



2022 - 2023

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GALADA FINANCE LIMITED

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GALADA FINANCE LIMITED**THIRTY SEVENTH ANNUAL REPORT 2022-23****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 (Up to 12.03.2023)
Director

COMPANY SECRETARY

Mr. Bilal Mohammadali I
Ms. Mahaveerchand Jain Divya

Company Secretary (Up to 31.05.2022)
Company Secretary (from 01.09.2022)

BANKERS

Indian Bank,
Uthamar Gandhi Salai,
Nungambakkam,
CHENNAI - 600 034

AUDITORS

CHANDARANA & SANKLECHA ,
Chartered Accountants,
137, Nainappa Naicken Street,
Park Town , Chennai-600003

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

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 37th Annual General Meeting of the Members of **GALADA FINANCE LIMITED** will be held on Saturday, July 15, 2023 at 04:00 p.m. through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

1. **TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023, 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, 2023 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. **TO CHANGE THE MAIN OBJECT OF THE COMPANY AND ADOPT NEW SET OF MEMORANDUM OF ASSOCIATION AS PER THE COMPANIES ACT 2013.**

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

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Chennai, to alter following sub clause (1) of clause III (A) of the Memorandum of Association of Company:

“To carry on the business of finance, that is to say, advance, lend money, either with or without security and to such person or persons, firms; associations, companies and body’s corporate and upon such terms and conditions as the company thinks fit, provided that the company shall not do banking business as defined in Banking Regulation Act 1949.”

RESOLVED FURTHER THAT pursuant to the provisions of Section 4, 13 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable law(s) , rule(s), regulation(s), guideline(s) or provision(s), consent of the members be and is hereby accorded for the amendment, modification, substitution, addition and deletion in the Objects Clause of the Memorandum of Association of the Company as follows:-

- i. The heading of Clause III (A) “Main Objects for which the company will be established are” :- be changed to “the Objects to be pursued by the Company on its incorporation are”;
- ii. The heading of Clause III (B) “the objects incidental or ancillary to the attachment of the main objects” be changed to “Matters which are necessary for furtherance of the Objects specified In Clause III (A)”;
- iii. All clauses under heading Clause III(C) “The objects other than main or incidental objects not included in “A” and “B” are” be deleted and added to Clause III (B) - Matters which are necessary for furtherance of the Objects specified In Clause III (A);
- iv. Other amendments required to align the existing memorandum of association with Table A of the Schedule I of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Section 4, 13 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable law(s), rule(s), regulation(s), guideline(s) or provision(s), consent of the members be and is hereby accorded for amendment of Clause IV of the Memorandum of Association by substituting the same with the following:

IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

RESOLVED FURTHER THAT pursuant to the provisions of Section 4, 13 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable law(s), rule(s), regulation(s), guideline(s) or provision(s), the draft clauses contained in the Memorandum of Association as per new format based on the Format of Table A under the Companies Act, 2013, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association as new set of Memorandum of Association of the Company with immediate effect.

"RESOLVED FURTHER THAT Mr. Naveen Ashok Galada, (DIN:00043054) Managing Director of the company and Mr. Ashok Jawarilal Galada, (DIN: 00042295) Director of the company be and are hereby, severally authorized to sign, execute and file necessary application, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalize all issues that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution and to delegate all or any of the powers conferred herein as they may deem fit."

4. TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION AS PER COMPANIES ACT 2013.

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

"REOLVED THAT pursuant to the provision of Section 14 read with section 5 of the companies Act, 2013 and the rules made there under, the consent of Shareholders of the company be and are hereby accorded that to substitute the existing Articles of Association of the company with new set of Articles of Association as per the Provision of the companies Act, 2013 in the format of Table F.

RESOLVED FURTHER THAT Mr. Naveen Ashok Galada, (DIN:00043054) Managing Director of the company and Mr. Ashok Jawarilal Galada, (DIN: 00042295) Director of the company be and are hereby, severally authorized to sign, execute and file necessary application, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalize all issues that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution and to delegate all or any of the powers conferred herein as they may deem fit."

5. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. RAMU VISHNU (DIN: 10190641) AS AN INDEPENDENT DIRECTOR (NON-EXECUTIVE) OF THE COMPANY

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

“RESOLVED THAT Mr. Ramu Vishnu (DIN: 10190641), who was appointed as an Additional Director of the Company effective from 10th June, 2023 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) [including any statutory modification(s) or reenactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof for the time being in force), and Regulation 16 (1) (b), 17, 25(8) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), and subject to the provisions of the Articles of Association of the company and applicable RBI Guidelines, and upon the re-commendation of Nomination & Remuneration Committee and the Board of Directors of the company, Mr. Ramu Vishnu (DIN: 10190641), who has given his consent and a declaration that he meets the criteria of independence as provided under Sections 149(6) and 149(7) of the Act and Regulation 16(1)(b), 17 and Regulation 25(8) of the LODR Regulations and is eligible for appointment as an Independent Director (Non-Executive) of the Company, be and is hereby appointed as an Independent Director (Non-Executive) of the Company for a period of five (5) consecutive years with effect from 10th June, 2023 and who shall not be liable to retire by rotation in terms of Section 149(13) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution”.

By the Order of the Board
For **GALADA FINANCE LIMITED**

Place: Chennai
Date: 17.06.2023

JUSTICE PONNIAH BHASKARAN
DIN: 00126136

NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively, and other circulars issued in this respect ("MCA Circulars") has allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th September, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue.
2. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to special business as stated under Item Nos. 3 to 5 of the Notice dated Saturday, June 17, 2023 are annexed hereto.
3. A statement providing additional details of the Directors seeking appointment/ re-appointment as set out in Item No. 2 & 5 of the Notice dated Saturday, June 17, 2023 is annexed herewith as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and Secretarial Standard-2 (SS-2) on General Meetings issued by Institute of Company Secretaries of India ("ICSI")
4. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of its Board or Governing Body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting and e-voting during the AGM. The said Resolution/Authorization shall be sent to the Company's e-mail address at info@galadafinance.in.

6. The voting rights of Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the Record Date
7. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/ AGM through VC/ OAVM will be made available for 1000 members on first come first serve basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/ AGM without restriction on account of first come first serve basis
8. Participation of Members attending AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
9. In accordance with the aforesaid MCA Circulars and SEBI Circulars, the financial statements including Report of Board of Directors, Auditor's report or other documents required to be attached therewith and the Notice of AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depositories/ Depository Participant(s) ("DPs"). In case any Member is desirous of obtaining physical copy of the Annual Report for the F.Y. 2022-23, he/ she may send a request to the Company by writing at info@galadafinance.in mentioning their Folio No./ DP ID and Client ID.
10. The Notice calling the AGM has been uploaded on the website of the Company at www.galadafinance.in. The Notice can also be accessed from the websites of the Stock Exchanges, i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of Central Depository Services (India) Limited ("CDDL") (agency for providing the Remote e-Voting facility),
11. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and relevant documents referred to in the accompanying Notice and in the Explanatory Statement are requested to write to the Company on or before Saturday, July 15, 2023 through e-mail on info@galadafinance.in. The same will be replied by the Company suitably.

All documents referred to in the Notice will also be available electronically for inspection, without any fee, by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to info@galadafinance.in

12. To support the “Green Initiative”, Members who have not registered their email addresses are requested to register the same with the Company’s Registrar and Share Transfer Agent (“RTA”)/ their DPs, in respect of shares held in physical/ electronic mode, respectively.
13. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed with this Notice.
14. In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by listed companies, the Company has provided a facility to its members to exercise their votes electronically through electronic voting (“e-voting”) facility provided by Central Depository Services (India) Limited (“CDDL”), on all resolutions set forth in this Notice.
15. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nominations are requested to register the same by submitting Form No. SH13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form SH-14. The said form can be downloaded from the Company’s website at <https://www.galadafinance.in/formats.php> Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Company or . Cameo Corporate Services Limited (“RTA/ Cameo”) in case the shares are held in physical form, quoting their folio numbers.
16. Members are requested to check that the correct account number has been recorded with the depository. Members holding shares in electronic form are requested to intimate any change in their address, email id, signature or bank mandates to their respective DP with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to intimate such changes to the RTA of the Company by furnishing form ISR-1 and ISR-2. The said forms are available on the website of the Company at <https://www.galadafinance.in/formats.php>
17. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form. Further, the transmission and transposition of securities shall also be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company’s RTA for assistance in this regard.

18. Institutional Investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.
19. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
20. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send their questions/comments in advance to the Company's designated email address at info@galadafinance.in. Mentioning their name, demat account no./Folio no., etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
21. The Share Transfer Books of the Company shall remain closed from Sunday, 09th July, 2023 to Saturday, 15th July 2023, both days inclusive.
22. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 08th June, 2023 only shall be entitled to avail the facility of remote e-voting or voting at the Meeting
23. 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 the Company / RTA.
24. The Company or its Registrar and Share Transfer Agent, M/s. 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.
25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the 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 the Company / Cameo.

SEBI vide circular dated April 20, 2018 has mandated the Company to collect copy of PAN and Bank account details from Members holding shares in physical form. Accordingly, individual letters are sent to those shareholders whose PAN and Bank account details are not available with the Company. Such shareholders are requested to provide the information at the earliest to the Company/RTA.

26. 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.

INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated May 05, 2022 and December 28, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The voting period will begin on 12th July, 2023 and will end on 14th July, 2023. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 08th July, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
3. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
4. Once the vote is casted by the member, it cannot be subsequently changed or voted again. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
5. The members who have casted their vote by remote e-voting facility may also attend the Meeting but shall not be entitled to vote again.
6. The facility for e-voting will also be made available during the AGM and the members, who could not cast their vote by remote e-voting facility, may cast their vote by e-voting during the AGM.
7. The voting rights of shareholders shall be in proportion to their shares in the paid up share capital of the Company as on July 08, 2023. Members holding shares either in physical form or dematerialized form, as on July 08, 2023. i.e. cut-off date, may cast their vote electronically. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only.

8. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on July 08, 2023, may obtain the login Id and password by sending request at helpdesk.evoting@cdslindia.com
9. The Board of Directors of the Company has appointed ASJ & Associates, Company Secretaries in practice (Membership No. 10925) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed to scrutinize the voting process.
10. At the Annual General Meeting, at the end of the discussion on the resolution on which the voting is to be held, the Chairman would announce that e-voting for all those members who are present but have not casted their votes electronically using the remote e-voting facility.
11. The Scrutinizer shall, immediately after the conclusion of voting at AGM, unblock the votes casted through e-voting facility, in the presence of at least two witnesses who are not in the employment of the Company. The Scrutinizer will submit a consolidated Scrutinizer's Report of the total votes casted in the favour of or against, if any, to the Chairman of the Company. The Chairman, or any other person authorized by him, shall declare the voting result forthwith.
12. The voting results along with the Scrutinizer's Report will be placed on the website of the Company and on the website of CDSL. The results will also be communicated to the Stock Exchange

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

The voting period begins on 12th July 2023 09.00 hours and ends on 14rd July 2023 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 July 08, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ACCESS THROUGH DEPOSITORIES CDSL/NSDL E-VOTING SYSTEM IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING/ SHARES IN DEMAT MODE

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates

registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, hereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 one-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My easi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly 3. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-

	Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders Holding securities in demat mode with NSDL Depository	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders(holding securities in demat mode)login through their DP	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

ACCESS THROUGH CDSL/NSDL E-VOTING SYSTEM IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NONINDIVIDUAL SHAREHOLDERS IN DEMAT MODE

Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 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
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	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
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”

OTHER INSTRUCTIONS

- I. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed

- II. Shareholders are encouraged to join the Meeting through Laptops / iPads / Tablets for better experience.
- III. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- IV. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- V. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, DP ID Client ID/folio number, email id, mobile number at info@galadafinance.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, DP ID Client ID/folio number, email id, mobile number at info@galadafinance.in. These queries will be replied to by the company suitably by email.
- VI. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting

VOTING AT AGM THROUGH VC/ OAVM

- VII. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting
- VIII. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM
- IX. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting
- X. Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.
- XI. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 08th July, 2023

By the Order of the Board
For **GALADA FINANCE LIMITED**

Place: Chennai
Date: 17.06.2023

JUSTICE PONNIAH BHASKARAN
DIN: 00126136

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013:

ITEM NO: 3. TO CHANGE THE MAIN OBJECT OF THE COMPANY AND ADOPT NEW SET OF MEMORANDUM OF ASSOCIATION AS PER THE COMPANIES ACT 2013.

The Company is required to alter its objects clause to remove all the clauses related to accepting deposits from public for obtaining approval from Reserve Bank of India for conversion to Non deposit accepting NBFC

Your directors in its meeting held on 17th July 2023 had approved (subject to the approval of members) the amendment in the Memorandum of Association of the Company with respect sub clause (1) of clause III (A) of the Memorandum of Association of Company.

The Companies Act, 2013, has prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging and retaining the Objects under Clause III (C) – "The objects other than main or incidental objects not included in "A" and "B" are" with Clause III (B) – "Matters which are necessary for furtherance of the Objects specified In Clause III (A)" to the extent possible and also to rename and renumber the Clause III (A) and III (B) of the Object Clause

The draft of the amended Memorandum of Association proposed for approval, is available for inspection from the date of circulation of this Notice up to the date of conclusion of Annual General Meeting i.e. up to 15th July, 2023. Members who wish to inspect the relevant document(s) may send an email to info@galadafinance.in by mentioning their DP ID and Client ID in case of dematerialized shareholding / Folio no. in case of physical shareholding.

The draft of the amended Memorandum of Association proposed for approval, also available for inspection by the shareholders of the Company during normal business hours at the registered office of the Company

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice

ITEM NO: 4. TO ADOPT NEW SET ARTICLES OF ASSOCIATION AS PER COMPANIES ACT 2013

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity

with the Act. Several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Articles. The new AOA to be substituted in place of the existing AOA are based on "Table-F" of the Act which sets out the model articles of association for a company limited by shares

As per the provisions of Section 14 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of a Special Resolution is required for alteration of AOA by adoption of new AOA in substitution of existing AOA.

The draft of the set of Articles of Association proposed for approval, is available for inspection from the date of circulation of this Notice up to the date of conclusion of Annual General Meeting i.e. up to 15th July, 2023. Members who wish to inspect the relevant document(s) may send an email to info@galadafinance.in by mentioning their DP ID and Client ID in case of dematerialized shareholding / Folio no. in case of physical shareholding.

The draft of the set of Articles of Association proposed for approval, also available for inspection by the shareholders of the Company during normal business hours at the registered office of the Company

Accordingly, the Board recommends the aforesaid Resolution for approval by the Members as a Special Resolution.

ITEM NO: 5. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. RAMU VISHNU (DIN: 10190641) AS AN INDEPENDENT DIRECTOR (NON-EXECUTIVE) OF THE COMPANY

Mr. Ramu Vishnu (DIN: 10190641) was appointed as an Additional Director (Independent Director) by the Board of Directors of the Company ("the Board") with effect from 10th June, 2023 under Section 149, 152 and Schedule IV of Companies Act, 2013 and Rules 4, 5 and 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 & 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015. He holds office as Additional Director (Independent) until the conclusion of the ensuing Annual General Meeting.

Mr. Ramu Vishnu has provided his consent to act as Director and declaration of independence certifying that he meets all the criteria of independence as prescribed under the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and is not disqualified from being appointed as a director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion

of the Board, he has fulfilled the conditions for appointment as an Independent Director and is independent of the management

The Company has received a notice in writing under the provisions of Section 160 of the Act for the office of independent Director. Mr. Ramu Vishnu will hold office as Independent Director for a period of 5 (five) years effective from 10th June, 2023

Brief profile of Mr. Ramu Vishnu (DIN: 10190641)

Mr. Ramu Vishnu is an Advocate and having experience of more than 13 years in the field of Law, Business, Corporate Affairs & Operations etc., he is running M/s. K. Ramu & Associates at Chennai.

Mr. Ramu Vishnu is neither director in any other company nor hold equity shares

None of the Director, Key Managerial Personnel and their relatives except Mr. Ramu Vishnu himself is interested in the proposed resolution

Considering the qualifications, positive attributes, experience and expertise, the Board of Directors and Nomination & Remuneration Committee of the Board recommends that the members may consider and approve the proposed resolution as set forth in Item No. 5 as a **SPECIAL RESOLUTION**.

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

Name of Director	Ashok Jawarilal Galada	Ramu Vishnu
DIN	00043054	10190641
Date of Birth	24/12/1981	06/05/1987
Date of Appointment	01/04/2009	10/06/2023
Qualification	B. Com. Degree from A.M. Jain College, Chennai	BA BL(hons)
Brief Resume and Nature of expertise in specific functional areas	More than 42 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. Ramu Vishnu is an Advocate and having experience of more than 13 years in the field of Law, Business, Corporate Affairs & Operations etc.
List of other Directorships	1. Galada Trades Limited 2. Galada Housing Limited	NIL
Chairman / Member of the Committees of the Board of other Companies	Nil	NIL
Terms and conditions of re-appointment	NA	NA
Disclosure of relationship between Director Inter-se	Related to Mr. Naveen Ashok Galada, Managing Director	NIL
Shareholding in the Company	2,11,850.00 equity shares as on 31 st March 2023	NIL
No. of Board Meetings attended during FY 2022-23	5	NIL

By the Order of the Board
For **GALADA FINANCE LIMITED**

Place: Chennai
Date: 17.06.2023

JUSTICE PONNIAH BHASKARAN
DIN: 00126136

BOARD'S REPORT

To,
The Members,

Your Directors have pleasure in presenting their 37th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023.

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

DESCRIPTION	2022-2023	2021-2022
Total Income	9,402,613.00	10,669,676.00
Total Expenditure	8,810,808.00	12,922,323.00
Profit before tax	591,805.00	(2,252,647.00)
Tax	351,400.00	460,500.00
Profit after tax	240,405.00	(2,713,147.00)
Other Comprehensive Income (After Tax)	161,117.00	2,988,154.00
Total Comprehensive Income	401,522.00	275,007.00
Earnings Per Share	0.08	(0.90)

DIVIDEND

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

RESERVES

During the year an amount of Rs. 81,000/- 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. 245.79 lakhs.

The total income of the Company is at Rs. 94.03, lakhs during the year under review as against Rs. 106.70 lakhs in the previous financial year; and the company has gained a profit before tax of Rs.5.91 lakhs during the year under review as compared to Loss of Rs.22.53 lakhs in the previous financial year; The profit (loss) after tax and other comprehensive income during the year under review is at Rs. 4.02 lakhs as compared to profit of Rs. 2.75 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

The Company is making application to Reserve Bank of India for Conversion as a Non- deposit accepting NBFC subject to the approval members for amendment of Memorandum of association of the Company and the same is mentioned in the notice of the 37th Annual General meeting of the company.

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 statements relate 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: As on 31.03.2023 there is Rs. 2 lakhs exempted deposit from directors & Rs. 13.50 lakhs inter corporate deposit.

STATUTORY AUDITORS

M/s. Chandarana & Sanklecha, Chartered Accountants, Chennai [Firm Registration No: 000557S] are the Statutory Auditors of the Company who were appointed at the 36th Annual General Meeting held on 24th September, 2022 to hold office until the conclusion of 39th 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 2023 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. FCS 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 2022-2023. 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 2022-23, 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, 2023 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.

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 networth 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 2022-23 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 fields 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 of during the 2022-2023:-

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.

* Mr. Kunjithapatham Ramu, Independent Director ceased to be the Director on the Board with effect from 13.03.2023 due to his demise. The Directors place on record his invaluable contributions towards the company and express their deep condolences for his sad demise

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 2022-23 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. Kunjithapatham Ramu* (Ceased to be the Director on the Board with effect from 13.03.2023 due to his demise)	Director	Independent and Non-Executive Director
Mrs. Indira Srinivasan Royakottam	Director	Independent and Non-Executive Director

No. of Board Meetings: 5 (Five): 28th May, 2022; 11th August, 2022; 27th August, 2022, 12th November 2022 and 11thFebruary, 2023

ATTENDANCE OF DIRECTORS IN BOARD MEETING

Date of Meeting	28.05.2022	11.08.2022	27.08.2022	12.11.2022	11.02.2023
Mr. Ponniah Bhaskaran	Present	Present	Present	Present	Present
Mr. Ashok Jawarilal Galada	Present	Present	Present	Present	Present
Mr. Naveen Ashok Galada	Present	Present	Present	Present	Present
Mr. Kunjithapatham Ramu	Present	Present	Present	Present	Present
Mrs. Indira Srinivasan Royakottam	Present	Present	Present	Present	Present

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 (*Mr. Kunjithapatham Ramu :- ceased to be the Member on the committee with effect from 13.03.2023 due to his demise and Mr. Ashok Jawarilal Galada DIN:00042295 (Non-Executive Director } become member of the committee with effect from 23rd May 2023) The Committee met 5 times on :- 28th May, 2022 11th August, 2022 27th August, 2022 12th November, 2022 11th February, 2023	➤ The Audit Committee was mandated with the same Terms of Reference specified in SEBI (LODR) REGULATIONS, 2015 ➤ The current Terms of Reference fully 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 (*Mr. Kunjithapatham Ramu,- ceased to be the Member on the Committee with effect from 13.03.2023 due to his demise and Mr. Ashok Jawarilal Galada DIN:00042295 (Non-Executive Director } become member of the committee with effect from 23rd May 2023) Mrs. Indira Srinivasan Royakottam DIN:06823929 {Independent and Non-Executive Director} become Chairman of the committee with effect from 23rd May 2023) The Committee met 1 times on :- 27th August, 2023	➤ 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.
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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 Mr.Naveen Ashok Galada DIN:00043054 {Promoter and Executive Director} Member There was no meeting of the committee held during 2022-23 The company has not received any grievances/complaints from the investors during the financial year 2022-23.	➤ 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 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	➤ 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

	*Mr. Kunjithapatham Ramu DIN:01538291 {Independent and Non-Executive Director} Member (*Mr. Kunjithapatham Ramu,- ceased to be the Member on the Committee with effect from 13.03.2023 due to his demise and Mr. Ashok Jawarilal Galada DIN:00042295 (Non-Executive Director } become member of the committee with effect from 23rd May 2023) The Committee met 1 times on :- 11th February, 2023	
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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

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. Mr. Bilal Mohammadali I-Company Secretary*
3. Ms. Mahaveerchand Jain Divya - Company Secretary**
4. Mrs. K. R. Manimeghala- Chief Financial Officer

*Mr. Bilal Mohammadali I. resigned from the Company with effect from May 31, 2022. The Board places its sincere gratitude for the services and support rendered by the said Key Managerial personnel during their tenure in the Board

**Ms. Mahaveerchand Jain Divya, Qualified Company Secretary appointed as a Compliance officer Cum Company Secretary of the company with effect from September 01, 2022

CHANGE IN KEY MANAGERIAL PERSONNEL

During the financial year ended March 31, 2023, Mr. Bilal Mohammadali I, resigned from the position of Company Secretary with effect from May 31, 2022 and Ms. Mahaveerchand Jain Divya, appointed as a Company Secretary with effect from 01st September 2022

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 behavior, 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 2022-23, a separate report of Corporate Governance is not disclosed in the Annual Report 2022-23.

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, 2023

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.

LISTING ON STOCK EXCHANGES

The Company's shares are listed on BSE LIMITED.

POLICIES OF COMPANY

All policies of the company are viewed 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
Date: 17.06.2023

JUSTICE PONNIAH BHASKARAN
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 2022-23
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. Naveen Galada 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	1:1	0.00%
	Mr. Bilal Mohammadali (Upto 31.05.2022) CS Ms. Mahaveerchand Jain Divya (From 01.09.2022)	0.23:1	0.00%
c) Percentage increase in median remuneration of employees in the financial year	-14.58% increase in remuneration considering employees who were in employment for the whole of FY2021-22 and FY 2022-23		
d) Number of permanent employees on the rolls of company (as of 31 March, 2023) :	(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 10.23% for employees who were in the employment for whole of FY 2022-23 and FY 2021-22. The improvement in company's performance on key parameters(as compared to previous year) was as follows: Operating Income: -1.18% Profit Before Tax : 288.44% Profit After Tax : -46.04%		

f) Comparison of the remuneration of the KMP against performance of the company	Aggregate KMP remuneration as a % of PBT for FY 2022-23 is 66.40%		
g) Variations in the market capitalization of the company, price 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	Market capitalization has decreased from Rs4.96 crores as of FY 2021-22 to Rs2.77 crores as of FY 2022-23. Over the same period, the price earnings ratio moved to – 115.37 from 18.39. The stock price of the company as of FY 2022-23 has decreased by 7.32 to Rs.9.23 per share in comparison to Rs16.55 per share in FY 2021-22.		
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 2022-23 and FY 2021-22, the average increase in salary is 5.88. 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 (2022-23)	Remuneration as a % of PBT (2021-22)
	Mr. Naveen Galada Managing Director	Nil	Nil

	Mrs.K. R. Manimeghala Chief Financial Officer	0.61%	-0.26%
	Ms.Mahaveerchand Jain Divya- CS	0.26%	-1.54%
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 meeting of the board /committee.		
k) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable		
l) Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is in line with the remuneration policy of the company.		

Notes:

The percentage increase in remuneration excludes sitting fees.

On behalf of the board

Chairman

Place: Chennai
Date: 17.06.2023

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 s 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 Eurozone. 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 fundsin 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 2023**

[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 2023 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 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The 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

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

- 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.

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.

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

³ Not 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.

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

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: 17.06.2023

Abishek Jain
Practicing Company Secretary
FCS 10925; CP 15508
UDIN: F010925E000490888

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: 17.06.2023

Abishek Jain
Practicing Company Secretary
ACS 10925; CP 15508
UDIN: F010925E000490888

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 2022-23 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.	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.

Place: Chennai
Date: 17.06.2023

For ASJ and Associates, Company Secretaries

Abishek Jain
Practicing Company Secretary
FCS 10925; CP 15508
UDIN: F010925E000490877

DECLARATION ON CODE OF CONDUCT

As required by Schedule V (D) of SEBI (LODR), 2015, it is hereby affirmed that all the Board Members and Senior management personnel have complied with the Code of Conduct of the Company.

Place: Chennai
Date: 17.06.2023
DIN: 00043054

NAVEEN ASHOK GALADA
Managing Director

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

The Board of Directors
GALADA FINANCE LIMITED

We hereby certify that for the financial year ended 31st March 2023, 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 2022-23 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 2022-23;
- b) there have been no significant changes in accounting policies during the year 2022-2023; 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:17.06.2023

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 comprises the Balance Sheet as at 31st March, 2023, 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, 2023, the profit/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 thereunder, 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 are 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 are 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 income, 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 are 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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 CHANDRANA& SANKLECHA,

Chartered Accountants

Firm Regn No : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No: 027539

Place: Chennai

Date: 27th May 2023

UDIN:23027539BGTQHO5738

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, 2023 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 are 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, 2023, 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 CHANDRANA& SANKLECHA,

Chartered Accountants

Firm Regn No: 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No: 027539

Place: Chennai

Date: 27th May 2023

UDIN:23027539BGTQHO5738

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. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.

(B) The company has maintained proper records showing full particulars of intangible assets.

b. The Property, Plant and Equipments of the Company have been physically verified by the management at reasonable intervals and as informed, no material discrepancies were noticed on such verification.

c. The title deeds of all the immoveable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the company.

d. The company has not revalued its Property, Plant and Equipments or intangible assets during the year.

e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. a. The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b. The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. (a) The Company’s principal business is to give loans. Hence, the provisions in paragraph 3(iii)(a) of the Order are not applicable to the Company.

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company’s interest.

(c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the company. The repayments or receipts are regular. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans, the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue (in Lakhs)	Interest Amount Overdue (in Lakhs)	Total Overdue (In lakhs)	Remarks
76	107.32 Lakhs	14.22 lakhs	121.54 lakhs	According to the information and explanation given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest.

(e) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. No loans were granted to the promoters during the year.

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 deposits or amounts which are deemed to be deposits during the year which are in compliance with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder.
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 Goods and Service Tax, Provident Fund, Employee's State Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, 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 Goods and Service Tax, Provident Fund, Employee's State Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable.

(b) There are no dues of Goods and Service Tax, Income Tax, Provident Fund, Employee's State Insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues outstanding on account of any disputes.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

b. The company has not been declared a willful defaulter by any bank or financial institution or other lender.

c. The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d. No funds raised on short term basis have been utilized for long term purposes.

e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. a. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

11. a. According to the information and explanations given to us, no material fraud by the company or on the company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
12. 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 Financial Statements as required by the applicable accounting standards.
14. a. The company has an internal audit system commensurate with the size and nature of its business.

b. We have considered the reports of the Internal Auditors for the period under audit in determining the nature, timing and extent of our audit procedures.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
16. a. The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Institution as a Deposit taking Systemically Important (NBFC-ND-SI) Company.

b. In our opinion, and according to the information and explanations given to us, the Company has obtained Certificate of Registration from RBI for conducting activities relating to Non-banking financing activities.

c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions stated in paragraph 3(xvi)(c) of the Order are not applicable to the Company.

d. The Group does not have any CIC as part of the Group.
17. The company has not incurred any cash loss during the financial year and has incurred cash loss of Rs. 17.79 Lakhs during the immediately preceding financial year.

18. During the year, statutory auditor has given the resignation. We have considered the issues, objections and concerns raised by the outgoing auditors.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. a. There are no unspent amounts towards Corporate Social Responsibility (CSR), other than with respect to the ongoing projects, requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- b. There were no amounts remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing projects.
21. The company is not required to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For CHANDRANA & SANKLECHA,
Chartered Accountants
Firm Regn No : 000557S

Bharat Raj Sanklecha
Proprietor
Membership No: 027539
Place: Chennai
Date: 27th May 2023
UDIN: 23027539BGTQH05738

GALADA FINANCE LIMITED			
Balance Sheet as at 31st March, 2023			
Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
		INR	INR
ASSETS			
1 Financial Assets			
Cash & cash equivalents	3	18,26,199	9,52,321
Bank balances other than cash & cash equivalents		-	-
Derivate Financial Instruments		-	-
Receivables	4		
(i) Trade receivables		-	-
(ii) Other receivables		-	-
Loans	5	5,47,22,547	6,63,08,296
Investments	6	9,72,790	25,52,290
Other financial assets	7	56,49,203	51,42,427
Total Financial Assets		6,31,70,739	7,49,55,334
2 Non-Financial assets			
Inventories		-	-
Current tax assets (net)	8	10,32,151	9,59,884
Deferred tax assets (net)	8	6,52,055	7,91,840
Propety, plant and equipment	9	36,14,300	18,60,837
Other non-financial assets		-	-
Total Non-Financial assets		52,98,506	36,12,561
TOTAL ASSETS		6,84,69,245	7,85,67,895
LIABILITIES AND EQUITY			
Liabilities			
3 Financial liabilities			
Derivative Instruments			
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		6,54,258	5,16,745
Debt securities		-	-
Borrowings (Other than debt securities)	11	1,47,93,381	2,21,09,456
Deposits	12	15,50,000	48,11,000
Other financial liabilities	13	8,195	68,805
Total Financial liabilities		1,70,05,834	2,75,06,006
4 Non-financial liabilities			
Current tax liabilities (net)		-	-
Provisions		-	-
Deferred Tax Liability		-	-
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	2,14,63,411	2,10,61,889
Total current liabilities		5,14,63,411	5,10,61,889
TOTAL EQUITY AND LIABILITIES		6,84,69,245	7,85,67,895
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 CHANDRANA & SANKLECHA Chartered Accountants Firm Regn No. 0005575		For and on behalf of the Board of Directors of M/s. Galada Finance Limited	
BHARAT RAJ SANKLECHA Proprietor Membership No. 027539		J. Ashok Galada Director DIN : 00042295	Naveen Galada Managing Director DIN : 00043054
Place : Chennai Date : 27-05-2023 UDIN : 23027539BGTQHO5738 Peerreview No. : 014772		Mahaveerchand Jain Divya Company Secretary	K.R Manimeghala Chief Financial Officer

GALADA FINANCE LIMITED				
Statement of Profit and Loss for the year ended 31st March, 2023				
Particulars		Note No.	Year ended	Year ended
			31st March, 2023	31st March, 2022
			INR	INR
I	Income			
	Revenue from operation	16	90,37,531	1,04,91,349
	Other income	17	3,65,082	1,78,327
	Total income		94,02,613	1,06,69,676
II	Expenses			
	Finance cost	18	29,82,022	46,28,006
	Impairment Loss Allowance		2,16,000	4,96,500
	Employee benefit expenses	19	18,63,354	15,72,377
	Depreciation and amortisation	9	4,76,844	4,73,584
	Other expenses	20	26,65,669	29,37,488
	Loss/Profit on sale of shares		6,06,919	28,14,368
	Total expenses		88,10,808	1,29,22,323
III	Profit / (Loss) before exceptional items and tax (3 - 4)		5,91,805	(22,52,647)
IV	Exceptional items		-	-
V	Profit before tax (III-IV)		5,91,805	(22,52,647)
VI	Tax expense:			
	- Current tax		2,50,000	4,50,000
	- Deferred tax	8	1,01,400	10,500
			3,51,400	4,60,500
VII	Profit / (Loss) for the year (V - VI)		2,40,405	(27,13,147)
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		1,99,502	37,00,042
	Income tax effect on above		(38,385)	(7,11,888)
IX	Total Comprehensive Income (VII+VIII)		4,01,522	2,75,007
	Earnings per share			
	- Basic & Diluted		0.08	(0.90)
Significant accounting policies		2		
The accompanying notes are an integral part of the financial statements				
In terms of our report attached.				
For CHANDRANA & SANKLECHA		For and on behalf of the Board of Directors of M/s. Galada		
Chartered Accountants		Finance Limited		
Firm Regn No. 000557S				
BHARAT RAJ SANKLECHA		J. Ashok Galada	Naveen Galada	
Proprietor		Director	Managing Director	
Membership No. 027539		DIN : 00042295	DIN : 00043054	
Place : Chennai				
Date : 27-05-2023		Mahaveerchand Jain Divya	K.R Manimeghala	
UDIN : 23027539BGTQHO5738		Company Secretary	Chief Financial Officer	
Peerreview No. : 014772				

Galada Finance Limited				
Statement of Cash Flows for the year ended 31st March, 2023				
Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	INR	INR	INR	INR
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		5,91,805		(22,52,647)
<i>Adjustments for:</i>				
Depreciation and amortisation	4,76,844		4,73,584	
(Profit)/Loss on sale of Assets	(3,35,107)		779	
Interest income	(12,390)		(35,607)	
Dividend income	(17,583)		(72,377)	
Impairment Loss Allowance	2,16,000		4,96,500	
Net (gain)/loss on sale of investments	6,06,919		28,14,368	
		9,34,683		36,77,247
Operating profit / (loss) before working capital changes		15,26,488		14,24,600
Movement in working capital:				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Other receivables	1,13,69,749		32,54,353	
Other Financial Assets	(5,06,776)		3,29,280	
Other Liabilities	1,37,513		(19,35,941)	
Other Financial Liabilities	(60,610)		(75,228)	
Cash flow from extraordinary items		1,09,39,876		15,72,464
Cash generated from operations		1,24,66,364		29,97,064
Net income tax (paid) / refunds		(3,22,267)		(3,68,938)
Net cash flow from operating activities (A)		1,21,44,097		26,28,126
B. Cash flow from investing activities				
Payment for Property, plant and equipments (Net)	(23,85,200)		(1,45,265)	
Proceeds from disposal of property, plant and equipments	4,90,000		10,000	
Purchase of investments	(30,26,140)		(1,04,49,160)	
Proceeds from sale of investments	41,98,223		1,50,00,358	
Interest received	12,390		35,607	
Dividend received	17,583		72,377	
Net cash flow used in investing activities (B)		(6,93,144)		45,23,917
C. Cash flow from financing activities				
Proceeds from borrowings	-		-	
Repayment of borrowings	(1,05,77,075)		(74,42,761)	
Net cash flow used in financing activities (C)		(1,05,77,075)		(74,42,761)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		8,73,878		(2,90,718)
Cash and cash equivalents at the beginning of the year		9,52,321		12,43,039
Cash and cash equivalents at the end of the year		18,26,199		9,52,321
Components of Cash and Cash Equivalents				
(a) Cash on hand		8,52,375		2,97,583
(b) Cheques, drafts on hand		5,53,648		5,82,082
(c) Balances with banks				
(i) In current accounts		4,20,176		72,656
		18,26,199		9,52,321
See accompanying notes forming part of the financial statements				
In terms of our report attached.				
For CHANDRANA & SANKLECHA Chartered Accountants Firm Regn No. 000557S				
For and on behalf of the Board of Directors of M/s. Galada Finance Limited				
BHARAT RAJ SANKLECHA Proprietor Membership No. 027539		J. Ashok Galada Director DIN : 00042295		Naveen Galada Managing Director DIN : 00043054
Place : Chennai Date : 27-05-2023 UDIN : 23027539BGTQHO5738 Peerreview No. : 014772		Mahaveerchand Jain Divya 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 27-05-2023
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
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
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 at least 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.
2.4	<u>Use of estimates and assumptions</u> 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

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

(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, 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

(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
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
2.12	Segment accounting There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
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 B. Contingent liabilities Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of 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
2.15	Earnings per share Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity
2.16	Dividend to Equity Shareholders Dividend to equity shareholders is recognised as a liability and deducted from shareholder's equity in the

GALADA FINANCE LIMITED		
Notes to Financial statements		
Note 3 : Cash and cash equivalents		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents		
Cash on hand	8,52,375	2,97,583
Cheques, drafts on hand	5,53,648	5,82,082
Balances with banks		
- In current accounts	4,20,176	72,656
Total	18,26,199	9,52,321
Note 4 : Receivables		
Particulars	As at 31st March, 2023	As at 31st March, 2022
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, 2023	As at 31st March, 2022
At amortised cost		
(i) Loans	6,46,47,330	7,69,89,918
Less : Advance Interest	36,21,783	45,94,622
	6,10,25,547	7,23,95,296
Less : Impairment loss allowance	63,03,000	60,87,000
Total	5,47,22,547	6,63,08,296
Particulars	As at 31st March, 2023	As at 31st March, 2022
At amortised cost		
(i) Loans-Secured	6,18,69,453	7,15,19,270
(Against hypothecation of automobiles, equipments, durables, plant and machinery etc.)		
Less : Advance Interest	36,10,483	45,10,622
	5,82,58,970	6,70,08,648
Less : Impairment loss allowance	59,84,500	57,58,000
	5,22,74,470	6,12,50,648
(ii) Loans-Unsecured	27,77,877	54,70,648
Less : Advance Interest	11,300	84,000
	27,66,577	53,86,648
Less : Impairment loss allowance	3,18,500	3,29,000
	24,48,077	50,57,648
Total	5,47,22,547	6,63,08,296

GALADA FINANCE LIMITED				
Notes to Financial statements				
Particulars		As at 31st March, 2023	As at 31st March, 2022	
Loans in India				
- Public sector			-	
- Others		5,47,22,547	6,63,08,296	
Total		5,47,22,547	6,63,08,296	
Credit Quality of Asset				
The table below shows the credit				
Particulars	Stage	As at 31st March, 2023	As at 31st March, 2022	
Low Credit Risk	Stage 1	1,04,73,114	86,88,324	
Significant increase in credit risk	Stage 2	3,98,20,650	5,12,25,391	
Credit Impaired	Stage 3	1,07,31,783	1,24,81,581	
Total		6,10,25,547	7,23,95,296	
A. Analysis of changes in the gross carrying amount of Term Loan as at 31st March, 2023				
Particulars	Stage 1	Stage 2	Stage 3	Total
Opening	86,88,324	5,12,25,391	1,24,81,581	7,23,95,296
Additions during the year	85,26,703	10,33,249	-	95,59,952
Stage 1	(17,75,279)	(1,57,434)	-	(19,32,713)
Stage 2	(19,30,027)	3,00,686		(16,29,341)
Stage 3	-	(1,69,856)	(5,14,123)	(6,83,979)
Reductions during the year	(30,36,608)	(1,24,11,386)	(12,35,675)	(1,66,83,669)
Closing	1,04,73,114	3,98,20,650	1,07,31,783	6,10,25,547
B. Analysis of changes in the gross carrying amount of Term Loan as at 31st March, 2022				
Particulars	Stage 1	Stage 2	Stage 3	Total
Opening	1,85,91,050	4,57,06,630	1,13,51,969	7,56,49,649
Additions during the year	54,08,433	46,75,605	-	1,00,84,038
Stage 1	(11,66,867)	(8,77,484)	-	(20,44,351)
Stage 2	(24,76,781)	9,72,087	-	(15,04,694)
Stage 3	(1,61,953)	16,625	(14,703)	(1,60,031)
Reductions during the year	(1,15,05,558)	7,31,928	11,44,315	(96,29,315)
Closing	86,88,324	5,12,25,391	1,24,81,581	7,23,95,296

GALADA FINANCE LIMITED					
Notes to Financial statements					
Note 6 : Investments					
Particulars	Face Value	Quantity (As at 31st March, 2023)	Quantity (As at 31st March, 2022)	As at 31st March 2023	As at 31st March 2022
Unquoted equity shares measured at fair value through OCI					
Bihar Alloys Steel Limited	10	200	200	200	200
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	150	150	-	-
W.I.E..Engineering Limited	10	100	100	-	-
Zen Global Finance Limited	10	5,000	5,000	5,000	5,000
				5,860	5,860
Less : Fair value measurement through OCI				-	-
				5,860	5,860
Quoted equity shares measured at fair value through OCI					
Abbott India	10	-	-	-	-
Aditya Birla Fashion	10	50	-	10,715	-
Ambuja Cements	2	-	100	-	29,920
Aurobindo Pharma Ltd	1	50	50	25,900	33,448
Avanti feeds Limited		250	-	84,937	-
Ballarpur Industries Limited	2	2,000	4,000	1,220	4,600
Bharat Petroleum Corporation	10	-	100	-	35,920
Bharti Airtel Limited	5	-	-	-	-
Biocon Limited	5	400	500	82,540	1,67,275
Chennai Super Kings Cricket Limited	0.10	3,300	3,300	330	330
Dlf Ltd	2	-	100	-	38,045
Dredging Corporation Of India	10	-	500	-	1,57,775
Fedders Lloyd Corp Limited	10	1,700	1,700	7,820	7,820
Gayatri Projects Limited	2	-	300	-	6,960
Gujarat Alkalies	10	-	100	-	89,590
Gujarat Flouro Chemicals	1	100	100	4,774	7,870
Hdfc Life Insurnace Co Limited	10	500	500	2,49,675	2,69,125
Ifci Limited	10	1,500	6,000	14,745	66,600
India Bulls Real Estate Limited	2	100	1,000	97,350	1,57,800
India Nippon Ltd	5	-	100	-	42,495
Irb Infrastructure	10	500	-	12,560	-
Irctc Ltd	2	-	100	-	77,460
Itc Limited	1	-	-	-	-
Iti Limited	10	-	500	-	48,350
Jain Studio Limited	10	329	329	872	625
Jhagadia Copper Limited	10	1,000	1,000	1,330	1,330
Moserbaer Limited	10	5,250	5,250	5,513	5,512
Mtnl Limited	10	-	788	-	17,769

GALADA FINANCE LIMITED					
Notes to Financial statements					
Note 6 : Investments					
Particulars	Face Value	Quantity (As at 31st March, 2023)	Quantity (As at 31st March, 2022)	As at 31st March 2023	As at 31st March 2022
Media Video Limited	10	600	600	540	540
Multi Commodity Exchange (Mcx)	10	-	75	-	1,06,028
Ncc Limited	2	-	500	-	29,275
Nip India Eft Liquid	10	1	1	560	521
Pfizer Limited	10	15	-	51,959	-
Piramal Enterprises Limited	2	-	30	-	65,613
Power Finance Corporation Limited	10	-	-	-	-
Polyplex Corporation Limited	10	40	-	45,704	-
Ptc India Limited	10	-	500	-	41,175
Rain Industries Ltd	2	-	300	-	58,155
Rcf	10	-	500	-	44,800
Rpp Infra Projects	10	-	500	-	20,575
Steel Authority Of India Limited	10	200	600	16,596	59,130
Savera Industries Limited	10	5	5	275	266
Shree Ram Urban Infra Limited	10	1,500	1,500	55,500	55,500
Sudarashan Chemical Industries Ltd	2	-	150	-	78,030
Sun Tv Network Ltd	5	-	500	-	2,45,075
Tata Consultancy Services Ltd	1	-	50	-	1,86,940
Tele Data Info Limited	2	1,000	1,000	470	470
Teledata Marine Solutions Limited	2	-	-	145	145
Teledata Technology Solutions Limited	2	-	-	60	60
Ujjvan Small Finance Limited	10	-	1,000	-	14,800
Vindhya Telelinks Ltd	10	-	50	-	51,275
Welspun India Ltd	1	300	300	19,113	27,255
Wockhardt Limited	5	150	150	23,093	39,570
Yes Bank Limited	2	175	375	2,634	4,613
				8,16,930	23,96,430
Less : Fair value measurement through OCI				-	-
				8,16,930	23,96,430
Other Investments measured at fair value through OCI					
Investment in Government securities					
8.26% Govt. of India Bond				1,50,000	1,50,000
				1,50,000	1,50,000
Total Investments				9,72,790	25,52,290
Aggregate book value of quoted investments				9,66,930	25,46,430
Aggregate market value of quoted investments				9,66,930	25,46,430
Aggregate carrying value of unquoted investments				5,860	5,860
Category-wise other investments-as per Ind AS 109 classification					
Particulars	As at 31st March 2023		As at 31st March 2022		
Financial assets carried at fair value through profit or loss (FVTPL)	-		-		
Financial assets measured at amortised cost	-		-		
Financial assets measured at FVTOCI	9,72,790		25,52,290		
Total Investments	9,72,790		25,52,290		

GALADA FINANCE LIMITED		
Notes to Financial statements		
Note 7 : Other financial assets		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	4,21,517	4,21,517
Other Advances	52,27,686	47,20,910
Total	56,49,203	51,42,427
Note 8 : (a) Income tax asset (net)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance payment of Income Tax (net)	10,32,151	9,59,884
Total	10,32,151	9,59,884
(b) Deferred tax assets (net)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax	2,50,000	4,50,000
Deferred tax relating to origination & reversal of temporary differences	1,01,400	10,500
Deferred tax relating to Ind AS adjustments	-	-
Income tax expense reported in the statement of profit or loss	3,51,400	4,60,500
(b) Other comprehensive income section		
On Unrealised (gain)/loss on FVTOCI equity securities	(38,385)	(7,11,888)
On Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	(38,385)	(7,11,888)
(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	5,91,805	(22,52,647)
Statutory income tax rate	25.168%	25.168%
(A)	1,49,000	(5,66,900)
Tax effects of :		
Income not subject to tax	-	-
Inadmissible expenses or expenses treated separately	1,01,000	10,16,900
Admissible deductions	-	-
Deduction Under chapter VI	-	-
Taxes Paid Under Vivad Se Vishwas Scheme	-	-
Deferred tax on other items	1,01,400	10,500
Total tax effect	2,02,400	10,27,400
Income tax expense reported in statement of Profit & loss	3,51,400	4,60,500
(B)		
(A+B)		

GALADA FINANCE LIMITED		
Notes to Financial statements		
(c) Deferred tax relates to the following:		
Particulars	Balance sheet	
	As at 31st March, 2023	As at 31st March, 2022
Deferred tax assets		
Property, plant and equipment	3,32,300	4,33,700
Deferred tax liability		
Fair valuation of financial instruments	3,19,755	3,58,140
Total	6,52,055	7,91,840
Particulars	Recognised in Profit and Loss	
	As at 31st March, 2023	As at 31st March, 2022
Property, plant and equipment	(1,01,400)	(10,500)
Total	(1,01,400)	(10,500)
Particulars	Recognised in OCI	
	As at 31st March, 2023	As at 31st March, 2022
Fair valuation of financial instruments	(38,385)	(7,11,888)
Total	(38,385)	(7,11,888)
(d) Reconciliation of deferred tax assets (net):		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the reporting period	7,91,840	15,14,228
Tax (income)/expense during the period recognised in Profit & Loss (DTA)	(1,01,400)	(10,500)
Tax income/(expense) during the period recognised in OCI (DTL)	(38,385)	(7,11,888)
Total	6,52,055	7,91,840

Galada Finance Limited
Notes to Financial statements

Note 9 : Property, plant and equipment

Particular	Gross Block					Depreciation					Net Block		
	As at 01-04-2022	Additions	Deletions	Discarded	As at 31-03-2023	Upto 01-04-2022	For the Year	On Deletion	On Discarded	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022	As at 31-03-2022
Freehold Land	4,67,390	93,500	-	-	5,60,890	-	-	-	-	-	5,60,890	4,67,390	
Plant & Machinery	1,65,126	-	-	-	1,65,126	1,07,381	5,747	-	-	1,13,128	51,998	57,745	
Furniture & Fixture	6,97,748	-	-	-	6,97,748	3,767	80	-	-	3,847	6,93,901	6,93,981	
Vehicles	28,21,125	22,91,700	9,42,889	-	41,69,936	25,76,928	3,98,241	7,87,996	-	21,87,173	19,82,763	2,44,197	
Equipments	5,93,208	-	-	-	5,93,208	3,43,709	32,975	-	-	3,76,684	2,16,524	2,49,499	
Office Equipments	4,32,131	-	-	-	4,32,131	2,84,106	39,801	-	-	3,23,907	1,08,224	1,48,025	
Total	51,76,728	23,85,200	9,42,889	-	66,19,039	33,15,891	4,76,844	7,87,996	-	30,04,739	36,14,300	18,60,837	
Particular	Gross Block					Depreciation					Net Block		
	As at 01-04-2021	Additions	Deletions	Discarded	As at 31-03-2022	Upto 01-04-2021	For the Year	On deletion	On Discarded	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2021
Freehold Land	4,67,390	-	-	-	4,67,390	-	-	-	-	-	4,67,390	4,67,390	
Plant & Machinery	1,65,126	-	-	-	1,65,126	93,568	13,813	-	-	1,07,381	57,745	71,558	
Furniture & Fixture	6,97,748	-	-	-	6,97,748	3,365	402	-	-	3,767	6,93,981	6,94,383	
Vehicles	27,64,907	73,724	17,506	-	28,21,125	22,39,754	3,43,901	6,727	-	25,76,928	2,44,197	5,25,153	
Equipments	5,93,208	-	-	-	5,93,208	2,83,938	59,771	-	-	3,43,709	2,49,499	3,09,270	
Office Equipments	3,60,590	71,541	-	-	4,32,131	2,28,409	55,697	-	-	2,84,106	1,48,025	1,32,181	
Total	50,48,969	1,45,265	17,506	-	51,76,728	28,49,034	4,73,584	6,727	-	33,15,891	18,60,837	21,99,935	

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, 2023	As at 31st March, 2022	
(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				5,93,187	4,57,723	
Total Statutory Dues Payable				61,071	59,022	
Total				6,54,258	5,16,745	
*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		Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Trade payables						
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small ente		-	-	-	-	-
(ii) Other payables						
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small ente		5,93,187	-	-	-	5,93,187
Total Statutory Dues Payable		61,071				61,071
		6,54,258	-	-	-	6,54,258
Particulars				As at 31st March, 2023	As at 31st March, 2022	
(i) Principal amount remaining unpaid to any supplier as atthe end of the accounting year				-	-	
(ii) Interest due thereon remaining unpaid to any supplier asat 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 atthe 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, 2023	As at 31st March, 2022	
Secured						
From Banks						
- From Indian Bank				1,25,71,584	2,08,37,603	
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)						
- From HDFC Bank				19,14,109	-	
(Secured against Grand Vitara Car)						
- From Others				3,07,688	12,71,853	
(Secured by pledge of shares)						
Total				1,47,93,381	2,21,09,456	

Particulars					As at 31st March, 2023	As at 31st March, 2022
(i) Borrowings in India					1,47,93,381	2,21,09,456
(ii) Borrowings outside India					-	-
Total					1,47,93,381	2,21,09,456
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 Years	Total
<u>Secured</u>						
From Banks - Indian Bank						
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)		11.05%	1,25,71,584	-	-	1,25,71,584
- HDFC Car Loan						
(Secured against Grand Vitara Car)		8.25%	3,25,812	7,43,366	8,44,931	19,14,109
From Others						
(Secured by pledge of shares)		12.25%	3,07,688	-	-	3,07,688
			1,32,05,084	7,43,366	8,44,931	1,47,93,381

Galada Finance Limited				
Notes to Financial statements				
Note 12 : Deposits				
Particulars	As at 31st March, 2023		As at 31st March, 2022	
At Amortised Cost				
(i) From Public	-		-	
(ii) From Others	-		-	
(iii) From Others - Directors & Relatives	2,00,000		34,61,000	
(iv) From - Interporate Deposit	13,50,000		13,50,000	
Total	15,50,000		48,11,000	
Note 13 : Other financial liabilities				
Particulars	As at 31st March, 2023		As at 31st March, 2022	
Book Overdrafts	-		-	
Security deposits	-		-	
Others	8,195		68,805	
Total	8,195		68,805	
Note 14 : Equity Share capital				
Particulars	As at 31st March, 2023		As at 31st March, 2022	
	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 share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
b) Shareholders holding more than 5% of equity share capital				
Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	%	Number of shares	%
Ashok Kumar Galada HUF	1,74,500	5.82%	1,74,500	5.82%
Galada Housing Limited	3,64,600	12.15%	3,64,600	12.15%
Galada Trades Limited	1,99,135	6.64%	1,99,135	6.64%
J Ashok Kumar Galada	2,11,850	7.06%	2,11,850	7.06%
Naveen Galada	3,80,735	12.69%	3,80,735	12.69%
Naveen Galada HUF	2,09,858	7.00%	2,09,858	7.00%
Shanthi Devi Galada	3,76,750	12.56%	3,76,750	12.56%
Total	19,17,428	63.91%	19,17,428	63.91%

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 as on 1st April, 2021	91,24,000	1,34,85,921	(18,23,039)	2,07,86,882
Change in accounting policy or prior period errors				
Restated balance at 1st April 2021	91,24,000	1,34,85,921	(18,23,039)	2,07,86,882
Profit for the year	-	(27,13,147)	-	(27,13,147)
Transfer to Statutory Reserves	55,000	(55,000)		-
Other comprehensive income for the year net of income tax			29,88,154	29,88,154
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	55,000	(27,68,147)	29,88,154	2,75,007
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
Total Dividends	-	-	-	-
Balance at 31st March, 2022	91,79,000	1,07,17,774	11,65,115	2,10,61,889
Balance as on 1st April, 2022	91,79,000	1,07,17,774	11,65,115	2,10,61,889
Change in accounting policy or prior period errors	-	-	-	-
Restated balance at 1st April 2022	91,79,000	1,07,17,774	11,65,115	2,10,61,889
Profit for the year	-	2,40,405		2,40,405
Transfer to Statutory Reserves	81,000	(81,000)		-
Other comprehensive income for the year net of income tax			1,61,117	1,61,117
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax				-
Total comprehensive income for the year	81,000	1,59,405	1,61,117	4,01,522
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
Total Dividends	-	-	-	-
Balance at 31st March, 2023	92,60,000	1,08,77,179	13,26,232	2,14,63,411
Distributions made and proposed				
Particulars			For the year ended 31st March 2023	For the year ended 31st March 2022
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, 2023	Year ended 31st March, 2022	Year ended 31st March, 2021
		INR	INR	INR
	Income from Financing operations			
	Interest receipts	90,37,531	1,04,91,349	89,91,652
	Total	90,37,531	1,04,91,349	89,91,652
Note 17 : Other income				
	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2021
		INR	INR	INR
(a)	Interest on Govt. securities	12,390	35,607	39,200
(b)	Dividend receipts	17,583	72,377	52,899
(c)	Miscellaneous income	2	70,343	7
(d)	Profit on sale of assets	3,35,107		
	Total	3,65,082	1,78,327	92,106
Note 18 : Finance cost				
	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2021
		INR	INR	INR
	Interest Expenses			
	- On loan from bank	22,87,068	36,76,331	28,65,143
	- On fixed deposits	3,08,785	3,79,991	4,15,207
	- Others	2,58,427	4,47,784	2,51,012
		28,54,280	45,04,106	35,31,362
	Loan processing fees/ Renewal Fees	1,27,742	1,23,900	1,26,070
	Total	29,82,022	46,28,006	36,57,432
Note 19 : Employee benefit expenses				
	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2021
		INR	INR	INR
(a)	Salaries, wages, bonus and other benefits	17,98,150	15,01,370	15,75,591
(b)	Managerial remuneration	-	-	-
(c)	Staff welfare expenses	65,204	71,007	88,939
	Total	18,63,354	15,72,377	16,64,530

GALADA FINANCE LIMITED
Notes to Financial statements

Note 20 : Other expenses

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	INR	INR
Advertisement expenses.	67,802	42,313
Auditor's remuneration (Refer note below)	80,000	65,000
Bad debts	15,162	1,63,670
Bank charges	26,740	31,738
Business promotion expenses	32,446	22,768
Brokerage & commission	-	1,000
Communication expenses	80,785	69,346
Demat charges	7,405	8,113
Director's sitting fees	30,000	30,000
Electricity expenses	54,727	35,321
Insurance charges	1,20,911	95,180
Listing Fees	3,54,000	3,54,000
Loss on sale of assets	-	779
Loss from F&O	-	2,24,318
Miscellaneous expenses	2,53,541	2,27,930
Office expenses	2,18,152	1,83,389
Office Rent	2,40,000	2,40,000
Parking charges	-	6,500
Printing And Stationery	37,623	15,049
Professional Charges	5,34,577	5,55,274
Rates & taxes	4,500	4,500
Repairs & Maintenance	97,614	1,27,761
Securities Transaction Tax	6,798	21,739
Travelling & Conveyance	16,974	5,432
Vehicle Maintenance	3,85,912	4,06,368
Total	26,65,669	29,37,488

Notes 21 : Payments to Auditors, excluding taxes

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	INR	INR
<u>Payments to the auditors</u>		
- For Statutory Audit	80,000	60,000
- For Other Services	-	5,000
Total	80,000	65,000

GALADA FINANCE LIMITED				
Notes to Financial statements				
Note	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022	
		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 :	-	-	
	(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 contributes 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 (Expired) Mrs. R.S. Indira, Director Ms.Deepika, Ex-Company Secretary Mr. Bilal, 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 M/s. Galada Housing Limited		
	Details of transactions with related parties :			
	Description	Name	Year ended 31st March, 2023	Year ended 31st March, 2022
	Professional Fees	Deepika	-	68,000
	Professional Fees	CS Bilal	34,000	1,36,000
	Professional Fees	CS Divya Jain	1,19,000	-
	Salary, Bonus and Conveyance	K.R.Manimeghala	7,70,000	6,72,000
	Director Sitting Fees	Justice P Bhaskaran	10,000	10,000
	Director Sitting Fees	K Ramu	10,000	10,000
	Director Sitting Fees	Indira Devi	10,000	10,000
	Intercompany Deposit	Galada Housing Limited	13,50,000	13,50,000
	Fixed Deposits	Justice P Bhaskaran	2,00,000	2,00,000
	Fixed Deposits	K Ramu	-	30,11,000
	Fixed Deposits	Naveen Galada	-	2,50,000
	Interest on Intercompany Depoist	Galada Housing Limited	1,35,000	1,43,561
	Interest on Fixed Deposits	Justice P Bhaskaran	20,000	20,000
	Interest on Fixed Deposits	K Ramu	2,86,251	3,01,100
	Interest on Fixed Deposits	Naveen Galada	2,534	58,891
	Rent	Shanti Devi Galada	2,40,000	2,40,000
	Interest on Fixed Deposit Payable	Justice P Bhaskaran	5,661	5,661
Interest on Fixed Deposit Payable	Naveen Galada	2,534	53,001	
Interest on ICD Payable	Galada Housing Limited	1,21,500	10,143	
Bonus Payable	K.R.Manimeghala	1,10,000	96,000	
Director's Sitting Fees Payable	K Ramu	1,800	-	
Rent Deposit	Shanti Devi Galada	4,00,000	4,00,000	
		38,28,280	70,45,357	
Note	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022	
		INR	INR	
25	Earnings per share Basic & Diluted Net profit / (loss) for the year Weighted average number of equity shares Par value per share Earnings per share	2,40,405 30,00,000 10 0.08	(27,13,147) 30,00,000 10 (0.90)	
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, 2023		As at 31st March, 2022	
		Current	Non-Current	Current	Non-Current
27	Maturity Analysis of Assets & Liabilities				
	ASSETS				
	FINANCIAL ASSETS				
	(a) Cash and cash equivalent	18,26,199	-	9,52,321	-
	(b) Bank balances other than CCE	-	-	-	-
	(c) Receivables	-	-	-	-
	(d) Loans	1,58,05,176	3,89,17,371	1,82,93,566	4,80,14,730
	(e) Investments	-	9,72,790	-	25,52,290
	(f) Other Financial Asstes	56,49,203	-	51,42,427	-
	Total Finacial Assets	2,32,80,578	3,98,90,161	2,43,88,314	5,05,67,020
	NON-FINANCIAL ASSETS				
	(a) Current tax assets (net)	2,89,002	7,43,149	3,23,928	6,35,956
	(b) Deferred tax assets (net)	78,247	5,73,808	95,021	6,96,819
	(c) Propert, Plant & Equipment	4,33,716	31,80,584	2,23,300	16,37,537
	(d) Other non-financial assets	-	-	-	-
	Total Non-Financial assets	8,00,965	44,97,541	6,42,249	29,70,312
	TOTAL ASSETS	2,40,81,543	4,43,87,702	2,50,30,563	5,35,37,332
	LIABILITIES AND EQUITY				
	FINANCIAL LIABILITY				
	(a) Payables	6,54,258	-	5,16,745	-
	(b)Debt securities	-	-	-	-
	(c) Borrowings (Other than debt securities)	1,32,05,084	15,88,297	2,21,09,456	-
	(d) Deposits	2,00,000	13,50,000	-	48,11,000
	(e)Other financial liabilities	8,195	-	68,805	-
	Total Financial liabilities	1,40,67,537	29,38,297	2,26,95,006	48,11,000
	NON-FINANCIAL LIABILITY				
	(a) Current tax liabilities (net)	-	-	-	-
	(b) Provisions	-	-	-	-
	(c) Other non-financial liabilities	-	-	-	-
	Total non-current liabilities	-	-	-	-
	TOTAL LIABILITIES	1,40,67,537	29,38,297	2,26,95,006	48,11,000
	NET	1,00,14,006	4,14,49,405	23,35,557	4,87,26,332

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, 2023	As at 31st March, 2022
(a) Unquoted Equity Shares	FVOIC	Level 2	5,860	5,860
(b) Quoted Equity Shares	FVOIC	Level 1	8,16,930	23,96,430
(c) Quoted Government Bonds	FVOIC	Level 1	1,50,000	1,50,000
			9,72,790	25,52,290

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, 2023		Year ended 31st March, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
ASSETS					
FINANCIAL ASSETS					
(a) Cash and cash equivalent		18,26,199	18,26,199	9,52,321	9,52,321
(b) Bank balances other than CCE		-	-	-	-
(c) Receivables		-	-	-	-
(d) Loans		5,47,22,547	5,47,22,547	6,63,08,296	6,63,08,296
(e) Investments - Quoted Shares	Level 1	9,66,930	9,66,930	25,46,430	25,46,430
(f) Investments - Unquoted Shares	Level 2	5,860	5,860	5,860	5,860
(g) Other Financial Asstes		56,49,203	56,49,203	51,42,427	51,42,427
Total Financial Assets		6,31,70,739	6,31,70,739	7,49,55,334	7,49,55,334
FINANCIAL LIABILITY					
(a) Payables		6,54,258	6,54,258	5,16,745	5,16,745
(b) Debt securities		-	-	-	-
(c) Borrowings (Other than debt securities)		1,47,93,381	1,47,93,381	2,21,09,456	2,21,09,456
(d) Deposits		15,50,000	15,50,000	48,11,000	48,11,000
(e) Other financial liabilities		8,195	8,195	68,805	68,805
Total Financial liabilities		1,70,05,834	1,70,05,834	2,75,06,006	2,75,06,006

(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								
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, 2023</th><th>As at 31st March, 2022</th></tr> <tr> <td>Carrying Value of Loan</td><td>6,10,25,547</td><td>7,23,95,296</td></tr> </table>		PARTICULARS	As at 31st March, 2023	As at 31st March, 2022	Carrying Value of Loan	6,10,25,547	7,23,95,296
PARTICULARS	As at 31st March, 2023	As at 31st March, 2022						
Carrying Value of Loan	6,10,25,547	7,23,95,296						

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Particulars		
	- Secured Loan	5,82,58,970	6,70,08,648
	- Unsecured Loan	27,66,577	53,86,648
		6,10,25,547	7,23,95,296

GALADA FINANCE LIMITED
Notes to Financial statements

Note	Particulars																																			
	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. <table><tr><th>31st MARCH 2023</th><th>Less than 1 year</th><th>1 year to 3 years</th><th>3 years to 5 years</th><th>5 years and above</th></tr><tr><td>Payables</td><td>6,54,258</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Debt securities</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Borrowings (Other than debt)</td><td>1,32,05,084</td><td>7,43,366</td><td>8,44,931</td><td>-</td></tr><tr><td>Deposits</td><td>2,00,000</td><td>13,50,000</td><td>-</td><td>-</td></tr><tr><td>Other financial liabilities</td><td>8,195</td><td>-</td><td>-</td><td>-</td></tr><tr><td></td><td>1,40,67,537</td><td>20,93,366</td><td>8,44,931</td><td>-</td></tr></table> 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.	31st MARCH 2023	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above	Payables	6,54,258	-	-	-	Debt securities	-	-	-	-	Borrowings (Other than debt)	1,32,05,084	7,43,366	8,44,931	-	Deposits	2,00,000	13,50,000	-	-	Other financial liabilities	8,195	-	-	-		1,40,67,537	20,93,366	8,44,931	-
31st MARCH 2023	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above																																
Payables	6,54,258	-	-	-																																
Debt securities	-	-	-	-																																
Borrowings (Other than debt)	1,32,05,084	7,43,366	8,44,931	-																																
Deposits	2,00,000	13,50,000	-	-																																
Other financial liabilities	8,195	-	-	-																																
	1,40,67,537	20,93,366	8,44,931	-																																
31	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
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)
Performing Assets						
- Standard	Stage 1	1,04,73,114	42,000	1,04,31,114	42,000	-
	Stage 2	3,98,20,650	1,59,000	3,96,61,650	1,59,000	-
Subtotal - Standard Assets		5,02,93,764	2,01,000	5,00,92,764	2,01,000	-
Non-Performing Assets (NPA)						
- Sub Standard	Stage 3	7,01,402	3,85,771	6,31,302	70,100	3,15,671
- Doubtful - upto 1 year	Stage 3	1,55,041	85,272	1,24,041	31,000	54,272
- 1 to 3 years	Stage 3	3,31,653	1,82,409	2,32,153	99,500	82,909
- More than 3 years	Stage 3	72,84,479	40,06,463	36,42,279	36,42,200	3,64,263
- Loss	Stage 3	22,59,209	13,81,385	9	22,59,200	(8,77,815)
Subtotal - NPA		1,07,31,783	60,41,300	46,29,783	61,02,000	(60,700)
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		-	-	-	-	-
TOTAL	Stage 1 Stage 2 Stage 3	1,04,73,114 3,98,20,650 1,07,31,783	42,000 1,59,000 60,41,300	1,04,31,114 3,96,61,650 46,29,783	42,000 1,59,000 61,02,000	- - (60,700)
	Total	6,10,25,547	62,42,300	5,47,22,547	63,03,000	(60,700)

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, 2023	As at 31st March, 2022
(i)	Net Impaired loss allowance to Net Loans (%)	0.00%	0.00%
(ii)	Movement of Credit impaired loans under Ind-AS (Gross)		
	(a) Opening Balance	1,24,81,581	1,13,51,969
	(b) Additions during the year	-	11,29,612
	(c) Reductions during the year	(17,49,798)	-
	(d) Closing Balance	1,07,31,783	1,24,81,581
(ii)	Movement of Net impaired loss		
	(a) Opening Balance	66,33,581	60,18,669
	(b) Additions during the year	(2,54,000)	6,14,912
	(c) Reductions during the year	(17,49,798)	-
	(d) Closing Balance	46,29,783	66,33,581
(iii)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	58,48,000	53,33,300
	(b) Additions during the year	2,54,000	5,14,700
	(c) Reductions during the year	-	-
	(d) Closing Balance	61,02,000	58,48,000
32	B) Movement of impairment loss allowance for low credit risk loans and significant increase in credit risk loans		
S.No	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(i)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	2,39,000	2,57,200
	(b) Additions during the year	-	-
	(c) Reductions during the year	(38,000)	(18,200)
	(d) Closing Balance	2,01,000	2,39,000

GALADA FINANCE LIMITED			
Notes to Financial statements			
NOTE	Particulars	As at 31st March, 2023	As at 31st March, 2022
33	Concentration of Loan, Exposures & Credit impaired loan		
	(a) Concentration of Loan		
	Total Advances to Twenty Largest Borrowers	4,50,73,344	4,34,68,242
	Percentage of advances to twenty lagest borrowers to total advance	73.86%	60.04%
	(b) Concentration of Exposures		
	Total Exposure to Twenty Largest Borrowers	4,50,73,344	4,34,68,242
	Percentage of exposure to twenty lagest borrowers to total advance	73.86%	60.04%
	(c) Concentration of Impaired Loans		
	Total Exposure of Top four credit impaired loans	34,24,399	38,26,400
	(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, 2023	As at 31st March, 2022
	1 Agriculture & allied activities	-	-
	2 MSME	-	-
	3 Corporate borrowers	-	-
	4 Services	-	-
	5 Unsecured personal loans	-	-
	6 Auto loans	95.47%	92.56%
	7 Other personal loans	-	-
	8 Others	4.53%	7.44%
34	Customer Complaints		
	Particulars	As at 31st March, 2023	As at 31st March, 2022
	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, 2023	As at 31st March, 2022
(i)	Value of Investments									
	- Gross Value								26,34,717	44,13,717
	- Unrealised Fair Value Movement								16,61,927	18,61,427
	- Fair Value of Investments								9,72,790	25,52,290
(ii)	Movement of unrealised fair value movement on investments									
	Opening Balance								18,61,427	55,61,470
	Add : Increase in unrealised fair value during the year								-	-
	Less : Decrease in unrealised fair value during the year								1,99,500	37,00,043
	Closing Balance								16,61,927	18,61,427
36	Capital Adequacy Ratio								As at 31st March, 2023	As at 31st March, 2022
	CRAR %									
	- CRAR - Tier I Capital %								76.875%	65.210%
	- CRAR - Tier II Capital %								0.305%	0.310%
	Amount of Debt raised as Tier II Capital								0.000%	3.170%
	Amount raised by the issue of Prepetual Debt Instrument								0.000%	0.000%
37	Maturity pattern of certain items of assets and liabilities (As on 31st March, 2023)									
	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	12,72,551	5,53,648	-	-	-	-	-	-	18,26,199
	Bank balances other than cash & cash equivalents	-	-	-	-	-	-	-	-	-
	Receivables	-	-	-	-	-	-	-	-	-
	Loans	12,71,807	12,06,141	21,47,667	29,89,700	81,89,862	3,80,37,060	4,50,000	4,30,310	5,47,22,547
	Investments	-	-	-	-	-	9,72,790	-	-	9,72,790
	Other financial assets	-	-	-	-	56,49,203	-	-	-	56,49,203
	Total Financial Assets	25,44,358	17,59,789	21,47,667	29,89,700	1,38,39,065	3,90,09,850	4,50,000	4,30,310	6,31,70,739
	Non-Financial assets									
	Current tax assets (net)	-	-	-	-	2,89,002	7,43,149	-	-	10,32,151
	Deferred tax assets (net)	-	-	-	-	78,247	1,36,932	2,21,699	2,15,178	6,52,055
	Propety, plant and equipment	-	-	-	-	4,33,716	7,59,003	12,28,862	11,92,719	36,14,300
	Other non-financial assets	-	-	-	-	-	-	-	-	-
	Total Non-Financial assets	-	-	-	-	8,00,965	16,39,083	14,50,561	14,07,897	52,98,506
	TOTAL ASSETS	25,44,358	17,59,789	21,47,667	29,89,700	1,46,40,030	4,06,48,933	19,00,561	18,38,207	6,84,69,245
	EQUITY & LIABILITY									
	Financial Liability									
	Other payables	-	-	-	-	6,54,258	-	-	-	6,54,258
	Debt securities	-	-	-	-	-	-	-	-	-
	Borrowings (Other than debt securities)	26,080	26,269	26,461	80,546	1,30,45,728	7,43,366	8,44,931	-	1,47,93,381
	Deposits	-	-	-	-	2,00,000	13,50,000	-	-	15,50,000
	Other financial liabilities	-	-	-	8,195	-	-	-	-	8,195
	Total Financial liabilities	26,080	26,269	26,461	88,741	1,38,99,986	20,93,366	8,44,931	-	1,70,05,834
	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	-	-	-	-	-	-	-	2,14,63,411	2,14,63,411	
Total current liabilities	-	-	-	-	-	-	-	5,14,63,411	5,14,63,411	
TOTAL EQUITY & LIABILITY	26,080	26,269	26,461	88,741	1,38,99,986	20,93,366	8,44,931	5,14,63,411	6,84,69,245	
									-	

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Particulars	As at 31st March, 2023	As at 31st March, 2022
		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	4,76,844	4,73,584
	Provision towards impairment loss allowance*	2,16,000	4,96,500
	Provision made towards income tax	3,51,400	4,60,500
	Provision for standard assets#	(38,000)	(18,200)
	* 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	As at 31st March, 2023	As at 31st March, 2022
		(Rs. In Lakhs)	(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	-	-
	(d) Inter-Corporate Loans and Borrowings	13,50,000	13,50,000
	(e) Other Loans		
	- From Bank	1,44,85,693	2,08,37,603
	- From Others	3,15,883	13,40,658
	- From Others (Directors & Relatives)	2,00,000	34,61,000
	(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	5,82,58,970	6,70,08,648
	(b) Unsecured	27,66,577	53,86,648
	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	20,00,000	20,90,000
	(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)	-	-

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note	Particulars	As at 31st March, 2023	As at 31st March, 2022
		INR	INR
	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	8,16,930	23,96,430
	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	5,860
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	1,50,000	1,50,000
	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	5,82,58,970	6,70,08,648
	- Unsecured	27,66,577	53,86,648
	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	9,72,790	25,52,290
	7. Other Information		
	(i) Gross credit impaired assets		
	a. Related party	-	-
	b. Other than related party	1,07,31,783	1,24,81,581
	(ii) Net credit impaired assets		
	(a) Related party	-	-
	(b) Other than related party	46,29,783	66,33,581
	(iii) Assets Acquired in	-	-

Note	Particulars	As at 31st March, 2023	As at 31st March, 2022
		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, 2023	As at 31st March, 2022
	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 CHANDRANA & SANKLECHA
Chartered Accountants
Firm Regn No. 0005575

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

BHARAT RAJ SANKLECHA
Proprietor
Membership No. 027539

J. Ashok Galada
Director
DIN : 00042295

Naveen Galada
Managing Director
DIN : 00043054

Place : Chennai
Date : 27-05-2023
UDIN : 23027539BGTQHO5738
Peerreview No. : 014772

Mahaveerchand Jain Divya
Company Secretary

K.R Manimeghala
Chief Financial Officer