Amortised Cost The Company classifies its financial assets as at amortised cost only if both of the following criteria are met: a) The asset is held within a business model with the objective of collecting the contractual cash flows, and b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss. (ii) Fair value through other comprehensive income Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, and interest revenue which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. (iii) Financial assets at fair value through profit or loss The Company classifies the following financial assets at fair value through profit or loss: a) Debt investments that do not qualify for measurement at amortised cost; b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and c) Debt investments that have been designated at fair value through profit or loss. Derecognition of financial assets The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. (B) Financial Liabilities The Company determines the classification of its financial liabilities at initial recognition. Classification The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Initial recognition and measurement Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans and borrowings, payables are subsequently measured at amortised cost. Derecognition of financial liabilities A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. (C) Equity investments All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present the subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.
2.10	Cash and cash equivalents Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, cheques on hand and short-term deposits, as defined above.

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
2.11	Taxation A. Current Tax Current income tax is measured at the amount of tax expected to be payable on the taxable income for the year. B. Deferred Tax Deferred tax is recognised on temporary differences between 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. 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 the tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
2.12	Segment accounting There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. The Company operates mainly in Indian market and there are no reportable geographical segments.
2.13	Provisions, Contingent Liabilities and Contingent Assets A. Provisions Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. B. Contingent liabilities Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made. C. Contingent assets Contingent assets are disclosed, where an inflow of economic benefit is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.
2.14	Statement of Cash flows Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.
2.15	Earnings per share Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
2.16	Dividend to Equity Shareholders Dividend to equity shareholders is recognised as a liability and deducted from shareholder's equity in the period in which the dividends are approved by the equity shareholders in the general meeting.

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note 3 : Cash and cash equivalents			
Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents			
Cash on hand	4,84,072	5,97,881	7,13,151
Cheques, drafts on hand	6,33,865	2,77,875	7,94,678
Balances with banks			
- In current accounts	1,25,102	33,495	21,734
Total	12,43,039	9,09,251	15,29,563
Note 4 : Receivables			
Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Trade receivables			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	-	-	-
Other receivables			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
	-	-	-
Less: Allowance for doubtful debts	-	-	-
Total	-	-	-
Note 5 : Loans			
Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
At amortised cost			
(i) Loans	8,47,07,595	7,28,87,247	6,57,89,026
Less : Advance Interest	90,57,946	71,40,029	71,31,553
	7,56,49,649	6,57,47,218	5,86,57,473
Less : Impairment loss allowance	55,90,500	51,32,300	51,54,000
Total	7,00,59,149	6,06,14,918	5,35,03,473
Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
At amortised cost			
(i) Loans-Secured	8,19,95,452	6,98,24,387	6,27,50,316
(Against hypothecation of automobiles, equipments, durables, plant and machinery etc.)			
Less : Advance Interest	90,52,946	71,40,029	71,31,553
	7,29,42,506	6,26,84,358	5,56,18,763
Less : Impairment loss allowance	52,72,400	48,12,800	47,91,000
	6,76,70,106	5,78,71,558	5,08,27,763
(ii) Loans-Unsecured	27,12,143	30,62,860	30,38,710
Less : Advance Interest	5,000	-	-
	27,07,143	30,62,860	30,38,710
Less : Impairment loss allowance	3,18,100	3,19,500	3,63,000
	23,89,043	27,43,360	26,75,710
Total	7,00,59,149	6,06,14,918	5,35,03,473

GALADA FINANCE LIMITED Notes to Financial statements			
Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Loans in India			
- Public sector	-	-	-
- Others	7,00,59,149	6,06,14,918	5,35,03,473
Total	7,00,59,149	6,06,14,918	5,35,03,473

Credit Quality of Asset

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Particulars	Stage	As at 31st March, 2021	As at 31st March, 2020
Low Credit Risk	Stage 1	1,85,91,050	1,79,58,960
Significant increase in credit risk	Stage 2	4,57,06,630	3,56,05,590
Credit Impaired	Stage 3	1,13,51,969	1,21,82,668
Total		7,56,49,649	6,57,47,218

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A. Analysis of chages in the gross carrying amount of Term Loan as at 31st March, 2021

Particulars	Stage 1	Stage 2	Stage 3	Total
Opening	1,79,58,960	3,56,05,590	1,21,82,668	6,57,47,218
Additions during the year	1,81,22,314	19,18,203	-	2,00,40,517
Stage 1	-	(2,27,265)	(1,00,808)	(3,28,073)
Stage 2	-	-	(1,69,775)	(1,69,775)
Stage 3	-	-	-	-
Reductions during the year	(1,74,90,224)	84,10,102	(5,60,116)	(96,40,238)
Closing	1,85,91,050	4,57,06,630	1,13,51,969	7,56,49,649

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B. Analysis of chages in the gross carrying amount of Term Loan as at 31st March, 2020

Particulars	Stage 1	Stage 2	Stage 3	Total
Opening	1,33,08,858	3,19,76,772	1,33,71,843	5,86,57,473
Additions during the year	1,15,43,667	59,30,533	20,48,183	1,95,22,383
Stage 1	(16,72,975)	24,97,912	-	8,24,937
Stage 2	-	14,23,065	-	14,23,065
Stage 3	-	-	(4,37,758)	(4,37,758)
Reductions during the year	(52,20,590)	(62,22,692)	(27,99,600)	(1,42,42,882)
Closing	1,79,58,960	3,56,05,590	1,21,82,668	6,57,47,218

GALADA FINANCE LIMITED
Notes to Financial statements
Note 6 : Investments

Particulars	Face Value	Quantity (As at 31st March, 2021)	Quantity (As at 31st March, 2020)	As at 31st March 2021	As at 31st March 2020
Unquoted equity shares measured at fair value through OCI					
Bihar Alloys Steel Limited	10	200	200	200	200
Chennai Super Kings Cricket Limited		-	3,300	-	330
Gupta Carpet Limited	10	360	360	360	360
Kaypee Mantex Limited	10	100	100	100	100
Kochar Oil Mill Limited	10	100	100	100	100
S.N.S.Leasing Limited	10	100	100	100	100
Tungabadrabulp Board Limited	10	100	150	-	-
W.I.E..Engineering Limited	10	150	100	-	-
Zen Global Finance Limited	10	5,000	5,000	5,000	5,000
				5,860	6,190
Less : Fair value measurement through OCI				-	-
				5,860	6,190
Quoted equity shares measured at fair value through OCI					
Abbott India		5	-	74,943	-
Bajaj Electricals Limited		-	44	-	11,812
Ballarpur Industries Limited	2	4,000	4,000	4,320	1,240
BEL		500	-	62,550	-
Bharat Earth Movers Limited	10	-	100	-	45,165
Bharat Heavy Electric Limited	10	7,750	250	3,77,813	5,200
Bharti Airtel Limited		300	-	1,55,190	-
Biocon Limited		500	-	2,04,400	-
Birla Tyres Limited		800	2,580	2,02,320	7,611
Britannia Industries Limited		100	-	3,62,810	-
Chennai Super Kings Cricket Limited		3,300	-	330	-
Credit Analysis Research Limited		500	-	2,05,625	-
Diwan Housing Finance Corporation Limited		200	200	3,120	1,730
Eicher Motors Limited		-	7	-	91,671
Fedders Lloyd Corp Limited	10	1,700	1,700	7,820	7,820
Federal Bank Limited		500	-	37,875	-
Gati Limited	2	100	-	13,555	-
Gayatri Projects Limited		300	-	8,535	-
Godrej Consumer Products		300	-	2,18,625	-
Gujarat Flouro Chemicals		100	100	8,245	8,100
GNFC		100	-	30,065	-
GSFC		500	-	40,650	-
Hatsun Agro Prod Limited		100	-	72,455	-
HCL		300	-	2,95,035	-
HDFC Life Insurnace Co Limited		500	-	3,47,875	-
Hindustan Copper Limited	5		500	-	10,650
Hindustan Zinc Limited		300	-	81,840	-
IDFC Limited	10	1,500	1,000	75,150	14,850
IFCI Limited	10	93,914	93,914	11,29,785	3,80,352
India Bulls Real Estate Limited	2	200	-	39,300	-
India Nippon Ltd		100	100	36,875	18,965
ITC Limited		98	-	21,413	-
ITI Limited		500	-	57,550	-
Indian Oil Corp Ltd			500	-	40,825
Jain Studio Limited	10	7,420	7,420	14,840	5,713
Jaiprakash Associates Limited	2	17,000	17,000	1,16,790	18,190
Jhagadia Copper Limited	10	1,000	1,000	1,330	1,330
Khaitan Chemicals Ltd		1,000	-	22,000	-
Kinetic Engineering Limited	10	258	258	10,333	3,173
MBL Infra Structure Limited	10	100	5,100	2,000	13,770
Mercators Lines Limited	1	3,000	3,000	2,430	1,560
MoserBaer Limited	10	5,250	5,250	5,512	5,513

GALADA FINANCE LIMITED
Notes to Financial statements

Note 6 : Investments

Particulars	Face Value	Quantity (As at 31st March, 2021)	Quantity (As at 31st March, 2020)	As at 31st March 2021	As at 31st March 2020
MTNL Limited	10	5,000	-	94,050	-
National Aluminium Corp Limited			1,000	-	29,100
NBCC India Limited		1,000	-	46,600	-
NCL Limited		300	-	51,465	-
NIIT Limited		100	-	13,780	-
NIP India Eft Liquid		1	56	521	56,024
NMDC		1,000	-	1,35,250	-
Noesis (Media Video Limited)	10	600	600	540	540
ONGC Limited	5	25	725	2,554	49,518
Power Finance Corporation Limited	10		500	-	45,975
PTC India Financial Services Limited	10		3,500	-	27,650
Punj Lyods Limited	2	7,800	7,800	11,544	6,630
RCF		100	100	7,750	2,835
Reliance Ind Infra Limited	10		950	-	9,595
Reliance Power Limited	10		3,900	-	4,758
Steel Authority of India Limited		1,500	-	1,18,275	-
Savera Industries Limited	10	1,204	1,204	52,254	39,491
Shree Ram Urban Infra Limited	10	1,500	1,500	55,500	55,500
Sirca Paints India Limited		150	-	47,385	-
Sun Pharmaceuticals Ind Ltd		100	-	59,760	-
Sun Tv Network Ltd		500	-	2,35,050	-
Tata Chemicals Limited		150	-	1,12,687	-
Tata Steel Limited	10	1,500	1,000	78,225	2,69,600
Tech Mahindra Limited		100	-	99,125	-
Tele Data Info Limited		1,000	1,000	470	470
Teledata Marine Solutions Limited	2	500	500	145	145
Teledata Technology Solutions Limited	2		500	60	60
Tgv Sraac Limited		1,000	-	24,250	-
Torrent Pharmaceuticals Limited		50	-	1,27,060	-
Uco Bank Limited	10		500	-	4,530
Ujjvan Small Finance Limited		1,000	-	30,500	-
Unitech Limited	2		1,500	-	1,740
Vinto Organics			129	-	99,917
Wockhardt Limited	5		50	-	-
Yes Bank Limited		375	375	5,850	-
				57,61,954	14,00,580
Less : Fair value measurement through OCI				-	-
				57,61,954	14,00,580
Other Investments measured at fair value through OCI					
Investment in Government securities					
8.26% Govt. of India Bond				1,50,000	1,50,000
9.01% Jamu & Kashmir SDL				2,00,000	2,00,000
8.79% Maharashtra SDL				1,00,000	1,00,000
				4,50,000	4,50,000
Total Investments				62,17,814	18,56,770
Aggregate book value of quoted investments				62,11,954	18,50,580
Aggregate market value of quoted investments				62,11,954	18,50,580
Aggregate carrying value of unquoted investments				5,860	6,190

Category-wise other investments-as per Ind AS 109 classification

Particulars	As at 31st March 2021	As at 31st March 2020
Financial assets carried at fair value through profit or loss (FVTPL)	-	-
Financial assets measured at amortised cost	-	-
Financial assets measured at FVTOCI	62,17,814	18,56,770
Total Investments	62,17,814	18,56,770

GALADA FINANCE LIMITED
Notes to Financial statements

Note 7 : Other financial assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	4,21,517	4,21,517
Other Advances	50,50,190	58,54,588
Total	54,71,707	62,76,105

Note 8 : (a) Income tax asset (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance payment of Income Tax (net)	10,40,946	10,38,939
Total	10,40,946	10,38,939

(b) Deferred tax assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax	3,57,500	1,82,000
Deferred tax relating to origination & reversal of temporary differences	(2,100)	(23,500)
Deferred tax relating to Ind AS adjustments	-	-
Income tax expense reported in the statement of profit or loss	3,55,400	1,58,500
(b) Other comprehensive income section		
On Unrealised (gain)/loss on FVTOCI equity securities	(5,97,482)	(5,76,694)
On Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	(5,97,482)	(5,76,694)
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended		
Accounting profit before income tax	(3,76,823)	(67,42,657)
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate of 22.00% (A)	(94,839)	(16,96,992)
Tax effects of :		
Income not subject to tax	-	(74,459)
Inadmissible expenses or expenses treated separately	3,64,817	19,53,451
Admissible deductions	-	-
Deduction Under chapter VI	-	-
Taxes Paid Under Vivad Se Vishwas Scheme	87,522	-
Deferred tax on other items	(2,100)	(23,500)
Total tax effect (B)	4,50,239	18,55,492
Income tax expense reported in statement of Profit & loss (A+B)	3,55,400	1,58,500

GALADA FINANCE LIMITED
Notes to Financial statements

(c) Deferred tax relates to the following:

Particulars	Balance sheet	
	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets		
Property, plant and equipment	4,44,200	4,42,100
Deferred tax liability		
Fair valuation of financial instruments	10,70,028	16,67,510
Total	15,14,228	21,09,610

Particulars	Recognised in Profit and Loss	
	As at 31st March, 2021	As at 31st March, 2020
Property, plant and equipment	2,100	23,500
Total	2,100	23,500

Particulars	Recognised in OCI	
	As at 31st March, 2021	As at 31st March, 2020
Fair valuation of financial instruments	(5,97,482)	(5,76,694)
Total	(5,97,482)	(5,76,694)

(d) Reconciliation of deferred tax assets (net):

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the reporting period	21,09,610	26,62,804
Tax (income)/expense during the period recognised in Profit & Loss (DTA)	2,100	23,500
Tax income/(expense) during the period recognised in OCI (DTL)	(5,97,482)	(5,76,694)
Total	15,14,228	21,09,610

Galada Finance Limited												
Notes to Financial statements												
Note 9 : Property, plant and equipment												
Particular	Gross Block				Depreciation				Net Block			
	As at 01-04-2020	Additions	Deletions	Discarded	As at 31-03-2021	Upto 01-04-2020	For the Year	On deletion	On Discarded	As at 31-03-2021	As at 31-03-2020	As at 31-03-2020
Freehold Land	4,67,390	-	-	-	4,67,390	-	-	-	-	-	4,67,390	4,67,390
Plant & Machinery	1,52,427	12,699	-	-	1,65,126	71,196	22,372	-	-	93,568	71,558	81,231
Furniture & Fixture	6,97,748	-	-	-	6,97,748	2,645	720	-	-	3,365	6,94,383	6,95,103
Vehicles	27,64,907	-	-	-	27,64,907	17,44,190	4,95,564	-	-	22,39,754	5,25,153	10,20,717
Equipments	5,93,208	-	-	-	5,93,208	2,09,473	74,465	-	-	2,83,938	3,09,270	3,83,735
Office Equipments	3,19,590	41,000	-	-	3,60,590	1,67,303	61,106	-	-	2,28,409	1,32,181	1,52,287
Total	49,95,270	53,699	-	-	50,48,969	21,94,807	6,54,227	-	-	28,49,034	21,99,935	28,00,463
Particular	Gross Block				Depreciation				Net Block			
	As at 01-04-2019	Additions	Deletions	Discarded	As at 31-03-2020	Upto 01-04-2019	For the Year	On deletion	On Discarded	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
Freehold Land	4,67,390	-	-	-	4,67,390	-	-	-	-	-	4,67,390	4,67,390
Plant & Machinery	1,22,827	29,600	-	-	1,52,427	40,901	30,295	-	-	71,196	81,231	81,926
Furniture & Fixture	6,97,748	-	-	-	6,97,748	1,645	1,000	-	-	2,645	6,95,103	6,96,103
Vehicles	28,59,146	47,653	1,41,892	-	27,64,907	10,70,400	7,38,991	65,201	-	17,44,190	10,20,717	17,88,746
Equipments	5,93,208	-	-	-	5,93,208	1,16,190	93,283	-	-	2,09,473	3,83,735	4,77,018
Office Equipments	2,55,310	64,280	-	-	3,19,590	93,481	73,822	-	-	1,67,303	1,52,287	1,61,829
Total	49,95,629	1,41,533	1,41,892	-	49,95,270	13,22,617	9,37,391	65,201	-	21,94,807	28,00,463	36,73,012
Note : The company has availed the deemed cost exemption in relation to the Property, Plant & Equipment on the date of transition i.e 01st April 2018 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.												

Note : The company has availed the deemed cost exemption in relation to the Property, Plant & Equipment on the date of transition i.e 01st April 2018 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Galada Finance Limited
Notes to Financial statements

Note 10 : Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(ii) Other payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	24,52,686	2,88,233
Total	24,52,686	2,88,233

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 11 : Borrowings (Other than debt securities)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
From Banks		
- From Indian Bank	2,58,17,759	2,17,12,258
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)		
From Non-Banking Finance Companies		
- From Volkswagen Finance Private Limited	3,38,658	10,99,775
(Secured against Audi Car)		
- From Sharekhan Financial Services Private Limited	-	-
(Secured by pledge of shares)		
- From Others	33,95,800	3,26,365
(Secured by pledge of shares)		
Total	2,95,52,217	2,31,38,398

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Borrowings in India	2,95,52,217	2,31,38,398
(ii) Borrowings outside India	-	-
Total	2,95,52,217	2,31,38,398

During the current year there has been no default in the repayment of Principal and interest.

Particulars	Rate of Interest	0-1 Year	1-3 Years	3 - 5 Years	Total
Secured					
From Banks	13.01%	2,58,17,759	-	-	2,58,17,759
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)					
From Non-Banking Finance Companies					
- From Volkswagen Finance Private Limited	9.36%	3,38,658	-	-	3,38,658
(Secured against Audi Car)					
- From Others	12.75%	33,95,800	-	-	33,95,800
(Secured by pledge of shares)					
		2,95,52,217	-	-	2,95,52,217

Galada Finance Limited
Notes to Financial statements

Note 12 : Deposits

Particulars	As at 31st March, 2021	As at 31st March, 2020
At Amortised Cost		
(i) From Public	-	-
(ii) From Others	-	-
(iii) From Others - Directors & Relatives	32,11,000	24,80,000
(iv) From - Intercorprate Deposit	16,00,000	
Total	48,11,000	24,80,000

Note 13 : Other financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Book Overdrafts	-	-
Security deposits	-	-
Others	1,44,033	6,88,254
Total	1,44,033	6,88,254

Note 14 : Equity Share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity Shares of Rs 10/- each with voting rights	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued				
Equity Shares of Rs 10/- each with voting rights				
Shares outstanding at beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Subscribed and fully paid up				
Equity Shares of Rs 10/- each with voting rights				
Shares outstanding at beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Total	30,00,000	3,00,00,000	30,00,000	3,00,00,000

a) Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of ` Rs 10/- each. Each shareholder is eligible for one vote per

b) Shareholders holding more than 5% of equity share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	%	Number of shares	%
Galada Trades Limited	1,99,135	6.64%	1,99,135	6.64%
Galada Housing Limited	3,64,600	12.15%	3,64,600	12.15%
Ashok Kumar Galada HUF	1,74,500	5.82%	1,74,500	5.82%
Shanthi Devi Galada	1,95,750	6.53%	1,95,750	6.53%
Prithvi Exchange (India) Limited	2,25,000	7.50%	2,25,000	7.50%
Total	11,58,985	38.63%	11,58,985	38.63%

GALADA FINANCE LIMITED
Notes to Financial statements

Note 15 : Other equity

Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Statutory Reserve (As per Sec 45-IC of the RBI Act, 1934)	Retained earnings	Equity Instruments through OCI	
Balance at the beginning of the reporting period	87,64,000	2,14,79,301	(67,51,652)	2,34,91,649
Profit for the year	-	(69,01,157)	-	(69,01,157)
Other comprehensive income for the year net of income tax	-	-	24,20,679	24,20,679
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(69,01,157)	24,20,679	(44,80,478)
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2020	87,64,000	1,45,78,144	(43,30,973)	1,90,11,171
Balance at the beginning of the reporting period	87,64,000	1,45,78,144	(43,30,973)	1,90,11,171
Profit for the year	-	(7,32,223)	-	(7,32,223)
Other comprehensive income for the year net of income tax	3,60,000	(3,60,000)	25,07,934	25,07,934
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	3,60,000	(10,92,223)	25,07,934	17,75,711
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2021	91,24,000	1,34,85,921	(18,23,039)	2,07,86,882

Distributions made and proposed

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Cash dividends on equity shares declared and paid:		
Final dividend	-	-
Dividend Distribution Tax on final dividend	-	-
	-	-

Nature and purpose of Reserve

(a) Statutory Reserve

Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

(b) Other Comprehensive Income

The company has elected to recognise changes in the fair value of certain investments in equity security under other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The company transfers the amount from this reserve to retained earnings when the relevant equity security are derecognised.

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note 16 : Revenue from operation			
	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
		INR	INR
	Income from Financing operations		
	Interest receipts	89,91,652	94,42,197
	Total	89,91,652	94,42,197
Note 17 : Other income			
	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
		INR	INR
(a)	Interest on Govt. securities	39,200	76,420
(b)	Dividend receipts	52,899	1,32,539
(c)	Profit on sale of assets	-	1,63,309
(d)	Profit From F & O	-	26,614
(e)	Miscellaneous income	7	-
	Total	92,106	3,98,882
Note 18 : Finance cost			
	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
		INR	INR
	Interest Expenses		
	- On loan from bank	28,65,143	29,88,433
	- On fixed deposits	4,15,207	3,59,889
	- Others	2,51,012	6,25,835
		35,31,362	39,74,157
	Loan processing fees/ Renewal Fees	1,26,070	73,750
	Total	36,57,432	40,47,907
Note 19 : Employee benefit expenses			
	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
		INR	INR
(a)	Salaries, wages, bonus and other benefits	15,75,591	13,27,863
(b)	Managerial remuneration	-	-
(c)	Staff welfare expenses	88,939	89,810
	Total	16,64,530	14,17,673

GALADA FINANCE LIMITED
Notes to Financial statements

Note 20 : Other expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	INR	INR
Advertisement expenses.	32,335	40,616
Auditor's remuneration (Refer note below)	60,000	1,00,000
Bad debts	43,280	26,451
Bank charges	21,227	26,757
Business promotion expenses	11,551	-
Brokerage & commission	2,250	19,750
Communication expenses	64,398	73,565
Demat charges	8,969	9,961
Director's sitting fees	24,000	25,000
Electricity expenses	51,939	75,799
Insurance charges	86,120	1,19,625
Listing Fees	3,54,000	3,54,000
Loss from F&O	68,353	-
Miscellaneous expenses	2,27,719	3,49,336
Office expenses	1,06,157	2,28,680
Office Rent	2,40,000	2,40,000
Parking charges	-	7,602
Printing And Stationery	26,678	81,597
Professional Charges	4,39,000	4,40,195
Rates & taxes	4,500	4,500
Repairs & Maintenance	64,385	49,453
Securities Transaction Tax	28,286	46,006
Travelling & Conveyance	29,252	18,811
Vehicle Maintenance	1,89,990	4,50,226
Total	21,84,389	27,87,930

Notes 21 : Payments to Auditors, excluding taxes

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	INR	INR
<u>Payments to the auditors</u>		
- For Statutory Audit	60,000	50,000
- For Tax Audit	-	12,500
- For Taxation Matters	-	12,500
- For Other Services	-	15,000
- Reimbursement of expenses	-	10,000
Total	60,000	1,00,000

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
		INR	INR
22	(i) Commitments and Contingent liabilities (to the extent not provided for)		
	Commitments Contingent liabilities - Claims against the Company not acknowledged as debt - Disputed Income tax demands appealed against, not provided for :	- - -	- - -
23	(ii) Contingent Assets		
	The Company does not have any contingent assets.		
23	Employee benefit plans		
	a) Defined contribution plans: The contribution has not been made to statutory funds and hence no amount is recognised as expense for 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss. b) Defined benefit plans: The Company is not required to contribute to the group gratuity fund and hence actuarial valuation was not determined as at the year-end		
24	Related party transactions		
	Description of relationship	Names of related parties	
	Key Management Personnel (KMP)		
	a. Directors & Key Management Personnel :	Mr. J Ashok Galada, Director Mr.Naveen Galada, Managing Director Mr.Justice P Bhaskaran, Director Mr.K Ramu, Director Mrs. R.S. Indira, Director Ms.Deepika, Company Secretary Mrs. K.R.Manimeghala, Chief Financial	
	b. Relatives of Directors & Key Management Personnel :	Mrs. Shanti Galada, Wife of Managing Director Mrs. B.Padmavathi , Wife of Director	
	Details of transactions with related parties :		
	Description	Name	Year ended 31st March, 2021
			Year ended 31st March, 2020
	Professional Fees	Deepika	2,04,000
	Professional Fees	Priyanka	-
	Salary, Bonus and Conveyance	K.R.Manimeghala	5,90,313
	Director Sitting Fees	Justice P Bhaskaran	8,000
	Director Sitting Fees	K Ramu	8,000
	Director Sitting Fees	Venkata Krishnan	-
	Director Sitting Fees	Indira Devi	8,000
	Intercompany Deposit	Galada Housing Limited	16,00,000
	Fixed Deposits	Justice P Bhaskaran	2,00,000
	Fixed Deposits	K Ramu	30,11,000
	Interest on Intercompany Deposit	Galada Housing Limited	60,932
	Interest on Fixed Deposits	Justice P Bhaskaran	26,748
	Interest on Fixed Deposits	K Ramu	3,27,527
	Rent	Shanti Devi Galada	2,40,000
	Interest on Fixed Deposit Payable	Justice P Bhaskaran	5,661
	Interest on Fixed Deposit Payable	K Ramu	1,44,516
			64,34,697
			14,42,814
25	Earnings per share		
	Basic & Diluted		
	Net profit / (loss) for the year	(7,32,223)	(69,01,157)
	Weighted average number of equity shares	30,00,000	30,00,000
	Par value per share	10	10
	Earnings per share	(0.24)	(2.30)
26	Previous year's figures have been re-grouped/re-arranged wherever found necessary.		

GALADA FINANCE LIMITED					
Notes to Financial statements					
Note	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		Current	Non-Current	Current	Non-Current
27	Maturity Analysis of Assets & Liabilities				
	ASSETS				
	FINANCIAL ASSETS				
	(a) Cash and cash equivalent	12,43,039	-	9,09,251	-
	(b) Bank balances other than CCE	-	-	-	-
	(c) Receivables	-	-	-	-
	(d) Loans	2,82,01,728	4,18,57,421	2,15,66,730	3,90,48,188
	(e) Investments	-	62,17,814	-	18,56,770
	(f) Other Financial Asstes	54,71,707	-	62,76,105	-
	Total Finacial Assets	3,49,16,474	4,80,75,235	2,87,52,086	4,09,04,958
	NON-FINANCIAL ASSETS				
	(a) Current tax assets (net)		10,40,946	-	10,38,939
	(b) Deferred tax assets (net)		15,14,228	-	21,09,610
	(c) Propert, Plant & Equipment		21,99,935	-	28,00,463
	(d) Other non-financial assets		-	-	-
	Total Non-Financial assets	-	47,55,109	-	59,49,012
	TOTAL ASSETS	3,49,16,474	5,28,30,344	2,87,52,086	4,68,53,970
	LIABILITIES AND EQUITY				
	FINANCIAL LIABILITY				
	(a) Payables	24,52,686	-	2,88,233	-
	(b)Debt securities	-	-	-	-
	(c) Borrowings (Other than debt securities)	2,95,52,217	-	2,31,38,398	-
	(d) Deposits	-	48,11,000	24,80,000	-
	(e)Other financial liabilities	1,44,033	-	6,88,254	-
	Total Financial liabilities	3,21,48,936	48,11,000	2,65,94,885	-
	NON-FINANCIAL LIABILITY				
	(a) Current tax liabilities (net)	-	-	-	-
	(b) Provisions	-	-	-	-
	(c) Other non-financial liabilities	-	-	-	-
	Total non-current liabilities	-	-	-	-
	TOTAL LIABILITIES	3,21,48,936	48,11,000	2,65,94,885	-
	NET	27,67,538	4,80,19,344	21,57,201	4,68,53,970

GALADA FINANCE LIMITED
Notes to Financial statements

28 Fair Value Measurement

(a) Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

(b) Total financial assets measured at fair value on a recurring basis :

Investments	Category	Fair Value Hierarchy	As at 31st March, 2021	As at 31st March, 2020
(a) Unquoted Equity Shares	FVOIC	Level 2	5,860	6,190
(b) Quoted Equity Shares	FVOIC	Level 1	57,61,954	14,00,580
(c) Quoted Government Bonds	FVOIC	Level 1	4,50,000	4,50,000
			62,17,814	18,56,770

Quoted price in active markets (Level 1):

Shares and bonds held are measured based on their published market value.

Unobservable inputs (Level 2):

Unquoted equity shares are measured at fair value using suitable valuation models.

(c) The table below presents information pertaining to the fair values and carrying values of the Company's Financial Assets and Liabilities

PARTICULARS	CATEGORY	Year ended 31st March, 2021		As at 31st March, 2020	
		Carrying Value	Fair Value	Carrying Value	Fair Value
ASSETS					
FINANCIAL ASSETS					
(a) Cash and cash equivalent		12,43,039	12,43,039	9,09,251	9,09,251
(b) Bank balances other than CCE		-	-	-	-
(c) Receivables		-	-	-	-
(d) Loans		7,00,59,149	7,00,59,149	6,06,14,918	6,06,14,918
(e) Investments - Quoted Shares	Level 1	62,11,954	62,11,954	18,50,580	18,50,580
(f) Investments - Unquoted Shares	Level 2	5,860	5,860	6,190	6,190
(g) Other Financial Assets		54,71,707	54,71,707	62,76,105	62,76,105
Total Financial Assets		8,29,91,709	8,29,91,709	6,96,57,044	6,96,57,044
FINANCIAL LIABILITY					
(a) Payables		24,52,686	24,52,686	2,88,233	2,88,233
(b) Debt securities		-	-	-	-
(c) Borrowings (Other than debt securities)		2,95,52,217	2,95,52,217	2,31,38,398	2,31,38,398
(d) Deposits		48,11,000	48,11,000	24,80,000	24,80,000
(e) Other financial liabilities		1,44,033	1,44,033	6,88,254	6,88,254
Total Financial liabilities		3,69,59,936	3,69,59,936	2,65,94,885	2,65,94,885

(i) Short-term and other financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

(ii) Loans

These financial assets are recorded at amortised cost less impairment loss as per expected credit loss.

(iii) Debt securities, borrowings and subordinated liabilities

These financial liabilities are recorded at amortised cost.

GALADA FINANCE LIMITED
Notes to Financial statements

Notes to Financial Statements

Note	Particulars															
29	Capital Management The primary objective of the Company’s capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained. Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Company comprises of share capital, share premium and reserves, Tier II capital comprises of provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.															
30	Risk Management While risk is inherent in the Company’s activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. a) Credit risk The company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. Financial assets measured on a collective basis The company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order: - Secured/unsecured i.e. based on whether the loans are secured - Nature of security i.e. the nature of the security if the loans are determined to be secured - Nature of loan i.e. based on the nature of loan Significant increase in credit risk The company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD. Impairment assessment The company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e borrower falls within 90 days past due on its contractual payments.. Exposure at default The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation. Loss given default The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries. Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind-AS 109 LGD rate. The company uses data obtained from third party sources and combines such data with inputs to the Company’s ECL models including determining the weights attributable to the multiple scenarios. Analysis of risk concentration <table><tr><th>PARTICULARS</th><th>As at 31st March, 2021</th><th>As at 31st March, 2020</th></tr><tr><td>Carrying Value of Loan</td><td>7,56,49,649</td><td>6,57,47,218</td></tr><tr><td>- Secured Loan</td><td>7,29,42,506</td><td>6,26,84,358</td></tr><tr><td>- Unsecured Loan</td><td>27,07,143</td><td>30,62,860</td></tr><tr><td></td><td>7,56,49,649</td><td>6,57,47,218</td></tr></table>	PARTICULARS	As at 31st March, 2021	As at 31st March, 2020	Carrying Value of Loan	7,56,49,649	6,57,47,218	- Secured Loan	7,29,42,506	6,26,84,358	- Unsecured Loan	27,07,143	30,62,860		7,56,49,649	6,57,47,218
PARTICULARS	As at 31st March, 2021	As at 31st March, 2020														
Carrying Value of Loan	7,56,49,649	6,57,47,218														
- Secured Loan	7,29,42,506	6,26,84,358														
- Unsecured Loan	27,07,143	30,62,860														
	7,56,49,649	6,57,47,218														

GALADA FINANCE LIMITED Notes to Financial statements				
Note	Particulars			
31	Collateral and other credit enhancements The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.			
	b) Liquidity risk and funding management Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. To limit this risk, management has arranged for diversified funding sources, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis.			
	Maturity profile of financial liabilities The table below summarises the maturity profile of the cash flows of the Company's financial liabilities as at 31st March.			
	31st MARCH 2021	Less than 1 year	1 year to 3 years	3 years to 5 years
	Payables	24,52,686	-	-
	Debt securities	-	-	-
	Borrowings (Other than debt)	2,95,52,217	-	-
	Deposits	-	48,11,000	-
	Other financial liabilities	1,44,033	-	-
		3,21,48,936	48,11,000	-
	c) Market risk Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.			
	d) Operational risk Operational risk is the risk of loss arising from inadequate or failed internal process or proper systems. The operational risks of the Company are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment would assure effective implementation of selfcertification and internal financial controls adherence, thereby, reducing enterprise exposure.			
	Event after Reporting Date There has been no event after the reporting date. Necessary adjustments/disclosures were not required to be provided in the financial statements.			

GALADA FINANCE LIMITED						
Notes to Financial statements						
Note : 32 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms						
Asset Classification as per RBI Norms	Asset Classification as per Ind AS	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions as required under Ind AS 109)	Net Carrying Amount	Provisions required as per IRACP norms	Difference Between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)
Performing Assets	Stage 1	1,85,91,050	74,400	1,85,16,650	74,400	-
- Standard	Stage 2	4,57,06,630	1,82,800	4,55,23,830	1,82,800	-
Subtotal - Standard Assets		6,42,97,680	2,57,200	6,40,40,480	2,57,200	-
Non-Performing Assets (NPA)						
- Sub Standard	Stage 3	4,29,318	1,95,300	2,34,018	43,603	1,51,697
- Doubtful - upto 1 year	Stage 3	4,92,543	2,24,100	2,68,443	98,509	1,25,591
- 1 to 3 years	Stage 3	58,62,520	26,67,400	31,95,120	17,58,756	9,08,644
- More than 3 years	Stage 3	22,83,119	10,38,800	12,44,319	11,41,567	(1,02,767)
- Loss	Stage 3	22,84,469	12,07,700	10,76,769	22,84,465	(10,76,765)
Subtotal - NPA		1,13,51,969	53,33,300	60,18,669	53,26,900	6,400
Other items such as guarantees, Loan commitments, etc, which are in the scope of Ind AS 109, but not covered under the current income recognition, Asset classification and Provisioning (IRACP) norms		-	-	-	-	-
Subtotal						
	Stage 1	1,85,91,050	74,400	1,85,16,650	74,400	-
	Stage 2	4,57,06,630	1,82,800	4,55,23,830	1,82,800	-
	Stage 3	1,13,51,969	53,33,300	60,18,669	53,26,900	6,400
TOTAL	Total	7,56,49,649	55,90,500	7,00,59,149	55,84,100	6,400

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/ 2014-15 dated 10 April 2015		
32	A) Movement of Credit impaired loans under Ind-AS		
S.No	PARTICULARS	As at 31st March, 2021	As at 31st March, 2020
(i)	Net Impaired loss allowance to Net Loans (%)	8.59%	11.98%
(ii)	Movement of Credit impaired loans under Ind-AS (Gross)		
	(a) Opening Balance	1,21,82,668	1,33,71,843
	(b) Additions during the year	-	20,48,183
	(c) Reductions during the year	(8,30,699)	(32,37,358)
	(d) Closing Balance	1,13,51,969	1,21,82,668
(ii)	Movement of Net impaired loss		
	(a) Opening Balance	72,64,568	94,49,843
	(b) Additions during the year	(4,15,200)	(2,03,917)
	(c) Reductions during the year	(8,30,699)	(19,81,358)
	(d) Closing Balance	60,18,669	72,64,568
(iii)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	49,18,100	39,22,000
	(b) Additions during the year	4,15,200	22,52,100
	(c) Reductions during the year	-	(12,56,000)
	(d) Closing Balance	53,33,300	49,18,100
32	B) Movement of impairment loss allowance for low credit risk loans and significant increase in credit		
S.No	PARTICULARS	As at 31st March, 2021	As at 31st March, 2020
(i)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	2,14,200	12,32,000
	(b) Additions during the year	43,000	78,900
	(c) Reductions during the year	-	(10,96,700)
	(d) Closing Balance	2,57,200	2,14,200

GALADA FINANCE LIMITED Notes to Financial statements			
NOTE	Particulars	As at 31st March, 2021	As at 31st March, 2020
33	Concentration of Loan, Exposures & Credit impaired loan		
	(a) Concentration of Loan		
	Total Advances to Twenty Largest Borrowers	4,34,31,632	4,30,21,044
	Percentage of advances to twenty largest borrowers to total advances	57.41%	65.43%
	(b) Concentration of Exposures		
	Total Exposure to Twenty Largest Borrowers	4,34,31,632	4,30,21,044
	Percentage of exposure to twenty largest borrowers to total advances	57.41%	65.43%
	(c) Concentration of Impaired Loans		
	Total Exposure of Top four credit impaired loans	39,57,979	46,96,629
	(d) Sector-wise distribution of credit impaired loss		
	Sector	% of Impaired loss allowance to total credit impaired loans in that sector	
		As at 31st March, 2021	As at 31st March, 2020
	1 Agriculture & allied activities	-	-
	2 MSME	-	-
	3 Corporate borrowers	-	-
	4 Services	-	-
	5 Unsecured personal loans	-	-
	6 Auto loans	96.42%	95.34%
	7 Other personal loans	-	-
	8 Others	3.58%	4.66%
34	Customer Complaints		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	a) No. of Complaints pending at the beginning of the year	-	-
	b) No. of Complaints received during the year	-	-
	c) No. of Complaints redressed during the year	-	-
	d) No. of Complaints pending at the end of the year	-	-

Note	GALADA FINANCE LIMITED Notes to Financial Statement									
35	Investments							As at 31st March, 2021	As at 31st March, 2020	
(i)	Value of Investments									
	- Gross Value							1,17,79,284	1,05,23,656	
	- Unrealised Fair Value Movement							55,61,470	86,66,886	
(ii)	- Fair Value of Investments							62,17,814	18,56,770	
	Movement of unrealised fair value movement on investments									
	Opening Balance							86,66,886	89,95,856	
	Add : Increase in unrealised fair value during the year							(31,05,416)	(29,97,373)	
	Less : Decrease in unrealised fair value during the year							-	26,68,403	
	Closing Balance							55,61,470	86,66,886	
36	Capital Adequacy Ratio							As at 31st March, 2021	As at 31st March, 2020	
	CRAR %									
	- CRAR - Tier I Capital %							57.69%	64.07%	
	- CRAR - Tier II Capital %							0.30%	0.29%	
	Amount of Debt raised as Tier II Capital							-	-	
	Amount raised by the issue of Prepetual Debt Instrument							-	-	
37	Maturity pattern of certain items of assets and liabilities (As on 31st March, 2021)									
	Particulars	0-30/31	1m-2m	2m-3m	3m-6m	6m-1y	1y-3y	3y-5y	over 5 y	Total
	ASSETS									
	Financial Assets									
	Cash & cash equivalents	12,43,039	-	-	-	-	-	-	-	12,43,039
	Bank balances other than cash & cash equivalents	-	-	-	-	-	-	-	-	-
	Receivables	-	-	-	-	-	-	-	-	-
	Loans	15,65,581	15,53,522	15,53,522	46,40,155	1,88,88,948	3,34,69,043	50,79,655	33,08,723	7,00,59,149
	Investments	-	-	-	-	-	62,17,814	-	-	62,17,814
	Other financial assets	-	-	-	-	54,71,707	-	-	-	54,71,707
	Total Financial Assets	28,08,620	15,53,522	15,53,522	46,40,155	2,43,60,655	3,96,86,857	50,79,655	33,08,723	8,29,91,709
	Non-Financial assets									-
	Current tax assets (net)	-	-	-	-	2,91,465	7,49,481	-	-	10,40,946
	Deferred tax assets (net)	-	-	-	-	1,81,707	3,17,988	5,14,838	4,99,695	15,14,228
	Property, plant and equipment	-	-	-	-	-	-	-	21,99,935	21,99,935
	Other non-financial assets	-	-	-	-	-	-	-	-	-
	Total Non-Financial assets	-	-	-	-	4,73,172	10,67,469	5,14,838	26,99,630	47,55,109
	TOTAL ASSETS	28,08,620	15,53,522	15,53,522	46,40,155	2,48,33,827	4,07,54,326	55,94,493	60,08,353	8,77,46,818
	EQUITY & LIABILITY									-
	Financial Liability									
	Other payables	-	-	-	24,52,686	-	-	-	-	24,52,686
	Debt securities	-	-	-	-	-	-	-	-	-
	Borrowings (Other than debt securities)	-	-	-	-	2,95,52,217	-	-	-	2,95,52,217
	Deposits	-	-	-	-	-	48,11,000	-	-	48,11,000
	Other financial liabilities	-	-	-	-	1,44,033	-	-	-	1,44,033
	Total Financial liabilities	-	-	-	24,52,686	2,96,96,250	48,11,000	-	-	3,69,59,936
	Non-financial liabilities									-
	Current tax liabilities (net)	-	-	-	-	-	-	-	-	-
	Provisions	-	-	-	-	-	-	-	-	-
	Other non-financial liabilities	-	-	-	-	-	-	-	-	-
	Total non-current liabilities	-	-	-	-	-	-	-	-	-
	Equity									-
	Equity share capital	-	-	-	-	-	-	-	3,00,00,000	3,00,00,000
	Other equity	-	-	-	-	-	-	-	2,07,86,882	2,07,86,882
	Total current liabilities	-	-	-	-	-	-	-	5,07,86,882	5,07,86,882
	TOTAL EQUITY & LIABILITY	-	-	-	24,52,686	2,96,96,250	48,11,000	-	5,07,86,882	8,77,46,818
										-

GALADA FINANCE LIMITED Notes to Financial statements			
Note	Particulars	As at 31st March, 2021	As at 31st March, 2020
		INR	INR
38	Provisions & Contingencies Category-wise Break up of 'Provisions and Contingencies' shown in the Statement of Profit and Loss Account Provisions for depreciation on Property, Plant & Equipments Provision towards impairment loss allowance* Provision made towards income tax Provision for standard assets#	6,54,227 4,15,500 3,55,400 43,000	9,37,391 9,95,800 1,58,500 (7,52,050)
	* Represents impairment loss allowance on stage 3 loans. # Represents impairment loss allowance on stage 1 and stage 2 loans.		
39	Schedule to Balance Sheet of Systemically Important Deposit taking Company as required by RBI Master Direction – Non-Banking Financial Company – Systemically Important Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions')		
	Particulars	31st March 2021 (Rs. in Lakhs)	31st March 2020 (Rs. in Lakhs)
	Liabilities side:		
	1. Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	- Secured	-	-
	- Unsecured (other than falling within the meaning of public deposits)	-	-
	(b) Deferred Credits -		
	(c) Term Loans	3,38,658	10,99,775
	(d) Inter-Corporate Loans and Borrowings	-	-
	(e) Other Loans		
	- From Bank	2,58,17,759	2,17,12,258
	- From Others	33,95,800	3,26,365
	- From Others (Directors & Relatives)	49,55,033	31,68,254
	(Represents Working Capital Demand Loans and Cash Credit from Banks)		
	Assets side:		
	2. Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:		
	(a) Secured	6,76,70,106	5,78,71,558
	(b) Unsecured	23,89,043	27,43,360
	3. Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
	(i) Lease Assets including Lease Rentals Accrued and Due:		
	a) Financial Lease	-	-
	b) Operating Lease	-	-
	(ii) Stock on Hire including Hire Charges under Sundry	-	-
	Debtors:		
	a) Assets on Hire	-	-
	b) Repossessed Assets	21,86,700	20,00,000
	(iii) Other Loans counting towards AFC Activities		
	a) Loans where Assets have been Repossessed	-	-
	b) Loans other than (a) above	-	-
	4. Break-up of Investments (net of provision for diminution in value):		
	Current Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	Long Term Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	57,61,954	14,00,580
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares		
	a) Equity	5,860	6,190
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	4,50,000	4,50,000
	v. Others (Pass through certificates)	-	-
	5. Borrower Group-wise Classification of Assets Financed as in (2) and (3) above:		
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same Group	-	-
	(c) Other Related Parties	-	-
	2. Other than Related Parties		
	- Secured	6,76,70,106	5,78,71,558
	- Unsecured	23,89,043	27,43,360
	6. Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both) Quoted and Unquoted)		
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same Group	-	-
	(c) Other Related Parties	-	-
	2. Other than Related Parties	62,17,814	18,56,770
	7. Other Information		
	(i) Gross credit impaired assets		
	a. Related party	-	-
	b. Other than related party	1,13,51,969	1,21,82,668
	(ii) Net credit impaired assets		
	(a) Related party	-	-
	(b) Other than related party	60,18,669	72,64,568
	(iii) Assets Acquired in	-	-

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Particulars	As at 31st March, 2021	As at 31st March, 2020
		INR	INR
40	Penalties imposed by RBI and Other Regulators No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).		
41	Disclosure on frauds pursuant to RBI Master direction There are no frauds detected and reported for the year.		
42	Registration under Other Regulators The Company is not registered under any other regulator other than Reserve Bank of India.		
43	Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	NIL	NIL
	ii) Respective amount where asset classification benefits is extended	NIL	NIL
	iii) General provision made* -	-	-
	iv) General provision adjusted during the period against slippages and the residual provisions	-	-
*The Company, being NBFC, has complied with Ind-AS and guidelines duly approved by the Board for recognition of the impairments. Refer Note Above			
44	Provision for impact of COVID-19 The ‘severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)’, generally known as COVID-19, which was declared as a global pandemic by World Health Organisation on 11 March 2020, continues to spread across globe and in India. Globally countries and businesses are under lockdown. On 24 March 2020, the Government of India announced a 21 days lockdown initially, which was extended by 19 days across the country to contain the spread of the virus. Considering the severe health hazard associated with COVID-19 pandemic, certain parts of the country have further extended the lockdown. There is high level of uncertainty about the duration of the lockdown and the time required to return to normalcy. The extent to which COVID-19 pandemic will impact the Company’s provision on assets is dependent on the future developments which are highly uncertain. The impact of the global health pandemic may be different from that estimated at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the lending institutions have been permitted to grant a moratorium of three months on payment of all installments and / or interest, as applicable, falling due between 1 March 2020 and 31 May 2020 (‘moratorium period’) to eligible borrowers in accordance with the Board approved policy. Though the grant was allowed by RBI, the company did not grant moratorium and the asset classification shall remain stand still during the moratorium period.		
45	Standards issued but not yet effective There are neither new standards nor amendments to existing standards which are effective for the annual period beginning from 01 April 2020.		
In terms of our report attached.			
For SURESH KUMAR & Co., Chartered Accountants Firm Regn No. 0042735		For and on behalf of the Board of Directors of M/s. Galada Finance Limited	
Suresh Kumar B Proprietor Membership No. 028376		Ponniah Bhaskaran Chairman DIN : 00126136	Naveen Galada Managing Director DIN : 00043054
Place : Chennai Date : 29th June, 2021 UDIN : 21028376AAAADS8344		Deepika Company Secretary	K.R Manimeghala Chief Financial Officer

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]

CIN: L65191TN1986PLC012826

Name of the company: Galada Finance Limited

Registered office: "SHANTI SADAN",

Old No.4, New No.7 Shaffee Mohamed Road,

Thousand Lights, Chennai-600006

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Clint Id:

DP ID:

I/ We being the member (s) ofshares of the above named Company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:, or failing him
2. Name:
Address:
E-mail Id:
Signature:,or failing him
3. Name:
Address:
E-mail Id:
Signature:, or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday 25th September 2021 at 4.00 p.m. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix	Revenue
Stamp	

Signed this day of..... 2021

Signature of Shareholder

Signature of Proxy holder(s)

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.

Attendance Slip

Please Fill the Attendance Slip and Hand it over at the entrance of the Meeting Venue Joint shareholders may obtain Attendance Slip on request.

DPID:

Reg. Folio No.

Client ID:

No. of shares held:

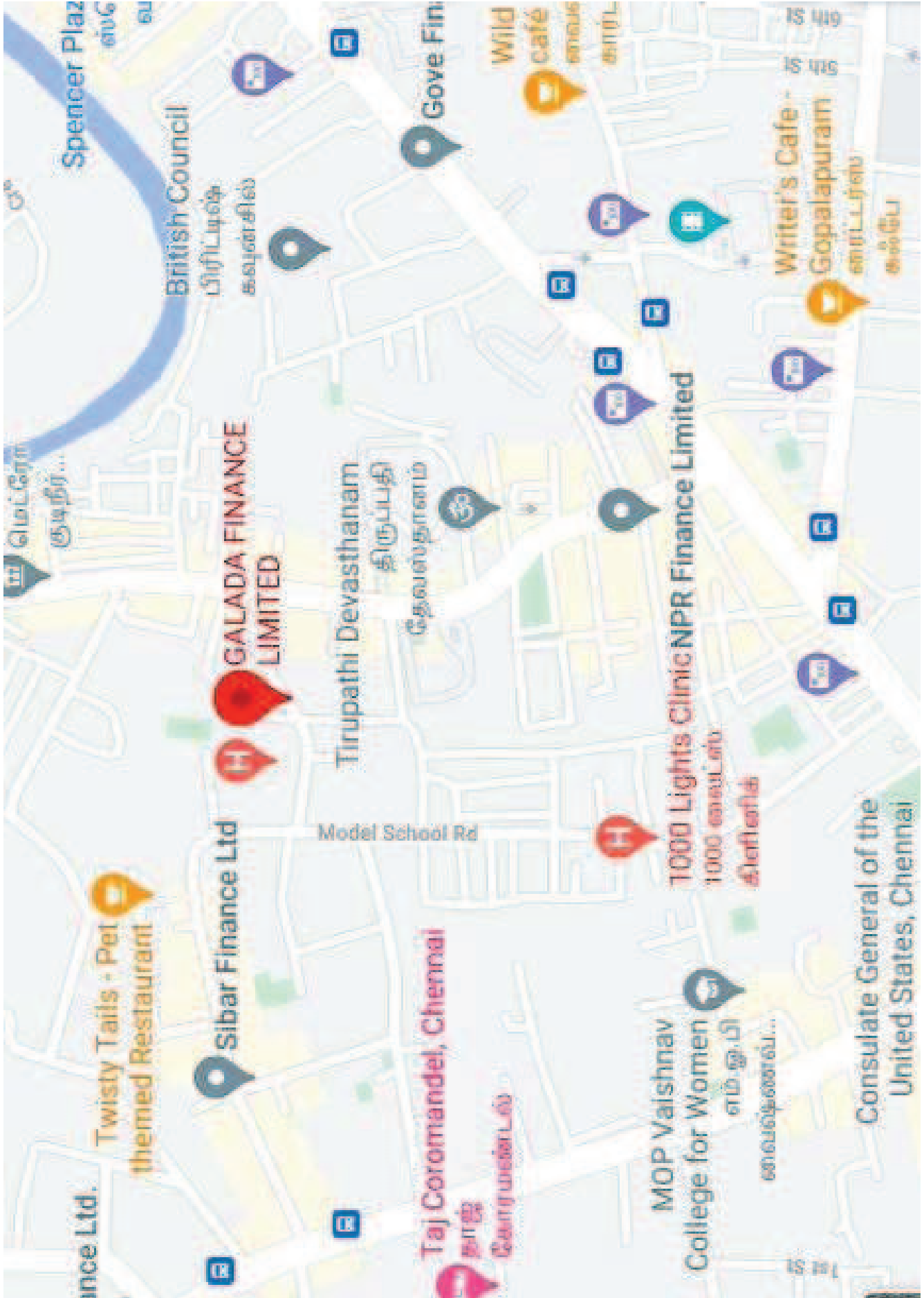
I certify that I am a Member/ proxy for the member of the Company.

I hereby record my presence at the 35th Annual General Meeting of the company held on Saturday 25th day of September 2021 at 4.00 p.m. at the registered office of the Company.

Signature of the member/proxy

Signature of the member/proxy

NOTE: NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING



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