



2019 - 2020



GALADA FINANCE LIMITED

GALADA FINANCE LIMITED**BOARD OF DIRECTORS**

Justice Ponniah Bhaskaran	Chairman
Mr. Ashok Jawarilal Galada	Managing Director
Mr. Naveen Ashok Galada	Director
Mr. Kunjithapatham Ramu	Independent Director
Mrs.Indira Srinivasan Royakottam	Independent Director

COMPANY SECRETARY

Mrs. Kavirala Deepika

BANKERS

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

AUDITORS

Diyali B and Associates, Chartered Accountants,
A9,Maruti Apartments, #87, Alagappa Road
Puruswalkam, Chennai - 600 084

SECRETARIALAUDITORS

M/s. ASJ & Associates, Practicing Company Secretaries,
1D, Middle Block,Saptamallika Apts, 188,
Poonamallee High Road,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

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

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 34th Annual General Meeting of the Members of **GALADA FINANCE LIMITED** will be held on Saturday, September 26, 2020 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, 2020, 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, 2020 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. NAVEEN ASHOK GALADA (DIN: 00043054), 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. Naveen Ashok Galada (DIN 00043054), 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."

3. **To Appointment of M/s. Sureshkumar & Co., (FRN No.004273S) Chartered Accountants, Chennai, as the Statutory Auditors of the company**

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

"RESOLVED THAT subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, and as per revised RBI guidelines, M/s. Sureshkumar & Co., Chartered Accountants, Chennai [Firm Registration No: 004273S], be and are hereby appointed as the Statutory Auditor of the Company for a term of 3 (Three) consecutive years from the conclusion of this Annual General Meeting till the conclusion of 37th Annual General Meeting of the company to be held in the year 2023, at such remuneration and out of pocket expenses, as maybe determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

By the Order of the Board
For GALADA FINANCE LIMITED

Place: Chennai
Date: 08.08.2020

JUSTICE PONNIAH BHASKARAN
DIN: 00126136

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. 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 will be held through VC / OAVM. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
2. The deemed venue for 34th Annual General Meeting shall be the registered office of the Company
3. Since this AGM is being held through VC / OAVM, pursuant to the MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. In pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting
4. 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.
5. The relevant details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS – 2), of persons seeking appointment/re-appointment as Director under Item No. 2 of the Notice, are annexed hereto and forms part of the explanatory statement. The Company has received requisite consent/ declaration from the director seeking their appointment/ reappointment
6. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the AGM, i.e. from 03:45 P.M. to 04:15 P.M. and will be available for atleast 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key managerial personnel, auditors etc.

7. Institutional Investors, who are members of the Company are encouraged to attend and vote at the AGM of the Company.
8. 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.
9. The Company has been maintaining, inter alia, the Register of contracts or arrangements in which directors are interested under section 189 of the Act and the Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act at its registered office. In accordance with the MCA circulars, the said registers shall be made accessible for inspection through electronic mode, which shall remain open and be accessible to any member during the continuance of the meeting
10. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be made accessible for inspection through electronic mode on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting
11. 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.
12. The Share Transfer Books of the Company shall remain closed from September 20, 2020 to September 26, 2020 (both days inclusive).
13. 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
14. 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.
15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. In this regard, members can write to us at info@galadafinance.in.
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Cameo, for consolidation into a single folio

17. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Cameo for assistance in this regard. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company/Cameo has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
18. 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
19. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Boards' Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website at www.galadafinance.in and on the website of the Stock Exchange i.e. BSE Ltd. at www.bseindia.com
20. 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
21. To support the 'Green Initiative', Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc., from the Company electronically

22. Information and other instructions relating to e-voting are as under:

General Instructions:

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the Company is pleased to provide e-voting facility to the members to cast their vote electronically on all the resolutions set forth in the Notice convening the 34th Annual General Meeting (“remote e-voting”).
2. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) as the Agency to provide e-voting facility
3. The remote e-voting facility will be available during the following period
 - a. Commencement of remote e-voting : From 9.00 a.m. (IST) on September 23, 2020
 - b. End of remote e-voting : Up to 5.00 p.m. (IST) on September 25, 2020
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 September 19, 2020. Members holding shares either in physical form or dematerialized form, as on September 19, 2020 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 September 19, 2020, 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. 41678) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and They have communicated their 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

Step for e-voting

1. The voting period begins at 9.00 a.m. (IST) on September 23, 2020 and ends at 5.00 p.m. (IST) on September 25, 2020. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote again during the meeting.
3. The shareholders should log on to the e-voting website www.evotingindia.com.
4. Click on **Shareholders**
5. Now Enter your User ID

For CDSL	16 digits beneficiary ID
For NSDL 8	Character DP ID followed by 8 Digits Client ID
Members holding shares in Physical Form	Folio Number registered with the Company

6. Next enter the image verification as displayed and Click on Login
7. 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
8. If you are a first time user follow the steps given below:

PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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</p> <p>Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</p>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <p>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</p>

9. After entering these details appropriately, click on "SUBMIT" tab.
10. 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.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice
12. Click on the EVSN of Galada Finance Limited on which you chose to vote
13. 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
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details

15. 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
16. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
17. You can also take print of the votes casted by clicking on “Click here to print” option on the voting page.
18. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system
19. 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).
20. 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 mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created 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 linked in the login should be emailed 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address at evoting.asj@gmail.com and to the Company at the email address at info@galadafinance.in, if they have voted from individual tab & not uploaded same in the CDSL evoting system for the scrutinizer to verify the same.
21. 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.

Instructions for Members attending the AGM

1. 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
2. Shareholders are encouraged to join the Meeting through Laptops / iPads / Tablets for better experience
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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
5. 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
6. 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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting
2. 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
3. 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
4. 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.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

As required under Section 102(1) of the Companies Act, 2013 (the 'Act'), the following explanatory statement sets out all the material facts relating to the business mentioned under Item Nos. 3 of the accompanying notice

Item-3 Appointment of M/s. Sureshkumar & Co., (FRN No.004273S) Chartered Accountants, Chennai, as the Statutory Auditors of the company

M/s. Diyal B and Associates., Chartered Accountants, Chennai [FRN No. 017740S] tendered their resignation from conclusion of the forthcoming AGM (34th AGM) w.e.f. 26th September, 2020 due to completion of Three years as Statutory Auditor as per revised RBI guidelines

In order to fill up such casual vacancy, based on the recommendation of the Audit Committee, the Board of Directors has proposed the appointment of M/s. Sureshkumar & Co., Chartered Accountants, Chennai [Firm Registration No: 004273S] as the Statutory Auditors of the Company for a period of Three years to hold the office of Statutory Auditors from the conclusion of this AGM till the conclusion of AGM to be held in the year 2023

M/s. Sureshkumar & Co., Chartered Accountants, Chennai [Firm Registration No: 004273S] have consented to the said appointment and confirmed that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act. Further, they have also confirmed that they are not disqualified from being appointed as Statutory Auditors under the applicable provisions of the Act and the rules or regulations made there under and proposed appointment will be as per the terms provided under the provisions of the Act.

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.

By the Order of the Board
For GALADA FINANCE LIMITED

Place: Chennai
Date: 08.08.2020

JUSTICE PONNIAH BHASKARAN
DIN: 00126136

Additional information on Director seeking appointment/ re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings

Mr. NAVEEN ASHOK GALADA

Director Identification Number : 00043054

Date of Birth : 24.12.1981

Date of first appointment on the Board : 01.07.2000

Mr. Naveen Ashok Galada is a Master of Business Administration (MBA) graduate. He currently heads the Finance Activities of the Company M/s Galada Finance Ltd.

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

Details on remuneration drawn and number of Board Meetings attended by Mr. Naveen Ashok Galada during the year 2019 -20 is provided in Corporate Governance Report. Mr. Naveen Ashok Galada is on the Board of Galada Trades Limited and Galada Housing Limited. He also a member in the Stakeholders Relationship Committee of the Company

Mr. Naveen Ashok Galada, promoter of the Company is related to Mr. Ashok Jawarilal Galada, Managing Director. As on March 31, 2020, he holds 90512 equity shares in the Company

By the Order of the Board

For **GALADA FINANCE LIMITED**

Place: Chennai

JUSTICE PONNIAH BHASKARAN

Date: 08.08.2020

DIN: 00126136

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 34th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

Financial summary or highlights/Performance of the Company (Standalone)

The financial results for the year ended 31st March, 2020 are given below

Description	For the year ended 31st March 2020	For the year ended 31st March 2019
Total Income	98,41,079	1,27,21,204
Total Expenditure	1,65,83,736	1,44,20,208
Profit before tax	-67,42,657	-16,99,004
Tax	1,58,500	2,74,200
Profit after tax	-69,01,157	-19,73,204
Other Comprehensive Income	24,20,679	-16,09,251
Add : Opening Balance	-1,47,27,649	1,83,10,104
Less : Transfer to Statutory Reserve	--	--
Closing Balance to be carried to Balance Sheet	-1,02,47,171	-1,47,27,649
EPS	-1.49	-1.19

COVID-19 Pandemic and Its Impact

World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company. The financial impact of the same will be there on the financials in the next few quarters.

Dividend

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

Reserves

In view of Net loss during the year the Company is not proposing any Transfer to Statutory Reserve as required under Regulation 45-IC of Reserve Bank of India Act, 1934 issued by RBI loss during the year.

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. 277.50 lakhs.

The total income of the Company is at Rs.98.41 lakhs during the year under review as against Rs. 127.21 lakhs in the previous financial year; and the company has incurred a loss of Rs. 67.43 lakhs during the year under review as compared to loss of Rs. 16.99 lakhs in the previous financial year; and loss incurred after tax during the year under review is at Rs. 69.01 lakhs as compared to Rs.19.73 lakhs in the previous financial year.

There is no separate reportable segment as per Accounting Standard - 17 as the operation related to one segment

Information required under Non-Banking Financial Companies Acceptance Of Public Deposits (Reserve Bank) Directions, 1998

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

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

Change in the nature of business, if any

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

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report, except for the impact arising out of COVID- 19, which is detailed elsewhere in this Annual 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.

Vigil Mechanism / Whistle Blower Policy

The company has a Vigil Mechanism Policy to deal with any instance of fraud or mismanagement. The details of the Policy are explained in the Corporate Governance Report and are also posted on the website of the company.

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 not 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- (i) at the beginning of the year; (ii) maximum during the year; (iii) at the end of the year;	Nil Nil Nil
(d)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil

Note : Rs. 24.8 lakh exempted deposit from directors

Statutory Auditors

M/s. Diyal B and Associates., Chartered Accountants, Chennai, the statutory auditors of the Company were appointed by the members at the Annual General Meeting held on 23rd September 2017 for a period of five (5) years subject to ratification of shareholders and confirmation of Auditors at every Annual General Meeting. Also pursuant to the amendment in Section 139 of the Companies Act, 2013 and related rules vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 notified on 7th May 2018, the requirement of ratification of Statutory Auditors in every Annual General Meeting is omitted.

However, as per revised guidelines issued by RBI the statutory auditor of a deposit taking NBFC is liable to retire on completion of Three years. Accordingly, M/s Diyal B and Associates are liable to retire on conclusion of the forthcoming Annual General Meeting and tendered their resignation from conclusion of the forthcoming AGM

In order to fill up such casual vacancy, based on the recommendation of the Audit Committee, the Board of Directors has proposed the appointment of M/s. Sureshkumar & Co., Chartered Accountants, Chennai [Firm Registration No: 004273S] as the Statutory Auditors of the Company for a period of Three years to hold the office of Statutory Auditors from the conclusion of this AGM till the conclusion of AGM to be held in the year 2023

Auditors' 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 2020 do not contain any qualification, reservation or adverse remark, so need not require any explanation or comment

Share Capital**I. 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.

II. 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.

III. 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.

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

The extract of the annual return for the financial year ended on 31st March 2020 as required by Section 92 (3) of the Companies Act, 2013 is provided as **Annexure "A"**

Conservation of Energy, Technology Absorption& Foreign Exchange Earnings outgo:**A. Details of Conservation of Energy: NIL**

- (i) Steps taken or impact on conservation of energy
- (ii) Steps taken by the company for utilizing alternate sources of energy
- (iii) Capital investment on energy conservation equipment

B. Technology Absorption: Nil

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

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

C. Foreign Exchange Earnings and Outgo:

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

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

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility (CSR) which is applicable to every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any 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.

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

During the year, there was sad demise of the Independent Director Mr. Subramnaiaiyer Venkatakrishnan

Mr. Naveen Ashok 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. Naveen Ashok Galada retiring by rotation to the members.

Declaration from Independent Director:

The Company had received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that each of them meets with the criteria of their independence as laid down in Section 149 (6).

Formal Annual Evaluation:

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

Disclosure under Sexual Harassment of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your company has always believed in providing a safe and harassment free work place for every individual working in the company's premises through various interventions and practices. The company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The company have a formal Anti Sexual Harassment policy in line with the requirements of The Sexual Harassment of Workmen at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal complaints committee has been set up to redress complaints contractual, temporary and trainees are covered under the policy.

The following is the summary of sexual harassment complaints received and disposed off during the 2019-2020:

No. Of complaints received : NIL

No. Of complaints disposed off : NIL

Meetings of the Directors

Composition and category of Board of Directors

The Board of Directors of the company comprises of Executive, Non-Executive and Independent Directors

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

Attendance of each Director at Board Meetings, Annual General Meeting and Number of other Directorships and Membership/Chairmanship of Committees of each Director in various Companies forms part of Corporate Governance Report.

Audit Committee

The Audit Committee comprised of the following directors for the year ended 31st March 2020.

Name of members	Status in Committee	Nature of Directorship
Mr. Ponniah Bhaskaran	Chairman	Independent and Non-executive Director
Mrs.Indira Srinivasan Royakottam	Member	
Mr. Kunjithapatham Ramu	Member	

The terms of reference of the Audit Committee are as per the guidelines set out in the listing Regulations with the stock exchange and these also confirm to the provisions of the Companies Act, 2013. The details of date of the meeting of the committee and attendance of each Director along with scope of Audit Committee are given in the Corporate Governance Report.

The Board has not rejected any proposal / recommendations of the Audit Committee during the year.

Details of establishment of vigil mechanism for directors and employees

The Company has a Vigil Mechanism named “Whistle Blower Policy” to deal with genuine concerns raised by the Directors/employees, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the Company’s website www.galadafinance.in

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprised of the following directors for the year ended 31st March 2020

Name of member	Status in Committee	Nature of Directorship
Mr. Kunjithapatham Ramu	Chairman	Independent and Non-executive Director
Mr. Ponniah Bhaskaran	Member	
Mrs.Indira Srinivasan Royakottam	Member	

Particulars of loans, guarantees or investments under section 186

The Company has not given any loans or Guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The details of the Investments made by Company are given in the notes to the financial statements.

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.

Managerial Remuneration:

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 are provided at **Annexure "B"**

Secretarial Audit Report

The Board of Directors of the company had appointed ASJ & Associates, Practicing Company Secretaries represented by Abishek Jain (Membership No. ACS 41678/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 2019-2020. 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

Corporate Governance Certificate

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (LODR), 2015 is provided as **Annexure "D"** to this report.

Corporate Governance Report

The Company is committed to maintain the standards of corporate governance and adhere to the corporate governance requirements set out by SEBI.

The Report on corporate governance as stipulated under SEBI (LODR), 2015 forms part of the Annual Report and is attached as **Annexure-E**.

Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Schedule V (Regulations 34(3) and 53(f)) of SEBI (LODR), 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the 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.

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 co-operation 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.

For and on behalf of the Board of Directors

Ponniah Bhaskaran

Chairman

DIN:00126136

Date: 08.08.2020

Place: Chennai

ANNEXURE-I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial year ended on 31st March, 2020

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

I.REGISTRATION AND OTHER DETAILS:

1	CIN	L65191TN1986PLC012826
2	Registration Date	25th March, 1986
3	Name of the Company	Galada Finance Limited
4	Category/Sub-Category of the Company	Public Company Limited by Shares; Indian Non-Government Company
5	Address of the Registered Office & Contact	“Shanti Sadan” O.No.4, N.No.7 Shaffee Mohammed Road Thousand Lights, Chennai 600 006 Ph. No. 044 - 28294830 ; 044 – 43099009 email : info@galadafinance.in Website : www.galadafinance.in
6	Whether Listed Company	Yes, BSE Limited
7	Name, Address & Contact of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai – 600 002, Tamil Nadu. Tel: 044-2846 0390; Fax: 044 -2846 0129 Email: cameo@cameoindia.com Website: www.cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All such business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Primarily into the Business of Financing under Hire Purchase, Hypothecation and Other Credit Facilities

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY	% of shares held	Applicable Section
Nil					

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Name of the Company	: GALADA FINANCE LIMITED	
Face Value	: 10 /-	
Paid up Shares as on 30-Mar-2019	: 3000000	
Paid up Shares as on 31-Mar-2020	: 3000000	
For the Period From	: 01-Apr-2019	To : 31-Mar-2020

Category of Shareholders	No. of Shares held at the beginning of the year					No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares		Demat	Physical	Total	% of Total Shares	
A. Promoter and promoter Groups										
(1) Indian										
(a) Individual/ HUF	817469	0	817469	27.25%		817469	0	817469	27.25%	0.00%
(b) Central Govt	-	-	-	-		-	-	-	-	-
(c) State Govt (s)	-	-	-	-		-	-	-	-	-
(d) Bodies Corp.	-	-	-	-		-	-	-	-	-
(e) Banks / FI	-	-	-	-		-	-	-	-	-
(f) Any Other- Bodies Corporates	563735	-	563735	18.79%		563735	0	563735	18.79%	0.00%
Sub-total (A) (1):-	1381204	-	1381204	46.04%		1381204	-	1381204	46.04%	0.00%
(2) Foreign										
a) NRIs –Individuals	-	-	-	-		-	-	-	-	-
b) Other –Individuals	-	-	-	-		-	-	-	-	-
c) Bodies Corp.	-	-	-	-		-	-	-	-	-
d) Banks / FI	-	-	-	-		-	-	-	-	-
e) Any Other....	-	-	-	-		-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	1381204	-	1381204	46.04%	1381204	-	1381204	46.04%	0.00%
B. Public Shareholding									
1.Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institution									
a) Bodies Corporate	325130	5900	331030	11.03	324250	5900	330150	11.005	0.029%
b)Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	194570	157900	352470	11.75	2049500	149700	354650	11.8216	0.0726%
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	515222	401150	916372	30.54	514622	401150	915772	30.5257	-0.0002%
c) Others (Specify)									
Clearing Members	700	0	700	0.02	-	-	-	-	-0.0233%
Hindu Undivided Families	12623	0	12623	0.42	12623	0	12623	0.4207	0.0000%
Non Resident Indians	5601	0	5601	0.19	5601	0	5601	0.1867	0.0000%
Sub total (B)(2):-	1053846	564950	1618796	53.96	1062046	556750	1618796	53.96	0.0000%
Total Public Shareholding(B)=(B)(1)+(B)(2)	1053846	564950	1618796	53.96	1062046	556750	1618796	53.96	0.0000%
C. Shares held by Custodian for GDR and ADR	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2435050	564950	3000000	100%	2443250-	556750	3000000	100%	NIL

(ii) Shareholding of Promoters

S.No.	Share Holder's Name	Shareholding at the beginning of the year				Shareholding at the end of the year				% change in shareholding during the year	Pledged Shares at beginning of the Year	Pledged Shares at beginning of the Year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total Shares					
1	J ASHOK KUMAR GALADA	174500	5.8166%	0.00	174500	5.8166%	0.00	0.00	0.00	0.00	0.00	
2	SHANTHI DEVI GALADA (JT) VINITHA GALADA	195750	6.5250%	0.00	195750	6.5250%	0.00	0.00	0.00	0.00	0.00	
3	J ASHOK GALADA	171850	5.7283%	0.00	171850	5.7283%	0.00	0.00	0.00	0.00	0.00	
4	NAVEEN GALADA	90512	3.0170%	0.00	90512	3.0170%	0.00	0.00	0.00	0.00	0.00	
5	SHANTHI DEVI GALADA	24500	0.8166%	0.00	24500	0.8166%	0.00	0.00	0.00	0.00	0.00	
6	NAVEEN GALADA	112357	3.7500%	0.00	112357	3.7500%	0.00	0.00	0.00	0.00	0.00	
7	GALADA HOUSING LIMITED	364600	12.1533%	0.00	364600	12.1533%	0.00	0.00	0.00	0.00	0.00	
8	VINITHA GALADA	47500	1.5833%	0.00	47500	1.5833%	0.00	0.00	0.00	0.00	0.00	
9	GALADA TRADES LIMITED	199135	6.6378%	0.00	199135	6.6378%	0.00	0.00	0.00	0.00	0.00	
10	HARSHIKA GALADA	500	0.0166%	0.00	500	0.0166%	0.00	0.00	0.00	0.00	0.00	
	Total	1381204	46.04	0.00	1381204	46.04	0.00	46.04				

(iii) Change in Promoters' Shareholding: There is no change in shareholding of the promoters

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

Sl. No.	Name of the share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Prithvi Exchange India Ltd	225000	7.50%	225000	7.50%
2	Dharmendra Ratanchand savansuka	204800	6.8266	204800	6.8266
3	Abhay K,	74400	2.4800%	74400	2.4800%
4	Urmila Kanwar Kankariya	58100	1.9366%	58100	1.9366%
5	VINITHAGALADA	47500	1.5833%	47500	1.5833%
6	RAJ FINLEASE LIMITED	47000	1.5000%	45000	1.5000%
6	Pitambar commercials limited	45000	1.50%	45000	1.50%
7	Amita Jain	43950	1.4650%	43950	1.4650%
8	Kalyanchand Anand Munoth -Sold during the year 600 -Purchase during the year - 1300	46314	1.5438%	47014	1.567%
9	Amrit Lal Jain	41109	1.3702%	41109	1.3702%
10	P. Gajendra Kumar Jain	48800	1.6266%	48800	1.6266%

v) Shareholding of Directors and Key Managerial Personnel:

No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1	J. Ashok Galada	171850	5.7283	171850	5.7283
2	Naveen Galada	90512	3.0170	90512	3.0170
3	K.R.Manimeghala	1050	.0350	1050	.0350
4	P Bhaskaran	1000	.0333	1000	.0333
5	P Bhaskaran	900	.0300	900	.0300
6	K.Ramu	NIL	N.A.	Nil	N.A
7	R.S.Indira	NIL	N.A.	Nil	N.A
8	K.Deepika	NIL	N.A.	Nil	N.A

V.INDEBTEDNESS

Indebtedness of the company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1. Principal Amount	240,63,133	-----	24,80,000	265,43,133
2. Interest due but not paid	-	-----	-----	-----
3. Interest accrued but not due	-	-----	3,99,729	3,99,729
Total (1+2+3)	240,63,133	-----	28,79,729	269,42,862
Change in Indebtedness during the financial year				
Addition	-	-----	-	-
Reduction	-9,24,735	-----	-	-9,24,735
Net Change	-9,24,735	-----	-	-9,24,735
Indebtedness at the end of the financial year				
1. Principal Amount	231,38,398	-----	24,80,000	256,18,398
2. Interest due but not paid	-	-----	-----	-----
3. Interest accrued but not due	-	-----	6,88,254	6,88,254
Total (1+2+3)	231,38,398	-----	31,68,254	263,06,652

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration	Name of MD/WTD/ Manager /CS			Total Amount
		Mr. Ashok Jawarilal Galada, MD	WTD	Manager	
1	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit	Nil	Nil	Nil	Nil
	- Others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total-(A)	Nil			Nil
	Ceiling as per the Act	Not applicable as no remuneration paid			

B. Remuneration to other directors

Sl.No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ponniah Bhaskaran	Mr. Subramnaiaiyer Venkatakrishnan	Mr. Kunjithapatham Ramu	Mrs. Indira Srinivasan Royakottam	
1	Independent Directors					
	a. Fee for attending board / committee meetings	8000	4000	8000	5000	25000
	b. Commission	Nil	Nil	Nil	Nil	Nil
	c. Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	8000	4000	8000	5000	25000
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
4	a. Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil
	b. Commission	Nil	Nil	Nil	Nil	Nil
	c. Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total-(2)	Nil	Nil	Nil	Nil	Nil
	Total-B (1+2)	8000	4000	8000	5000	25000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	Not applicable as no remuneration paid				

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

Sl.No.	Particulars of Remuneration	Name of CEO/ CS /CFO			Total Amount
		Mrs. Deepika CS	Ms. Priyanka , CS	Mrs. K.R. Manimeghal a, CFO	
1	Gross salary	-			
	d. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	119,000	85,000	566,700	770,700
	e. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	Nil	Nil	Nil
	f. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	Nil	Nil	Nil
2	Stock Option	-	Nil	Nil	Nil
3	Sweat Equity	-	Nil	Nil	Nil
4	Commission - as % of profit	-	Nil	Nil	Nil
	- Others, specify...	-	Nil	Nil	Nil
5	Others, please specify	-	Nil	Nil	Nil
	Total-(A)	119,000	85,000	566,700	770,700

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Ponniah Bhaskaran

Chairman

DIN:00126136

Date: 08.08.2020

Place: Chennai

Annexure – B

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 2018-19
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Percentage increase in remuneration of each Director, in the financial year	Mr. Ashok J. Galada 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	1.70:1	-3.17%
	Mrs. Priyanka/Mrs Deepika CS	1.63:1	0.00%
c) Percentage increase in median remuneration of employees in the financial year	-3.70% increase in remuneration considering employees who were in employment for the whole of FY2019-20 and FY 2018-2019		
d) Number of permanent employees on the rolls of company (as of 31 March, 2020) :	(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 -3.70% for employees who were in the employment for whole of FY 2019-20 and FY 2018-19. The improvement in company's performance on key parameters(as compared to previous year) was as follows: Operating Income: -23.58% Profit Before Tax : -296.86% Profit After Tax : -249.74%		

Nature of Disclosure	Name of the Director / Designation	Ratio of Remuneration to Median Remuneration of employees	% increase in remuneration in the financial year 2018-19
f) Comparison of the remuneration of the KMP against performance of the company	Aggregate KMP remuneration as a % of PBT for FY 2019-20 is -.08%		
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	<p>Market capitalization has decreased from Rs. 3.3crores as of FY 2018-19 to Rs. 2.97 crores as of FY 2019-20.</p> <p>Over the same period, the price earnings ratio moved down to -19.10 from -21.23.</p> <p>The stock price of the company as of FY 2019-20 has decreased by 9.09% to Rs. 9.93 per share in comparison to Rs 11.00 per share in FY 2018-19.</p>		
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	For employees other than managerial personnel who were in employment for the whole of		

Nature of Disclosure	Name of the Director / Designation	Ratio of Remuneration to Median Remuneration of employees	% increase in remuneration in the financial year 2018-19
justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	FY2019-20 and FY 2018-19, the average decrease in salary is 3.70. The average 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 (2019-20)	Remuneration as a % of PBT (2018-19)
	Mr. Ashok J. Galada Managing Director	Nil	-45%
	Mrs. Manimeghalai Chief Financial Officer	-80%	-78%
	Mrs. Priyanka/Mrs Deepika CS	-30%	-16%
j) The key parameters for any variable component of remuneration availed by the directors	Managing Director: There was no variable		

Nature of Disclosure	Name of the Director / Designation	Ratio of Remuneration to Median Remuneration of employees	% increase in remuneration in the financial year 2018-19
	<p>components in director's remuneration.</p> <p>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.</p>		
<p>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</p>	<p>Not applicable</p>		
<p>l) Affirmation that the remuneration is as per the remuneration policy of the company</p>	<p>The remuneration is in line with the remuneration policy of the company.</p>		

Notes:

The percentage increase in remuneration excludes sitting fees.

On behalf of the board

Chairman

Place: Chennai
Date: 08.08.2020

ANNEXURE – C
FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

*[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, 2020 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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018;¹
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;²
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;³
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and⁴
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;⁵

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,

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

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.

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.

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: 08.08.2020

Abishek Jain
Practicing Company Secretary
ACS 41678; CP 15508

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: 08.08.2020

Abishek Jain
Practicing Company Secretary
ACS 41678; CP 15508

ANNEXURE – D**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

TO

THE MEMBERS OF GALADA FINANCE LIMITED

We have examined the compliance of conditions of Corporate Governance by Galada Finance Limited (“the Company”) for the year ended March 31, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”).

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

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We state that there were no investor grievances remaining Unattended/ pending for more than 30 days.

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

For Diyali B and Associates

Chartered Accountants

Firm No. 017740S

Diyali B

Proprietrix

Membership No. 242354

Place : Chennai

Date : 08.08.2020

ANNEXURE – E**REPORT ON CORPORATE GOVERNANCE**

Corporate governance is about commitment to values and ethical business conduct. It is also about how an organization is managed viz., its corporate and business structure, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership forms part of the corporate governance.

CORPORATE GOVERNANCE PHILOSOPHY

The company is committed to the highest standards of corporate governance in all its activities and processes.

The company has always believed in and practices the highest standards of corporate governance since its inception. The board recognizes that governance expectations are constantly evolving and it is committed to keeping its standards of transparency and dissemination of information under continuous review to meet both letter and spirit of the law and its own demanding levels of business ethics.

BOARD OF DIRECTORS

The corporate governance practices of the company ensure that the board remains informed, independent and involved in the company and that there are ongoing efforts towards better governance to mitigate “non-business” risks.

The board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to shareholders and other stakeholders to uphold the highest standards in all matters concerning the company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

The board of directors (‘the board’) is committed to representing the long-term interests of the stakeholders and in providing effective governance over the company’s affairs and exercise reasonable business judgment on the affairs of the company.

The company’s day to day affairs are managed by the managing director, assisted by a competent management team, under the overall supervision of the board. The company has in place an appropriate risk management system covering various risks that the company is exposed to, including fraud risks, which are discussed and reviewed by the audit committee and the board every quarter.

The company’s commitment to ethical and lawful business conduct is a fundamental shared value of the board, the senior management and all employees of the company. Consistent with its values and beliefs, the company has formulated a code of conduct applicable to the board and senior management. Further, the company has also adopted an insider trading code for prevention of insider trading and a whistle blower policy for reporting any concerns or grievances by directors / employees / customers and vendors in their dealings with the

company. In order to ensure that the mechanism is effective and as prescribed, direct access to the chairman of the audit committee is provided to the complainant.

Composition

The board has been constituted in a manner as per SEBI (LODR), 2015 of the listing agreement and the Companies Act, 2013 (the Act). The board has an appropriate mix of executive / non-executive and independent directors, including a woman director to ensure proper governance and management. The directors are elected based on their qualification and experience in varied fields.

In all there are Five Directors, Two Executive and Three Independent Director.

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

The details of directors as at 31stMarch, 2020 including the details of their other board directorship and committee membership reckoned in line with Listing Regulations and the Act as well as their shareholdings is given below:

Name of Director	No. of Directorship excluding Directorship in our Company	No. of shares held in the company	No. of board committee membership including GFL**	Chairman
Mr. Ashok Jawarilal Galada	03	171850	01	-
Mr. Ponniah Bhaskaran	Nil	1900	01	02
Mr. Kunjithapatham Ramu	Nil	Nil	02	01
Mr. Naveen Ashok Galada	02	90512	01	-
Mrs. Indira Srinivasan Royakottam	Nil	Nil	03	01

* for the purpose of Directorship / committee membership, all private companies and section 8 companies have been considered.

** only Chairmanship / membership of audit committee and stakeholders relationship committee have been considered.

The Independent Directors of the Company provide an Annual Certificate of Independence in Accordance with Listing Regulations and the Act to the company which is taken on record by the board. All the board members including Independent Directors have the opportunity and access to interact with the management.

Separate Meeting of Independent Directors

During the year under review, in line with SEBI (LODR), 2015 and the Act, the Independent Directors had a separate Meeting on 04th February, 2020 without the presence of the management team and the non-Independent Directors of the company.

Board Meetings

The board meets at regular intervals with an annual calendar and a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The board is regularly briefed and updated on the key activities of the business and is provided with briefings and presentations on operations, quarterly financial statements and other matters concerning the company.

During the year, the Board of Directors met 4 (four) times on 27.05.2019, 14.08.2019, 14.11.2019, 04.02.2020 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose.

COMMITTEES OF THE BOARD

The board has constituted various committees to support the board in discharging its responsibilities.

There are four committees constituted by the board – Audit committee, Stake holders relationship committee, Nomination and remuneration committee and Risk management committee.

The board at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the board for approval. The minutes of the Meetings of all the committees are circulated to the board for its information.

AUDIT COMMITTEE

Terms of Reference

The committee acts as a link between the board, the statutory auditors and the internal auditors. The role of the audit committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements, adequacy of internal financial control and risk management systems, findings of internal audits / investigations, whistle blower policy, monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on an arm's length basis, scrutiny of inter-corporate loans and investments, besides recommending the appointment / removal of the statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process.

Composition & Meetings

The committee comprises of three non-executive independent directors. As at 31 March, 2020, the committee comprised of the following members:

Name of members	Status in Committee	Nature of Directorship
Ponniah Bhaskaran	Chairman	Independent and Non-executive Director
Indira Srinivasan Royakottam	Member	
Kunjithapatham Ramu	Member	

During the year, the committee met four times on 27.05.2019, 14.08.2019, 14.11.2019 and , 04.02.2020. All members of audit committee have knowledge of financial management, audit and accounts.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The role of the committee is to determine the company's policy on specific remuneration packages for executive directors. The terms of reference *inter alia* includes the role of the committee to further consider and recommend persons who are qualified for board positions, evaluate directors performance prior to recommendation for re-appointments, persons who are qualified to be in senior management, formulate the criteria for determining qualifications, positive attributes and independence of a director and devising a policy on board diversity. Decisions for selecting a director is based on the merit, qualification, competency and the company's business needs. The recommendations of the committee are placed before the board for its approval.

Composition & Meetings

As at 31 March 2020, the committee comprised of the following members:

Name of member	Status in Committee	Nature of Directorship
Kunjithapatham Ramu	Chairman	Independent and Non-executive Director
Ponniah Bhaskaran	Member	
Indira Srinivasan Royakottam	Member	

All the members of this committee comprise of independent directors. There was (1) one meeting of the Committee held on 14.08.2019 during 2019-20.

REMUNERATION OF DIRECTORS

Remuneration Policy

The success of any organization in achieving good performance and governance depends on its ability to attract quality individuals on the board. The company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Act.

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.

The non-executive directors are also paid sitting fees subject to the statutory ceiling for all board and committee meetings attended by them.

Criteria for Board Nomination

The nomination and remuneration committee is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The committee in terms of the provisions of the Act and SEBI (LODR), 2015 identifies personnel, which *inter alia*, deals with the personal traits, competencies, experience, background and other fit and proper criteria. These attributes shall be considered for nominating candidates for board positions / re-appointment of directors.

Performance Evaluation

In terms of the provisions of the Act and SEBI (LODR), 2015, the board periodically carries out an performance evaluation of its own performance, the directors individually as well as the valuation of the working of the committees. The performance evaluation of the independent directors was carried out by the entire board. The performance of the chairman and the non-independent directors was carried out by the independent directors.

Remuneration of managing director:

Details of the remuneration of the managing director for the year ended 31st March, 2020 are as follows:

Name of the Managing Director	Salary	Allowance	Incentive*	Perquisites & Contributions	Total
Ashok Jawarilal Galada	Nil	Nil	Nil	Nil	Nil

Details of remuneration and sitting fees paid to the other directors:

Name of the Director	Sitting fees	Commission on profits	Salary & Allowances	Contribution	Perquisites	Total
Ponniah Bhaskaran	8,000	N.A	N.A	N.A	N.A	8,000/-
Subramnaiaiyer Venkatakrishnan	4,000	N.A	N.A	N.A	N.A	4,000/-
Kunjithapatham Ramu	8,000	N.A	N.A	N.A	N.A	8,000/-
Naveen Ashok Galada	Nil	Nil	Nil	Nil	Nil	Nil
Indira Srinivasan Royakottam	5,000	N.A	N.A	N.A	N.A	5,000/-

STAKEHOLDERS RELATIONSHIP COMMITTEE
Terms of Reference

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.

Composition & Meetings

As at 31st March, 2020, the committee comprised of the following members:

Name of member	Status in Committee	Nature of Directorship
Indira Srinivasan Royakottam	Chairman	Independent and Non-Executive
Ashok Jawarilal Galada	Member	Promoter and Executive Director
Naveen Ashok Galada	Member	Promoter and Non-Executive Director

There was no meeting of the committee held during 2019-20

The company has not received any grievances/complaints from the investors during the financial year 2019-2020.

RISK MANAGEMENT COMMITTEE

Terms of Reference

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.

Besides, the committee makes recommendations to the board, to the extent necessary on resources and staffing required for effective risk management and the action taken to manage the exposures and carry out any other function as may be necessary to ensure that an effective risk management system is in place.

Composition & Meetings

The committee comprises three non-executive directors independent directors. As at 31 March, 2020, the committee comprised of the following members:

Name of members	Status in Committee	Nature of Directorship
Ponniah Bhaskaran	Chairman	Independent and Non-executive Director
Indira Srinivasan Royakottam	Member	
Kunjithapatham Ramu	Member	

During the year, the committee held 1 (one) meeting 04.02.2020

ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

Name of the directors	Board	Audit Committee	Stakeholders Relationship Committee	Nomination & Remuneration Committee	Risk management committee	Attendance at last AGM
Ponniah Bhaskaran	4	4		1	1	Yes
Subramnaiyer Venkatakrishnan	2	2	N.A	1		Yes
Kunjithapatham Ramu	4	4		1	1	Yes
Ashok Jawarilal Galada	4	NA	N.A			Yes
Naveen Ashok Galada	4	NA	N.A			Yes
Indira Srinivasan Royakottam	4	2	N.A	N.A	1	Yes

Note: The above reflects the attendance of directors at the meetings held during their term as a director / committee member.

GENERAL BODY MEETINGS

Particulars of venue, date and time of the previous three annual general meetings are given below:

Year	Date and time	Venue
2016-17	23.09.2017 at 04.00 p.m.	At the registered office of the Company
2017-18	29.09.2018 at 04.00 p.m.	At the registered office of the Company
2018-19	28.09.2019 at 04.00 p.m	At the registered office of the Company

DETAILS OF SPECIAL RESOLUTIONS PASSED

Particulars of special resolutions passed in the previous three annual general meetings are given below:

F.Y / Date of AGM	Details
2016-17/23.09.2017	Nil
2017-18/29.09.2018	Nil
2018-19/28.09.2019	4

Extra-ordinary general Meeting

No extra-ordinary general meeting was held during the financial year ended 31st March 2020.

POSTAL BALLOT

No Postal Ballot was conduction during the financial year ended 31st March 2020

COMPLIANCE REPORT

A detailed compliance report is placed before the board every quarter and highlights of the report is circulated to the board along with the agenda every quarter. The board reviews the compliance of all applicable laws every quarter and gives appropriate directions, wherever necessary.

SECRETARIAL AUDIT

The company conducts a secretarial audit by an independent practicing company secretary. For the year ended 31st March, 2020 ASJ & Associates, Company Secretary in Practice (Membership No. FCS 41678/CP 15508) have conducted the Secretarial Audit of the Company and the certificate was placed before the board and attached to this report.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India, quarterly audit of the company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The certificate issued by an independent practicing company secretary is submitted to the stock exchanges and is also placed before the board of directors.

CODE OF CONDUCT

The board has laid down a "Code of Conduct" for all the board members and the senior management of the company and the code of conduct have been posted on the website of the company. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct. A declaration to this effect signed by Mr. Ashok Jawarilal Galada, Managing director is attached to this report.

PREVENTION OF INSIDER TRADING CODE

The board has adopted a code for the prevention of insider trading in the shares of the company.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The auditors' certificate on compliance of corporate governance norms is annexed to the report.

CEO/CFO CERTIFICATION

Mr. Ashok Jawarilal Galada, Managing director & Mrs. K.R. Manimeghala, Chief Financial Officer have given a certificate to the board with regard to financial statements, compliance and internal control systems as contemplated under Regulations 17(8) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURES

Related party transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material transactions with related parties i.e., transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of company at large.

Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in note on accounts in the annual report.

There were no instances of non-compliance on any matter related to capital markets during the last three years.

Whistle blower mechanism

The company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of directors /employees / customers who avail of the mechanism and also for appointment of an ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the chairperson of the audit committee. We further affirm that during the year, no personnel have been denied access to the audit committee.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The company has complied with all mandatory requirements of corporate governance norms as enumerated in SEBI (LODR), 2015

The company has also adopted the following non-mandatory requirements:

There are no audit qualifications in the company's financial statements or qualification or adverse remark by the company secretary in practice in his secretarial audit report for the Financial Year ended 31st March, 2020.

MEANS OF COMMUNICATION

The audited financial results, quarterly results and other major announcements like notices of board meetings, book closures were published in Trinity Mirror issue in English and MakkalKural issue in vernacular language and are also available on the company's website www.galadafinance.in

MANAGEMENT DISCUSSION & ANALYSIS

A management discussion & analysis forms part of the annual report.

GENERAL SHAREHOLDER INFORMATION***REGISTERED OFFICE***

Galada Finance Limited

"Shanti Sadan", Old No.4, New No.7

Shaffee Mohamed Road,

Thousand Lights, Chennai 600 006

Phone : 28294830, 43099009, 28294831 Fax: 28294830

ANNUAL GENERAL MEETING

Date: 26th September 2020

Time: 04.00 p.m.

The 34th Annual General Meeting of the Company will be held on Saturday, September 26, 2020 at 04:00 P.M. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") pursuant to the MCA circulars. The Ministry of Corporate Affairs vide its circular dated April 8, 2020, April 13, 2020 and May 5, 2020 has provided an option to Companies to conduct Annual General Meeting for the Calendar Year 2020 through "VC or OAVM" and send financial statements (including board's report, auditors report and other documents to be attached therewith) through email only. Accordingly, the Annual report of the Company for the year 2019-20 along with Notice of AGM are being sent only by email to the members, and all other persons/entities entitled to receive the same and that the 34th Annual General Meeting will be convened through VC or OAVM.

FINANCIAL YEAR

1 April to 31 March

DATES OF BOOK CLOSURE

20th September 2020 to 26th September 2020 (Both days inclusive)

LISTING ON STOCK EXCHANGES

Equity shares:

The Bombay Stock Exchange Limited, Mumbai

The Shares of the Company are Listed in BSE, The Bombay Stock Exchange Limited, Mumbai.

SHARE PRICE DATA

Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year

	Bombay Stock Exchange (BSE)		
Month	High Price (Rs.)	Low Price (Rs.)	Volume(No. of Shares)
Apr-19	10.49	10.49	
May-19	11.00	10.49	
June-19	11.00	11.00	
July-19	11.00	10.45	
Aug-19	10.45	10.45	
Sep-19	10.45	10.45	
Oct-19	10.45	10.45	
Nov-19	10.45	10.45	
Dec-19	10.45	9.93	
Jan-20	9.93	9.93	
Feb-20	9.93	9.93	
Mar-20	9.93	9.93	

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

“Cameo Corporate Services Limited”, Subramanian Buildings, No.1, Club House Road, Chennai 600 002, Phone No.044-28460390-94, Fax No.28460129 is the Registrar and Share Transfer Agent (RTA) for handling the physical and electronic registry work. The shareholders are requested to address their share related requests / queries to the RTA. Email ID for all investor queries & grievances -investor@cameoindia.com& for non-receipt of annual reports -: agm@cameoindia.com

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity shares of the Company are made available for dematerialization under depository system operated by the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The Shares of your Company are under compulsory DEMAT settlement mode and can be traded only in the DEMAT form. Shares dematerialized up to March 31, 2020 are under

SI No.	Particulars of Capital Structure	No. of shares	% of Total issued capital
1.	Listed Capital(Exchange wise) as per Company's Record	30,00,000	100.00%
2,	Held in dematerialized Form in CDSL	14,30,674	47.69%
3.	Held in dematerialized Form in NSDL	10,12,576	33.75%
4.	Physical	5,56,750	18.86%

SHARE TRANSFER SYSTEM

The shares of the Company are traded on the Stock Exchanges through the Depository System. The DEMAT ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is **INE243E01010**

All requests received by the Company/ RTA for dematerialization/ re-materialization, transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address are disposed off expeditiously.

Green initiative in corporate governance

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. To support the green initiative and to receive all documents, notices, including annual reports and other communications of the company, investors who have not registered their email address are requested to register the e-mail ID with the Depository Participant, if the holding is in electronic mode. If shares are held in physical mode, the shareholders may give a positive consent in writing to RTA for receiving by electronic mode.

Details of complaints received and redressed

During the year, no investor service complaints were received.

Designated email address for investors services

In terms of Listing Regulations, the designated email address for investor complaints is isinfo@galadafinance.in

Payment of unclaimed / unpaid dividend

Members who have not yet encashed their dividend warrants for previous years are advised to forward such warrants to the Company for revalidation. Dividend, which remains unclaimed for a period of Seven Years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

The Following table gives information relating to outstanding dividend accounts and the dates by which they can be claimed by the Shareholders.

Financial Year	Date of declaration	Proposed date for transfer to IEPF *
2012-2013	27th July 2013	27th July 2020

*indicative dates. Actual dates may vary.

Distribution of Shareholding as on 31 March, 2020

Share holding of		Shareholders	Share Amount	Nominal value of	
Rs.	Rs.	Number	% to total	(in Rs.)	% to total
(1)		(2)	(3)	(4)	(5)
Up to	5,000	368	64.0000	9,37,450	3.1248
	5,001 - 10,000	103	17.9130	8,82,920	2.9430
	10,001 - 20,000	30	5.2173	4,60,420	1.5347
	20,001 - 30,000	20	3.4782	5,12,330	1.7077
	30,001 - 40,000	7	1.2173	2,49,500	0.8316
	40,001 - 50,000	4	0.6956	1,94,660	0.6489
	50,001 - 1,00,000	9	1.5652	6,47,960	2.1532
	1,00,001 AND ABOVE	34	5.9130	2,61,14,760	87.049
TOTAL		575	100.0000	3,00,00,000	100.0000

SHAREHOLDING PATTERN

Category	No. of Shares	Percentage of share-holding
A. PROMOTER'S HOLDING		
1. Promoters*		
- Indian promoters – Individual/HUF	817,469	27.25%
- Indian promoters – Bodies Corporate	563,735	18.79%
- Foreign promoters	Nil	Nil
2. Persons acting in concert#	Nil	Nil
Sub-total	13,81,204	46.04%
B. NON-PROMOTERS HOLDING		
3. Institutional Investors		
a. Mutual Funds	Nil	Nil
b. Banks, Financial Institutions, Insurance companies (Central/ State Government Institutions/ Non-Government Institutions	Nil	Nil
c. Foreign Institutional Investors	Nil	Nil
4. Others	Nil	Nil
a. Private Corporate Bodies	3,30,150	11.01%
b. Indian Public	12,70,422	42.33%
c. NRIs/OCBsNil	Nil	Nil
d. Any other NRI	5,601	0.19%
Hindu Undivided Families	12,623	0.42%
Sub total	16,18,796	53.96%
GRAND TOTAL	30,00,000	100.00%

OUTSTANDING GDRs/ADRs ETC.

The company has not issued any GDR / ADR or any convertible instruments that is likely to impact the equity share capital of the company.

LOCATION

The operations of the company at locations outside the Chennai jurisdiction are initiated thru Resident Local Representatives, while accounting and other administrative operations are centralized and controlled at the Registered / Corporate Office at Chennai.

ADDRESS FOR COMMUNICATION**Registrars and Share Transfer Agents**

M/s. Cameo Corporate Services Ltd.

'Subramanian Building', No.1

Club House Road, Chennai - 600 002

Phone : 28460390; Fax : 28460129; Grams : Cameo;

E-mail : cameo@cameoindia.com; Website : www.cameoindia.com

Registered and Corporate Office of the Company

Galada Finance Limited

"Shanti Sadan", Old No.4, New No.7

Shaffee Mohamed Road,

Thousand Lights, Chennai 600 006

Phone : 28294830, 43099009, 28294831 Fax: 28294830

In terms of Listing Regulations of Stock Exchanges, investors may please use info@galadafinance.in as E-mail ID for redressal of investor request/complaint.

For and on behalf of the Board of Directors

Ponniah Bhaskaran

Chairman

DIN: 00126136

Date: 08.08.2020

Place: Chennai

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 2020, 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 2019-20 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 2019-20;
- b) there have been no significant changes in accounting policies during the year 2019-2020; 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.

(ASHOK JAWARILAL GALADA)
Managing Director

(K R MANIMEGHALA)
Chief Financial Officer

Place : Chennai
Date : 08.08.2020

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 Discussion and the Analysis Report which is only an illustrative list and not to be construed as an exhaustive one.

INTERNAL RISK FACTORS:

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

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

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

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

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

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

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

The Company believes that human resource is most important element for success of any organization. The company takes every step to promote feeling of belongingness

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

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

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

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

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

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

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

EXTERNAL RISK FACTORS:

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

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

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

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

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

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

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

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

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

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

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

6. Factors affecting Indian economy in general

Like any other entity, our financial results are also affected by the macro economic factors determining the growth of the Indian economy in general and continued growth of the securities market. The Growth of our business and ability to maintain the growth is influenced by the growth rate of the securities market indicators. Any slowdown in Indian economy or slowdown in securities market or any changes in government regulation could have an impact on our financial performance.

Risk Relating to our Industry:

- Risk of Bad Debts (Non-Performing Assets)

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

- Interest Rates

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

- Risk of Competition

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

- Global Economic Uncertainties

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

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 :08.08.2020

Ashok Jawarilal Galada
Managing Director cum CEO

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF GALADA FINANCE LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **M/s Galada Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive loss), 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, 2020, the profit and total comprehensive loss, 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 is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Standalone Financial Statements

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

The standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements

represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive loss, 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.

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

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

h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its standalone financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For DIYALI B AND ASSOCIATES

Chartered Accountants
Firm RegnNo : 017740S

DIYALI B

Proprietrix
Membership No : 242354
Place : Chennai
Date : 25th July 2020
UDIN : 20242354AAAAAI1564

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, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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 DIYALI B AND ASSOCIATES

Chartered Accountants
Firm RegnNo : 017740S

DIYALI B

Proprietrix
Membership No : 242354
Place : Chennai
Date : 25th July 2020

UDIN :20242354AAAAAI1564

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

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

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

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

8. The Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, governments or dues to debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the Provision of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The company is required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 and the company had already obtained the required registration from RBI.

For DIYALI B AND ASSOCIATES

Chartered Accountants

Firm Regn No : 017740S

DIYALI B

Proprietrix

Membership No : 242354

Place : Chennai

Date : 25th July 2020

UDIN :20242354AAAAI1564

GALADA FINANCE LIMITED					
Balance Sheet as at 31st March, 2020					
Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
				INR	INR
1	ASSETS				
	Financial Assets				
	Cash & cash equivalents	3	909,251	1,529,563	823,101
	Bank balances other than cash & cash equivalents		-	-	-
	Receivables	4			
	(i) Trade receivables		-	-	-
	(ii) Other receivables		-	-	-
	Loans	5	60,614,918	53,503,473	55,803,388
	Investments	6	1,856,770	12,520,216	15,166,416
	Other financial assets	7	6,276,105	5,968,236	5,415,693
	Total Financial Assets		69,657,044	73,521,488	77,208,598
2	Non-Financial assets				
	Current tax assets (net)	8	1,038,939	870,939	871,279
	Deferred tax assets (net)	8	2,109,610	2,662,804	2,202,621
	Propety, plant and equipment	9	2,800,463	3,673,012	4,969,170
	Other non-financial assets		-	-	-
	Total Non-Financial assets		5,949,012	7,206,755	8,043,070
	TOTAL ASSETS		75,606,056	80,728,243	85,251,668
3	LIABILITIES AND EQUITY				
	Liabilities				
	Financial liabilities				
	Payables	10			
	(i) Trade payables				
	- Total outstanding dues of micro enterprises and small enterprises		-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
	(ii) Other payables				
	- Total outstanding dues of micro enterprises and small enterprises		-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		288,233	293,732	312,980
	Debt securities		-	-	-
	Borrowings (Other than debt securities)	11	23,138,398	24,063,133	23,791,823
	Deposits	12	2,480,000	2,480,000	3,594,000
	Other financial liabilities	13	688,254	399,729	478,761
		Total Financial liabilities		26,594,885	27,236,594
4	Non-financial liabilities				
	Current tax liabilities (net)		-	-	-
	Provisions		-	-	-
	Other non-financial liabilities		-	-	-
	Total non-current liabilities		-	-	-
5	Equity				
	Equity share capital	14	30,000,000	30,000,000	30,000,000
	Other equity	15	19,011,171	23,491,649	27,074,104
	Total current liabilities		49,011,171	53,491,649	57,074,104
	TOTAL EQUITY AND LIABILITIES		75,606,056	80,728,243	85,251,668
	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 DIYALI B AND ASSOCIATES		For and on behalf of the Board of Directors of M/s. Galada Finance Limited			
Chartered Accountants					
Firm Regn No. 0177405					
		J. Ashok Galada	Naveen Galada		
		Managing Director	Director		
		DIN : 00042295	DIN : 00043054		
Diyali B					
Proprietrix					
Membership No. 242354					
Place : Chennai		Deepika	K.R Manimeghala		
Date : 25/07/2020		Company Secretary	Chief Financial Officer		
UDIN : 20242354AAAAA1564					

GALADA FINANCE LIMITED				
Statement of Profit and Loss for the year ended 31st March, 2020				
Particulars		Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
			INR	INR
I	Income			
	Revenue from operation	16	9,442,197	12,355,520
	Other income	17	398,882	365,684
	Total income		9,841,079	12,721,204
II	Expenses			
	Finance cost	18	4,047,907	4,401,259
	Impairment Loss Allowance		243,750	502,000
	Employee benefit expenses	19	1,417,673	2,625,874
	Depreciation and amortisation	9	937,391	1,323,430
	Other expenses	20	2,787,930	3,595,721
	Loss on sale of shares		7,149,085	1,971,924
	Total expenses		16,583,736	14,420,208
III	Profit / (Loss) before exceptional items and tax (3 - 4)		(6,742,657)	(1,699,004)
IV	Exceptional items		-	-
V	Profit before tax (III-IV)		(6,742,657)	(1,699,004)
VI	Tax expense:			
	- Current tax		182,000	351,000
	- Deferred tax	8	(23,500)	(76,800)
			158,500	274,200
VII	Profit / (Loss) for the year (V - VI)		(6,901,157)	(1,973,204)
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		2,997,373	(1,992,634)
	Income tax effect on above		(576,694)	383,383
IX	Total Comprehensive Income (VII+VIII)		(4,480,478)	(3,582,455)
	Earnings per share			
	- Basic & Diluted		(2.30)	(0.66)
	Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements				
In terms of our report attached.				
For DIYALI B AND ASSOCIATES		For and on behalf of the Board of Directors of M/s. Galada Finance Limited		
Chartered Accountants				
Firm Regn No. 017740S				
Diyali B		J. Ashok Galada	Naveen Galada	
Proprietrix		Managing Director	Director	
Membership No. 242354		DIN : 00042295	DIN : 00043054	
Place : Chennai		Deepika	K.R Manimeghala	
Date : 25/07/2020		Company Secretary	Chief Financial Officer	
UDIN : 20242354AAAAAI1564				

Galada Finance Limited				
Statement of Cash Flows for the year ended 31st March, 2020				
Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	INR	INR	INR	INR
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(6,742,657)		(1,699,004)
<i>Adjustments for:</i>				
Depreciation and amortisation	937,391		1,323,430	
(Profit)/Loss on sale of Assets	(163,309)		78	
Interest income	(76,420)		(106,285)	
Dividend income	(132,539)		(220,440)	
Impairment Loss Allowance	243,750		502,000	
Net (gain)/loss on sale of investments	7,149,085		1,971,924	
		7,957,958		3,470,707
Operating profit / (loss) before working capital changes		1,215,301		1,771,703
<u>Movement in working capital:</u>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Other receivables	(7,355,195)		1,797,915	
Other Financial Assets	(307,869)		(552,543)	
Other Liabilities	(5,499)		(19,248)	
Other Financial Liabilities	288,525		(79,032)	
Cash flow from extraordinary items		(7,380,038)		1,147,092
Cash generated from operations		(6,164,737)		2,918,795
Net income tax (paid) / refunds		(350,000)		(350,660)
Net cash flow from operating activities (A)		(6,514,737)		2,568,135
<u>B. Cash flow from investing activities</u>				
Payment for Property, plant and equipments (Net)	(141,533)		(32,850)	
Proceeds from disposal of property, plant and equipments	240,000		5,500	
Purchase of investments	6,511,734		-	
Proceeds from sale of investments			(1,318,358)	
Interest received	76,420		106,285	
Dividend received	132,539		220,440	
Net cash flow used in investing activities (B)		6,819,160		(1,018,983)
<u>C. Cash flow from financing activities</u>				
Proceeds from borrowings	-		-	
Repayment of borrowings	(924,735)		(842,690)	
Dividends & Tax paid	-		-	
Net cash flow used in financing activities (C)		(924,735)		(842,690)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(620,312)		706,462
Cash and cash equivalents at the beginning of the year		1,529,563		823,101
Cash and cash equivalents at the end of the year		909,251		1,529,563
<u>Components of Cash and Cash Equivalents</u>				
(a) Cash on hand		597,881		713,151
(b) Cheques, drafts on hand		277,875		794,678
(c) Balances with banks				
(i) In current accounts		33,495		21,734
		909,251		1,529,563
See accompanying notes forming part of the financial statements				
In terms of our report attached.				
For DIYALI B AND ASSOCIATES		For and on behalf of the Board of Directors		
Chartered Accountants				
Firm Regn No. 017740S				
 Diyali B		 J. Ashok Galada		
Proprietrix		Managing Director		
Membership No. 242354		DIN : 00042295		
		Naveen Galada		
		Director		
		DIN : 00043054		
 Place : Chennai		 Deepika		
Date : 25/07/2020		Company Secretary		
UDIN : 20242354AAAAI1564		K.R Manimeghala		
		Chief Financial Officer		

GALADA FINANCE LIMITED				
Statement of Changes in Equity				
Statement of Changes in Equity as at 31st March, 2020				
Note (a) : Equity Share Capital				
Particulars	As at			
	31st March 2020	31st March 2019	01st April 2018	
Balance at the beginning of the reporting period	30,000,000	30,000,000	30,000,000	
Changes in equity share capital during the year	-	-	-	
Balance at the end of the reporting period	30,000,000	30,000,000	30,000,000	
Note (b) : Other Equity				
Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Statutory Reserve (As per Sec 45-IC of the RBI Act,1934)	Retained earnings	Equity Instruments through OCI	
Balance at 01st April, 2018	8,764,000	23,452,505	(5,142,401)	27,074,104
Profit for the year	-	(1,973,204)	-	(1,973,204)
Other comprehensive income for the year net of income tax	-	-	(1,609,251)	(1,609,251)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(1,973,204)	(1,609,251)	(3,582,455)
Cash dividends	-	-	-	-
Dividend Distribution Tax (DDT)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2019	8,764,000	21,479,301	(6,751,652)	23,491,649
Balance at the beginning of the reporting period	8,764,000	21,479,301	(6,751,652)	23,491,649
Profit for the year	-	(6,901,157)	-	(6,901,157)
Other comprehensive income for the year net of income tax	-	-	2,420,679	2,420,679
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(6,901,157)	2,420,679	(4,480,478)
Cash dividends	-	-	-	-
Dividend Distribution Tax (DDT)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2020	8,764,000	14,578,144	(4,330,973)	19,011,171
In terms of our report attached.				
For DIYALI B AND ASSOCIATES		For and on behalf of the Board of Directors of M/s. Galada Finance Limited		
Chartered Accountants				
Firm Regn No. 017740S				
Diyali B		J. Ashok Galada	Naveen Galada	
Proprietrix		Managing Director	Wholetime Director	
Membership No. 242354		DIN : 00042295	DIN : 00043054	
Place : Chennai		Deepika	K.R Manimeghala	
Date : 25/07/2020		Company Secretary	Chief Financial Officer	
UDIN : 20242354AAAAAI1564				

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
1	<p><u>Corporate information</u></p> <p>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.</p> <p>The Registered office of the company is situated at Shanti Sadan, Old No. 4, New No.7, Shaffee Mohammed Road, Thousand Lights, Chennai 600006.</p> <p>These financial statements were approved for issues in the meeting of the Board of Directors held on 25-07-2020.</p>
2	<p><u>Basis of preparation of financial statements</u></p>
2.1	<p><u>Basis of preparation and compliance with Ind AS</u></p> <p>The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2019 and the effective date of such transition is April 01, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') (Collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2018. The corresponding figures presented in these results have been prepared on the basis of the previously published unaudited/audited results under previous GAAP for the relevant periods, duly re-stated to Ind AS.</p>
2.2	<p><u>Basis of measurement</u></p> <p>The financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for financial assets, financial liabilities and defined benefit plans which have been measured at fair value, as required by relevant Ind AS.</p>
2.3	<p><u>Current and non-current classification</u></p> <p>The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.</p> <p>An asset is classified as current if it satisfies any of the following criteria:</p> <ol style="list-style-type: none"> It is expected to be realised or intended to be sold in the Company's normal operating cycle. It is held primarily for the purpose of trading, It is expected to be realised within twelve months after the reporting period, or It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. <p>All other assets are classified as non-current.</p> <p>A liability is classified as current if it satisfies any of the following criteria:</p> <ol style="list-style-type: none"> it is expected to be settled in the Company's normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. <p>The Company classifies all other liabilities as noncurrent.</p> <p>Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.</p>
2.4	<p><u>Use of estimates and assumptions</u></p> <p>In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and</p>

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
	<p>liabilities.</p> <p>Effective Interest Rate (EIR) Method</p> <p>The Company recognizes interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.</p> <p>Impairment of Financial Assets</p> <p>The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk. The Company's Expected Credit Loss calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:</p> <ul style="list-style-type: none"> - The Company's criteria for assessing if there has been a significant increase in credit risk - The segmentation of financial assets when their ECL is assessed on a collective basis - Development of ECL model, including the various formulae and the choice of inputs - Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model. It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary. <p>Provisions and other contingent liabilities</p> <p>The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.</p>
2.5	<p>First time adoption of Ind AS :</p> <p>The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2019, with a transition date of 1st April, 2018. These financial statements for the year ended 31st March, 2020 are the first financial statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP").</p> <p>The Company has prepared opening Balance Sheet as per Ind AS as of 01st April, 2018 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from Previous GAAP to Ind AS as required and applying Ind AS to measure the recognised assets and liabilities. The optional exemption and mandatory exceptions availed by the Company under Ind AS 101 are as follows :</p> <p>(A) Deemed cost for property, plant and equipment and intangible assets -</p> <p>The Company has elected to measure property, plant and equipment, and intangible assets at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.</p> <p>(B) Mandatory Exceptions</p> <p>Use of Estimates</p> <p>On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessary to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that are required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.</p>
2.6	<p>Property, plant and equipment</p> <p>Property, plant and equipments are stated at historical cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs , if any , in bringing the assets to its working condition for its intended use.</p> <p>Transition to Ind AS</p> <p>On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.</p> <p>Depreciation</p> <p>(i) Depreciation on Property, plant and equipment is provided for on Written down value method in the manner prescribed in Part C of Schedule II of the Companies Act, 2013 and reckoning the maximum residual value @ 5% of the original cost of the asset.</p> <p>(ii) In respect of addition of assets during the year, depreciation has been provided on Pro-rata basis.</p>
2.7	<p>Revenue recognition</p>

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
	<p>a) Recognition of interest income on loans</p> <p>Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset. If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis. Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.</p> <p>b) Dividend and interest income on investments:</p> <ul style="list-style-type: none"> - Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. - Interest income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
2.8	<p>Employee benefits</p> <p>(i) Short-term employee benefits</p> <p>Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.</p> <p>(ii) Post Employment benefits</p> <p>(a) Defined contribution plans</p> <p>A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Contributions paid/payable for Provident Fund of eligible employees is recognized in the statement of Profit and Loss each year.</p> <p>(b) Defined benefit plans</p> <p>A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.</p> <p>Post employment benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services.</p>
2.9	<p>Financial instruments</p> <p>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.</p> <p>(A) Financial Assets</p> <p>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.</p> <p>The financial assets are classified in the following measurement categories:</p> <ul style="list-style-type: none"> 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. <p>For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss as incurred. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.</p> <p>(i) Amortised Cost</p> <p>The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:</p> <ul style="list-style-type: none"> a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

GALADA FINANCE LIMITED Notes to the financial statements	
Note	Particulars
	<p>b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.</p> <p>Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.</p> <p>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.</p> <p>(ii) Fair value through other comprehensive income</p> <p>Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, and interest revenue which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.</p> <p>(iii) Financial assets at fair value through profit or loss</p> <p>The Company classifies the following financial assets at fair value through profit or loss:</p> <ul style="list-style-type: none"> 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. <p>Derecognition of financial assets</p> <p>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.</p> <p>(B) Financial Liabilities</p> <p>The Company determines the classification of its financial liabilities at initial recognition.</p> <p>Classification</p> <p>The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.</p> <p>Initial recognition and measurement</p> <p>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.</p> <p>Derecognition of financial liabilities</p> <p>A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.</p> <p>(C) Equity investments</p> <p>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.</p> <p>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.</p>
2.10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, cheques on hand and short-term deposits, as defined above.</p>
2.11	<p>Taxation</p> <p>A. Current Tax</p> <p>Current income tax is measured at the amount of tax expected to be payable on the taxable income for the year.</p> <p>B. Deferred Tax</p>

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

GALADA FINANCE LIMITED			
Notes to Financial statements			
Note 3 : Cash and cash equivalents			
Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Cash and cash equivalents			
Cash on hand	597,881	713,151	441,448
Cheques, drafts on hand	277,875	794,678	333,897
Balances with banks			
- In current accounts	33,495	21,734	47,756
Total	909,251	1,529,563	823,101
Note 4 : Receivables			
Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
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, 2020	As at 31st March, 2019	As at 01st April, 2018
At amortised cost			
(i) Loans	72,887,247	65,789,026	74,394,061
Less : Advance Interest	7,140,029	7,131,553	13,938,673
	65,747,218	58,657,473	60,455,388
Less : Impairment loss allowance	5,132,300	5,154,000	4,652,000
Total	60,614,918	53,503,473	55,803,388
Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
At amortised cost			
(i) Loans-Secured	69,824,387	62,750,316	70,111,641
(Against hypothecation of automobiles, equipments, durables, plant and machinery etc.)			
Less : Advance Interest	7,140,029	7,131,553	13,938,673
	62,684,358	55,618,763	56,172,968
Less : Impairment loss allowance	4,812,800	4,791,000	4,366,000
	57,871,558	50,827,763	51,806,968
(ii) Loans-Unsecured	3,062,860	3,038,710	4,282,420
Less : Impairment loss allowance	319,500	363,000	286,000
	2,743,360	2,675,710	3,996,420
Total	60,614,918	53,503,473	55,803,388

GALADA FINANCE LIMITED			
Notes to Financial statements			
Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Loans in India			
- Public sector	-	-	-
- Others	60,614,918	53,503,473	55,803,388
Total	60,614,918	53,503,473	55,803,388
Credit Quality of Asset			
The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.			
Particulars	Stage	As at 31st March, 2020	As at 31st March, 2019
Low Credit Risk	Stage 1	17,958,960	13,308,858
Significant increase in credit risk	Stage 2	35,605,590	31,976,772
Credit Impaired	Stage 3	12,182,668	13,371,843
Total		65,747,218	58,657,473

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

Particulars	Stage 1	Stage 2	Stage 3
Opening	13,308,858	31,976,772	13,371,843
Additions during the year	11,543,667	5,930,533	2,048,183
Stage 1	(1,672,975)	2,497,912	-
Stage 2	-	1,423,065	-
Stage 3	-	-	(437,758)
Reductions during the year	(5,220,590)	(6,222,692)	(2,799,600)
Closing	17,958,960	35,605,590	12,182,668

B. Analysis of changes in the gross carrying amount of Term Loan as at 31st March, 2019

Particulars	Stage 1	Stage 2	Stage 3
Opening	14,624,321	32,580,411	13,250,656
Additions during the year	8,510,124	9,961,352	2,631,334
Stage 1	(1,757,934)	(322,743)	(12,500)
Stage 2	(2,383,978)	(76,904)	(528,997)
Stage 3	-	(7,500)	(1,447,074)
Reductions during the year	(5,683,675)	(10,157,844)	(521,576)
Closing	13,308,858	31,976,772	13,371,843

GALADA FINANCE LIMITED							
Notes to Financial statements							
Note 6 : Investments							
Particulars	Face Value	Quantity (As at 31st March, 2020)	Quantity (As at 31st March, 2019)	Quantity (As at 31st March, 2018)	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018
Unquoted equity shares measured at fair value through OCI							
Bihar Alloys Steel Limited	10	200	200	200	200	200	200
Chennai Super Kings Cricket Limited		3,300	3,300	-	330	330	-
Gupta Carpet Limited	10	360	360	360	360	360	360
Kaypee Mantex Limited	10	100	100	100	100	100	100
Kochar Oil Mill Limited	10	100	100	100	100	100	100
S.N.S.Leasing Limited	10	100	100	100	100	100	100
Tungabadrabulp Board Limited	10	150	150	150	-	150	150
W.I.E..Engineering Limited	10	100	100	100	-	100	100
Zen Global Finance Limited	10	5,000	5,000	5,000	5,000	5,000	5,000
					6,190	6,440	6,110
Less : Fair value measurement through OCI					-	-	-
					6,190	6,440	6,110
Quoted equity shares measured at fair value through OCI							
Aditya Birla		-	300	-	-	29,160	-
Ashpura Minechem Limited	2	-	500	500	-	14,100	33,350
Astra Microwave Products Limited	2	-	500	500	-	49,400	38,350
Bajaj Electricals Limited		44	200	-	11,812	111,620	-
Ballarpur Industries Limited	2	4,000	4,000	4,000	1,240	12,200	49,600
Bank Of Maharashtra	10	-	2,000	2,000	-	27,500	27,200
BBTC Limited		-	50	-	-	65,120	-
BEL		-	500	-	-	46,500	-
Bharat Earth Movers Limited	10	100	1,000	700	45,165	1,012,550	730,870
Bharat Dynamics Limited		-	300	-	-	84,300	-
Bharat Forge Limited	2	-	150	-	-	76,740	-
Bharat Heavy Electric Limited	10	250	2,284	2,900	5,200	171,186	235,915
Bombay Dyeing Limited	2	-	500	-	-	67,475	-
Birla Tyres Limited		2,580	-	-	7,611	-	-
Coal India Limited	10	-	210	500	-	49,623	141,650
DBL		-	300	-	-	3	-
Diwan Housing Finance Corporation Limited		200	-	-	1,730	-	-
DLF Limited	2	-	1,500	2,000	-	303,675	402,500
Dredging Corporation of India Limited		-	300	-	-	127,785	-
Eicher Motors Limited		7	-	-	91,671	-	-
Fedders Lloyd Corp Limited	10	1,700	1,700	1,700	7,820	13,855	105,825
Gati Limited	2	-	3,000	2,000	-	261,150	175,200
Gujarat Flouro Chemicals		100	-	-	8,100	-	-
GNA Axles Limited		-	300	-	-	98,355	-
GNFC		-	1,000	-	-	305,950	-
GMR Infrastructure Limited	1	-	-	10,000	-	-	168,500
Greaves Cotton Limited	2	-	-	1,000	-	-	113,750
GVK Power Limited	1	-	19,000	14,000	-	146,300	197,400
HEG		-	50	-	-	104,675	-
Heidelberge		-	100	-	-	17,880	-
Hexaware Technologies Limited		-	200	-	-	68,910	-
Hindustan Copper Limited	5	500	3,000	3,000	10,650	146,850	188,700
IDFC Limited	10	1,000	1,000	1,000	14,850	46,550	48,750
IFCI Limited	10	93,914	98,500	98,000	380,352	1,359,300	1,915,900
India Cements Limited	10	-	500	500	-	54,150	70,875
India Bulls Real Estate Limited	2	-	500	-	-	46,100	-
India Nippon Ltd		100	-	-	18,965	-	-
Indian Oil Corp Ltd		500	-	-	40,825	-	-
IPCA Laboratories Limited	2	-	-	300	-	-	196,695
Jain Studio Limited	10	7,420	7,420	7,420	5,713	26,044	24,115
Jaiprakash Associates Limited	2	17,000	17,000	17,000	18,190	93,500	321,300
Jhagadia Copper Limited	10	1,000	1,000	1,000	1,330	1,000	1,330
Jindal Saw Limited	2	-	500	500	-	43,200	59,375
Karnataka Bank Limited	10	30	140	800	1,262	18,711	91,920
Kesoram Industries Limited	10	-	5,600	4,600	-	407,680	497,950
Kinetic Engineering Limited	10	258	2,258	2,258	3,173	86,820	155,689
Kridhan Infrastructure Limited		-	300	-	-	12,135	-
LIC Housing Finance Limited	2	-	1,300	1,000	-	685,880	534,400
Madras Fertilizes Limited	10	-	1,800	2,000	-	36,990	63,900
Marksans Pharma Limited	1	-	500	500	-	12,400	15,825
MBL Infra Structure Limited	10	5,100	5,100	5,100	13,770	66,555	98,940
Mercators Lines Limited	1	3,000	3,000	3,000	1,560	20,700	103,650
Monte Carlo Fashions Limited	10	-	150	200	-	54,435	93,800
MoserBaer Limited	10	5,250	5,250	5,250	5,513	6,300	18,375
MTNL Limited	10	-	1,000	1,000	-	12,000	18,750
Mukta Arts Limited	5	-	1,500	1,500	-	69,300	95,250

GALADA FINANCE LIMITED							
Notes to Financial statements							
Note 6 : Investments							
Particulars	Face Value	Quantity (As at 31st March, 2020)	Quantity (As at 31st March, 2019)	Quantity (As at 31st March, 2018)	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018
National Aluminium Corp Limited		1,000	-	-	29,100	-	-
NHPC Limited	10	-	1,000	1,000	-	24,700	27,700
NIP India Eft Liquid		56	-	-	56,024	-	-
Noesis (Media Video Limited)	10	600	600	600	540	30	30
Oil India Limited	10	-	2,000	2,600	-	370,900	562,510
ONGC Limited	5	725	1,425	2,325	49,518	227,644	413,385
Panacea Biotech Limited	1	-	900	1,600	-	178,245	427,440
Power Finance Corporation Limited	10	500	1,500	1,500	45,975	184,650	128,475
PTC India Financial Services Limited	10	3,500	4,500	4,500	27,650	71,550	108,225
Punj Lyods Limited	2	7,800	7,800	6,800	6,630	15,990	114,920
RCF		100	1,000	-	2,835	59,050	-
REC Limited		-	1,000	-	-	152,850	-
Reliance Ind Infra Limited	10	950	950	800	9,595	310,650	342,000
Reliance Power Limited	10	3,900	3,900	3,900	4,758	42,705	140,790
Ruchi Soya Limited		-	5,000	-	-	33,000	-
Steel Authority of India Limited		-	1,000	-	-	53,750	-
Savera Industries Limited	10	1,204	1,204	1,204	39,491	79,344	91,986
Shivam Autotech Limited	2	-	1,500	1,500	-	54,375	102,150
Shree Ram Urban Infra Limited	10	1,500	1,500	1,500	55,500	1,500	55,500
Siemens Limited	2	-	50	100	-	56,398	107,285
Southern Petrochem Ind Limited	10	-	8,600	5,600	-	218,440	187,600
Srikalahasthi Pipes Limited	10	-	200	200	-	45,720	64,390
Strides Shasun Limited	10	-	150	150	-	70,860	100,373
Suzlon Energy Limited	2	-	3,000	3,000	-	18,600	32,100
Swaraj Engines Limited	10	-	280	462	-	394,478	926,171
Tata Motors Limited	2	-	1,300	900	-	226,525	294,165
Tata Motors Limited - DVR-A-ORDY	2	-	300	300	-	25,665	54,990
Tata Steel Limited	10	1,000	3,200	3,000	269,600	1,666,720	1,713,150
Tele Data Info Limited		1,000	-	-	470	-	-
Teledata Marine Solutions Limited	2	500	500	500	145	145	145
Teledata Technology Solutions Limited	2	500	500	500	60	60	60
Tata Steel Limited (IPO)	10	-	-	240	-	-	137,052
Teledata Power System Limited	10	-	1,000	1,700	-	122,600	322,915
Teledata Info Limited	2	-	1,000	1,000	-	470	470
Uco Bank Limited	10	500	500	500	4,530	9,450	10,800
Unitech Limited	2	1,500	1,500	1,500	1,740	1,950	8,325
Vinto Organics		129	-	-	99,917	-	-
Voltamp Transformers Limited	10	-	-	200	-	-	213,280
Wockhardt Limited	5	50	-	200	-	22,150	36,325
Yes Bank Limited		375	50	50	-	-	-
Less : Fair value measurement through OCI					1,400,580	11,313,776	13,760,306
					1,400,580	11,313,776	13,760,306
Other Investments measured at fair value through OCI							
Investment in Government securities							
9.38% West Bengal SDL					-	-	200,000
8.26% Uttarpradesh SDL					-	100,000	100,000
8.47% Uttarpradesh SDL					-	300,000	300,000
8.32% Tamilnadu SDL					-	190,000	190,000
8.26% Govt. of India Bond					150,000	150,000	150,000
7.99% Maharashtra SDL					-	100,000	100,000
9.01% Jamu & Kashmir SDL					200,000	200,000	200,000
8.19% Govt. of India Bond					-	60,000	60,000
8.79% Maharashtra SDL					100,000	100,000	100,000
					450,000	1,200,000	1,400,000
Total Investments					1,856,770	12,520,216	15,166,416
Aggregate book value of quoted investments					1,850,580	12,513,776	15,160,306
Aggregate market value of quoted investments					1,850,580	12,513,776	15,160,306
Aggregate carrying value of unquoted investments					6,190	6,440	6,110

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

Particulars	As at 31st March 2020	As at 31st March 2019	As at 01st April 2018
Financial assets carried at fair value through profit or loss (FVTPL)	-	-	-
Financial assets measured at amortised cost	-	-	-
Financial assets measured at FVTOCI	1,856,770	12,520,216	15,166,416
Total Investments	1,856,770	12,520,216	15,166,416

GALADA FINANCE LIMITED
Notes to Financial statements

Note 7 : Other financial assets

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Security Deposits	421,517	421,517	421,517
Other Advances	5,854,588	5,546,719	4,994,176
Total	6,276,105	5,968,236	5,415,693

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

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Advance payment of Income Tax (net)	1,038,939	870,939	871,279
Total	1,038,939	870,939	871,279

(b) Deferred tax assets (net)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax	182,000	351,000
Deferred tax relating to origination & reversal of temporary differences	(23,500)	(76,800)
Deferred tax relating to Ind AS adjustments	-	-
Income tax expense reported in the statement of profit or loss	158,500	274,200
(b) Other comprehensive income section		
On Unrealised (gain)/loss on FVTOCI equity securities	(576,694)	383,383
On Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	(576,694)	383,383
(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	(6,742,657)	(1,699,004)
Statutory income tax rate	25.168%	26.00%
Tax at statutory income tax rate of 33.063% (A)	(1,696,992)	(441,741)
Tax effects of :		
Income not subject to tax	(74,459)	(57,314)
Inadmissible expenses or expenses treated separately	1,953,451	844,928
Admissible deductions	-	-
Deduction Under chapter VI	-	-
Income subjected to tax at special rates	-	5,127
Deferred tax on other items	(23,500)	(76,800)
Total tax effect (B)	1,855,492	715,941
Income tax expense reported in statement of Profit & loss (A+B)	158,500	274,200

GALADA FINANCE LIMITED Notes to Financial statements

(c) Deferred tax relates to the following:

Particulars	Balance sheet		
	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
<u>Deferred tax assets</u>			
Property, plant and equipment	442,100	418,600	341,800
<u>Deferred tax liability</u>			
Fair valuation of financial instruments	1,667,510	2,244,204	1,860,821
Total	2,109,610	2,662,804	2,202,621

Particulars	Recognised in Profit and Loss	
	As at 31st March, 2020	As at 31st March, 2019
Property, plant and equipment	23,500	76,800
Total	23,500	76,800

Particulars	Recognised in OCI	
	As at 31st March, 2020	As at 31st March, 2019
Fair valuation of financial instruments	(576,694)	383,383
Total	(576,694)	383,383

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the reporting period	2,662,804	2,202,621
Tax (income)/expense during the period recognised in Profit & Loss (DTA)	23,500	76,800
Tax income/(expense) during the period recognised in OCI (DTL)	(576,694)	383,383
Total	2,109,610	2,662,804

Galada Finance Limited Notes to Financial statements												
Note 9 : Property, plant and equipment												
Particular	Gross Block			Depreciation			Net Block			As at 31-03-2020	As at 31-03-2019	
	As at 01-04-2019	Additions	Deletions	Discarded	As at 31-03-2020	Upto 01-04-2019	For the Year	On deletion	On Discarded	As at 31-03-2020	As at 31-03-2019	
Freehold Land	467,390	-	-	-	467,390	-	-	-	-	467,390	467,390	
Plant & Machinery	122,827	29,600	-	-	152,427	40,901	30,295	-	-	71,196	81,231	81,926
Furniture & Fixture	697,748	-	-	-	697,748	1,645	1,000	-	-	2,645	695,103	696,103
Vehicles	2,859,146	47,653	141,892	-	2,764,907	1,070,400	738,991	65,201	-	1,744,190	1,020,717	1,788,746
Equipments	593,208	-	-	-	593,208	116,190	93,283	-	-	209,473	383,735	477,018
Office Equipments	255,310	64,280	-	-	319,590	93,481	73,822	-	-	167,303	152,287	161,829
Total	4,995,629	141,533	141,892	-	4,995,270	1,322,617	937,391	65,201	-	2,194,807	2,800,463	3,673,012

Particular	Gross Block			Depreciation			Net Block			As at 31-03-2019	As at 31-03-2018	
	As at 01-04-2018	Additions	Deletions	Discarded	As at 31-03-2019	Upto 01-04-2018	For the Year	On deletion	On Discarded	As at 31-03-2019	As at 31-03-2018	
Freehold Land	467,390	-	-	-	467,390	-	-	-	-	467,390	467,390	
Plant & Machinery	96,368	32,850	6,391	-	122,827	-	41,714	813	-	40,901	81,926	96,368
Furniture & Fixture	697,748	-	-	-	697,748	-	1,645	-	-	1,645	696,103	697,748
Vehicles	2,859,146	-	-	-	2,859,146	-	1,070,400	-	-	1,070,400	1,788,746	2,859,146
Equipments	593,208	-	-	-	593,208	-	116,190	-	-	116,190	477,018	593,208
Office Equipments	255,310	-	-	-	255,310	-	93,481	-	-	93,481	161,829	255,310
Total	4,969,170	32,850	6,391	-	4,995,629	-	1,323,430	813	-	1,322,617	3,673,012	4,969,170

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, 2020	As at 31st March, 2019	As at 01st April, 2018
(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	288,233	293,732	312,980
Total	288,233	293,732	312,980

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

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Note 11 : Borrowings (Other than debt securities)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Secured			
From Banks			
- From Indian Bank	21,712,258	16,465,252	16,923,710
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)			
From Non-Banking Finance Companies			
- From Volkswagen Finance Private Limited	1,099,775	1,793,133	2,424,769
(Secured against Audi Car)			
- From Sharekhan Financial Services Private Limited	-	1	1,044,558
(Secured by pledge of shares)			
- From Others	326,365	5,804,747	3,398,786
(Secured by pledge of shares)			
Total	23,138,398	24,063,133	23,791,823

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
(i) Borrowings in India	23,138,398	24,063,133	23,791,823
(ii) Borrowings outside India	-	-	-
Total	23,138,398	24,063,133	23,791,823

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

Particulars	Rate of Interest	0-1 Year	1-3 Years	3 - 5 Years	Total
Secured					
From Banks	14.05%				
(Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)		21,712,258	-	-	21,712,258
From Non-Banking Finance Companies					
- From Volkswagen Finance Private Limited	9.36%	761,112	338,663	-	1,099,775
(Secured against Audi Car)					
- From Others	12.75%	326,365	-	-	326,365
(Secured by pledge of shares)					
		22,799,735	338,663	-	23,138,398

Galada Finance Limited			
Notes to Financial statements			

Note 12 : Deposits

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
At Amortised Cost			
(i) From Public	-	-	-
(ii) From Others	-	-	-
(iii) From Others - Directors & Relatives	2,480,000	2,480,000	3,594,000
Total	2,480,000	2,480,000	3,594,000

Note 13 : Other financial liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
Book Overdrafts	-	-	-
Security deposits	-	-	-
Others	688,254	399,729	478,761
Total	688,254	399,729	478,761

Note 14 : Equity Share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 01st April, 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised						
Equity Shares of Rs 10/- each with voting rights	4,000,000	40,000,000	4,000,000	40,000,000	4,000,000	40,000,000
Issued						
Equity Shares of Rs 10/- each with voting rights						
Shares outstanding at beginning of the year	3,000,000	30,000,000	3,000,000	30,000,000	3,000,000	30,000,000
Shares outstanding at the end of the year	3,000,000	30,000,000	3,000,000	30,000,000	3,000,000	30,000,000
Subscribed and fully paid up						
Equity Shares of Rs 10/- each with voting rights						
Shares outstanding at beginning of the year	3,000,000	30,000,000	3,000,000	30,000,000	3,000,000	30,000,000
Shares outstanding at the end of the year	3,000,000	30,000,000	3,000,000	30,000,000	3,000,000	30,000,000
Total	3,000,000	30,000,000	3,000,000	30,000,000	3,000,000	30,000,000

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

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

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 01st April, 2018	
	Number of shares	%	Number of shares	%	Number of shares	%
Galada Trades Limited	199,135	6.64%	199,135	6.64%	199,135	6.64%
Galada Housing Limited	364,600	12.15%	364,600	12.15%	364,600	12.15%
Ashok Kumar Galada HUF	174,500	5.82%	174,500	5.82%	174,500	5.82%
Shanthi Devi Galada	195,750	6.53%	195,750	6.53%	195,750	6.53%
Prithvi Exchange (India) Limited	225,000	7.50%	225,000	7.50%	225,000	7.50%
Total	1,158,985	38.63%	1,158,985	38.63%	1,158,985	38.63%

GALADA FINANCE LIMITED				
Notes to Financial statements				
Note 15 : Other equity				
Particulars	Reserves & Surplus		Items of OCI	Total Equity
	Statutory Reserve (As per Sec 45-IC of the RBI Act, 1934)	Retained earnings	Equity Instruments through OCI	
Balance at 01st April, 2018	8,764,000	23,452,505	(5,142,401)	27,074,104
Profit for the year	-	(1,973,204)	-	(1,973,204)
Other comprehensive income for the year net of income tax	-	-	(1,609,251)	(1,609,251)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(1,973,204)	(1,609,251)	(3,582,455)
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2019	8,764,000	21,479,301	(6,751,652)	23,491,649
Balance at the beginning of the reporting period	8,764,000	21,479,301	(6,751,652)	23,491,649
Profit for the year	-	(6,901,157)	-	(6,901,157)
Other comprehensive income for the year net of income tax	-	-	2,420,679	2,420,679
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-
Total comprehensive income for the year	-	(6,901,157)	2,420,679	(4,480,478)
Cash dividends (Refer Note below)	-	-	-	-
Dividend Distribution Tax (DDT) (Refer Note below)	-	-	-	-
	-	-	-	-
Balance at 31st March, 2020	8,764,000	14,578,144	(4,330,973)	19,011,171
Distributions made and proposed				
Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018	
Cash dividends on equity shares declared and paid:				
Final dividend	-	-	-	
Dividend Distribution Tax on final dividend	-	-	-	
	-	-	-	
<u>Nature and purpose of Reserve</u>				
(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, 2020	Year ended 31st March, 2019
		INR	INR
	<u>Income from Financing operations</u>		
	Interest receipts	9,442,197	12,355,520
	Total	9,442,197	12,355,520
Note 17 : Other income			
	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
		INR	INR
(a)	Interest on Govt. securities	76,420	106,285
(b)	Dividend receipts	132,539	220,440
(c)	Profit on sale of assets	163,309	-
(d)	Profit From F & O	26,614	-
(e)	Miscellaneous income	-	38,959
	Total	398,882	365,684
Note 18 : Finance cost			
	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
		INR	INR
	<u>Interest Expenses</u>		
	- On loan from bank	2,988,433	2,123,939
	- On fixed deposits	359,889	419,229
	- Others	625,835	1,710,591
		3,974,157	4,253,759
	Loan processing fees/ Renewal Fees	73,750	147,500
	Total	4,047,907	4,401,259
Note 19 : Employee benefit expenses			
	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
		INR	INR
(a)	Salaries, wages, bonus and other benefits	1,327,863	1,538,624
(b)	Managerial remuneration	-	1,000,000
(c)	Staff welfare expenses	89,810	87,250
	Total	1,417,673	2,625,874

GALADA FINANCE LIMITED		
Notes to Financial statements		
Note 20 : Other expenses		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
	INR	INR
Advertisement expenses.	40,616	30,509
Auditor's remuneration (Refer note below)	100,000	100,000
Baddebt	26,451	342,991
Bank charges	26,757	26,111
Business promotion expenses	-	11,994
Brokerage & commission	19,750	14,250
Communication expenses	73,565	90,847
Custodial charges	-	47,200
Demat charges	9,961	1,864
Director's sitting fees	25,000	34,000
Electricity expenses	75,799	77,118
Insurance charges	119,625	109,454
Listing Fees	354,000	295,000
Loss on sale of assets	-	78
Miscellaneous expenses	349,336	588,747
Office expenses	228,680	70,479
Office Rent	240,000	400,000
Parking charges	7,602	9,000
Printing And Stationery	81,597	51,165
Professional Charges	440,195	710,311
Rates & taxes	4,500	4,500
Repairs & Maintenance	49,453	42,060
Securities Transaction Tax	46,006	69,343
Travelling & Conveyance	18,811	49,368
Vehicle Maintenance	450,226	419,332
Total	2,787,930	3,595,721
Notes 21 : Payments to Auditors, excluding taxes		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
	INR	INR
<u>Payments to the auditors</u>		
- For Statutory Audit	50,000	50,000
- For Tax Audit	12,500	12,500
- For Taxation Matters	12,500	12,500
- For Other Services	15,000	15,000
- Reimbursement of expenses	10,000	10,000
Total	100,000	100,000

GALADA FINANCE LIMITED Notes to Financial statements			
Note	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
		INR	INR
22	(i) Commitments and Contingent liabilities (to the extent not provided for)		
	Commitments Contingent liabilities - Claims against the Company not acknowledged as debt - Disputed Income tax demands appealed against, not provided for :	- -	- -
23	(ii) Contingent Assets The Company does not have any contingent assets.		
	Employee benefit plans a) Defined contribution plans: The contribution has not been made to statutory funds and hence no amount is recognised as expense for 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss. b) Defined benefit plans: The Company is not required to contribute to the group gratuity fund and hence actuarial valuation was not determined as at the year-end		
24	Related party transactions		
	Description of relationship	Names of related parties	
	Key Management Personnel (KMP)		
	a. Directors & Key Management Personnel :	Mr. J Ashok Galada, Managing Director Mr.Naveen Galada, Executive Director Mr.Justice P Bhaskaran, Director Mr.Venkata Krishnan, Director (expired on 13/11/2019) Mr.K Ramu, Director Mrs. R.S. Indira, Director Ms.Deepika, Company Secretary Mrs. K.R.Manimeghala, Chief Financial	
	b. Relatives of Directors & Key Management Personnel :	Mrs. Shanti Galada, Wife of Managing Director Mrs. B.Padmavathi , Wife of Director	
	Details of transactions with related parties :		
	Description	Name	Year ended 31st March, 2020
			Year ended 31st March, 2019
	Director Remuneration	J Ashok Galada	-
	Professional Fees	Deepika	119,000
	Professional Fees	Priyanka	85,000
	Salary, Bonus and Conveyance	K.R.Manimeghala	613,925
	Director Sitting Fees	Justice P Bhaskaran	8,000
	Director Sitting Fees	K Ramu	8,000
	Director Sitting Fees	Venkata Krishnan	4,000
	Director Sitting Fees	Indira Devi	5,000
	Fixed Deposits	Justice P Bhaskaran	-
	Fixed Deposits	K Ramu	-
	Interest on Fixed Deposits	Justice P Bhaskaran	37,740
	Interest on Fixed Deposits	K Ramu	322,149
		Shanti Devi Galada	240,000
			1,442,814
			5,034,779
25	Earnings per share		
	Basic & Diluted		
26	Net profit / (loss) for the year	(6,901,157)	(1,973,204)
	Weighted average number of equity shares	3,000,000	3,000,000
	Par value per share	10	10
	Earnings per share	(2.30)	(0.66)
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, 2020		As at 31st March, 2019	
		Current	Non-Current	Current	Non-Current
27	Maturity Analysis of Assets & Liabilities				
	ASSETS				
	FINANCIAL ASSETS				
	(a) Cash and cash equivalent	909,251	-	1,529,563	-
	(b) Bank balances other than CCE	-	-	-	-
	(c) Receivables	-	-	-	-
	(d) Loans	21,566,730	39,048,188	40,523,363	12,980,110
	(e) Investments	-	1,856,770	-	12,520,216
	(f) Other Financial Asstes	6,276,105	-	5,968,236	-
	Total Financial Assets	28,752,086	40,904,958	48,021,162	25,500,326
	NON-FINANCIAL ASSETS				
	(a) Current tax assets (net)	-	1,038,939	-	870,939
	(b) Deferred tax assets (net)	-	2,109,610	-	2,662,804
	(c) Propert, Plant & Equipment	-	2,800,463	-	3,673,012
	(d) Other non-financial assets	-	-	-	-
	Total Non-Financial assets	-	5,949,012	-	7,206,755
	TOTAL ASSETS	28,752,086	46,853,970	48,021,162	32,707,081
	LIABILITIES AND EQUITY				
	FINANCIAL LIABILITY				
	(a) Payables	288,233	-	293,732	-
	(b)Debt securities	-	-	-	-
	(c) Borrowings (Other than debt securities)	22,799,735	338,663	22,963,357	1,099,776
	(d) Deposits	2,480,000	-	-	2,480,000
	(e)Other financial liabilities	688,254	-	399,729	-
	Total Financial liabilities	26,256,222	338,663	23,656,818	3,579,776
	NON-FINANCIAL LIABILITY				
	(a) Current tax liabilities (net)	-	-	-	-
	(b) Provisions	-	-	-	-
	(c) Other non-financial liabilities	-	-	-	-
	Total non-current liabilities	-	-	-	-
	TOTAL LIABILITIES	26,256,222	338,663	23,656,818	3,579,776
	NET	2,495,864	46,515,307	24,364,344	29,127,305

GALADA FINANCE LIMITED
Notes to Financial statements

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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, 2020	As at 31st March, 2019
(a) Unquoted Equity Shares	FVOIC	Level 2	6,190	6,440
(b) Quoted Equity Shares	FVOIC	Level 1	1,400,580	11,313,776
(c) Quoted Government Bonds	FVOIC	Level 1	450,000	1,200,000
			1,856,770	12,520,216

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	As at 31st March, 2020		As at 31st March, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
ASSETS					
FINANCIAL ASSETS					
(a) Cash and cash equivalent	Level 1 Level 2	909,251	909,251	1,529,563	1,529,563
(b) Bank balances other than CCE		-	-	-	-
(c) Receivables		-	-	-	-
(d) Loans		60,614,918	60,614,918	53,503,473	53,503,473
(e) Investments - Quoted Shares		1,850,580	1,850,580	12,513,776	12,513,776
(f) Investments - Unquoted Shares		6,190	6,190	6,440	6,440
(g) Other Financial Assets		6,276,105	6,276,105	5,968,236	5,968,236
Total Financial Assets		69,657,044	69,657,044	73,521,488	73,521,488
FINANCIAL LIABILITY					
(a) Payables		288,233	288,233	293,732	293,732
(b) Debt securities		-	-	-	-
(c) Borrowings (Other than debt securities)		23,138,398	23,138,398	24,063,133	24,063,133
(d) Deposits		2,480,000	2,480,000	2,480,000	2,480,000
(e) Other financial liabilities		688,254	688,254	399,729	399,729
Total Financial liabilities		26,594,885	26,594,885	27,236,594	27,236,594

(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 <p>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.</p> <p>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.</p>																
30	Risk Management <p>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.</p> <p>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.</p> <p>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</p> <p>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.</p> <p>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..</p> <p>Exposure at default The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.</p> <p>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.</p> <p>Analysis of risk concentration</p> <table> <tr> <th>PARTICULARS</th><th>As at 31st March, 2020</th><th>As at 31st March, 2019</th></tr> <tr> <td>Carrying Value of Loan</td><td>65,747,218</td><td>58,657,473</td></tr> <tr> <td>- Secured Loan</td><td>62,684,358</td><td>55,618,763</td></tr> <tr> <td>- Unsecured Loan</td><td>3,062,860</td><td>3,038,710</td></tr> <tr> <td></td><td>65,747,218</td><td>58,657,473</td></tr> </table>		PARTICULARS	As at 31st March, 2020	As at 31st March, 2019	Carrying Value of Loan	65,747,218	58,657,473	- Secured Loan	62,684,358	55,618,763	- Unsecured Loan	3,062,860	3,038,710		65,747,218	58,657,473
PARTICULARS	As at 31st March, 2020	As at 31st March, 2019															
Carrying Value of Loan	65,747,218	58,657,473															
- Secured Loan	62,684,358	55,618,763															
- Unsecured Loan	3,062,860	3,038,710															
	65,747,218	58,657,473															

GALADA FINANCE LIMITED Notes to Financial statements					
Note	Particulars				
31	Collateral and other credit enhancements The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.				
	b) Liquidity risk and funding management Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. To limit this risk, management has arranged for diversified funding sources, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis.				
	Maturity profile of financial liabilities The table below summarises the maturity profile of the cash flows of the Company's financial liabilities as at 31st March.				
	31st MARCH 2020	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above
	Payables	288,233	-	-	-
	Debt securities	-	-	-	-
	Borrowings (Other than debt)	22,799,735	338,663	-	-
	Deposits	2,480,000	-	-	-
	Other financial liabilities	688,254	-	-	-
		26,256,222	338,663	-	-
	c) Market risk Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.				
	d) Operational risk Operational risk is the risk of loss arising from inadequate or failed internal process or proper systems. The operational risks of the Company are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment would assure effective implementation of selfcertification and internal financial controls adherence, thereby, reducing enterprise exposure.				
	Event after Reporting Date There has been no event after the reporting date. Necessary adjustments/disclosures were not required to be provided in the financial statements.				

GALADA FINANCE LIMITED						
Notes to Financial statements						
Note : 32 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms						
Asset Classification as per RBI Norms	Asset Classification as per Ind AS	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions as required under Ind AS 109)	Net Carrying Amount	Provisions required as per IRACP norms	Difference Between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)
Performing Assets						
- Standard	Stage 1	17,958,960	71,800	17,887,160	71,800	-
	Stage 2	35,605,590	142,400	35,463,190	142,400	-
Subtotal - Standard Assets		53,564,550	214,200	53,350,350	214,200	-
Non-Performing Assets (NPA)						
- Sub Standard	Stage 3	2,100,157	815,300	1,284,857	74,100	741,200
- Doubtful - upto 1 year	Stage 3	2,953,907	1,146,700	1,807,207	590,800	555,900
- 1 to 3 years	Stage 3	2,575,666	999,900	1,575,766	772,700	227,200
- More than 3 years	Stage 3	2,268,469	880,600	1,387,869	1,134,200	(253,600)
- Loss	Stage 3	2,284,469	1,075,600	1,208,869	2,284,500	(1,208,900)
Subtotal - NPA		12,182,668	4,918,100	7,264,568	4,856,300	61,800
Other items such as guarantees, Loan commitments, etc, which are in the scope of Ind AS 109, but not covered under the current income recognition, Asset classification and Provisioning (IRACP) norms		-	-	-	-	-
Subtotal						
	Stage 1	17,958,960	71,800	17,887,160	71,800	-
	Stage 2	35,605,590	142,400	35,463,190	142,400	-
	Stage 3	12,182,668	4,918,100	7,264,568	4,856,300	61,800
TOTAL	Total	65,747,218	5,132,300	60,614,918	5,070,500	61,800

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, 2020	As at 31st March, 2019
(i)	Net Impaired loss allowance to Net Loans (%)	11.98%	17.66%
(ii)	Movement of Credit impaired loans under Ind-AS (Gross)		
	(a) Opening Balance	13,371,843	13,250,656
	(b) Additions during the year	2,048,183	2,631,334
	(c) Reductions during the year	(3,237,358)	(2,510,147)
	(d) Closing Balance	12,182,668	13,371,843
(ii)	Movement of Net impaired loss		
	(a) Opening Balance	9,449,843	9,940,656
	(b) Additions during the year	(203,917)	1,321,334
	(c) Reductions during the year	(1,981,358)	(1,812,147)
	(d) Closing Balance	7,264,568	9,449,843
(iii)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	3,922,000	3,310,000
	(b) Additions during the year	2,252,100	1,310,000
	(c) Reductions during the year	(1,256,000)	(698,000)
	(d) Closing Balance	4,918,100	3,922,000
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, 2020	As at 31st March, 2019
(i)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	1,232,000	1,342,000
	(b) Additions during the year	78,900	499,000
	(c) Reductions during the year	(1,096,700)	(609,000)
	(d) Closing Balance	214,200	1,232,000

GALADA FINANCE LIMITED			
Notes to Financial statements			
NOTE	Particulars	As at 31st March,	As at 31st
33	Concentration of Loan, Exposures & Credit impaired loan		
	(a) Concentration of Loan		
	Total Advances to Twenty Largest Borrowers	43,021,044	39,203,468
	Percentage of advances to twenty largest borrowers to total advances	65.43%	66.83%
	(b) Concentration of Exposures		
	Total Exposure to Twenty Largest Borrowers	43,021,044	39,203,468
	Percentage of exposure to twenty largest borrowers to total advances	65.43%	66.83%
	(c) Concentration of Impaired Loans		
	Total Exposure of Top four credit impaired loans	4,696,629	5,994,035
	(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, 2020	As at 31st March, 2019
	1 Agriculture & allied activities	-	-
	2 MSME	-	-
	3 Corporate borrowers	-	-
	4 Services	-	-
	5 Unsecured personal loans	-	-
	6 Auto loans	-	-
	7 Other personal loans	-	-
	8 Others	100%	100%
34	Customer Complaints		
	Particulars	As at 31st March, 2020	As at 31st March, 2019
	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	-	-

GALADA FINANCE LIMITED Notes to Financial Statement										
Note									As at 31st March, 2020	As at 31st March, 2019
35	Investments									
(i)	Value of Investments									
	- Gross Value									21,516,072
	- Unrealised Fair Value Movement									8,995,856
	- Fair Value of Investments									1,856,770
(ii)	Movement of unrealised fair value movement on investments									12,520,216
	Opening Balance									7,003,222
	Add : Increase in unrealised fair value during the year									1,992,634
	Less : Decrease in unrealised fair value during the year									-
	Closing Balance									8,995,856
36	Capital Adequacy Ratio									
	CRAR %									
	- CRAR - Tier I Capital %									71.81%
	- CRAR - Tier II Capital %									72.02%
	Amount of Debt raised as Tier I Capital									-
	Amount raised by the issue of Perpetual Debt Instrument									-
37	Maturity pattern of certain items of assets and liabilities (As on 31st March, 2020)									
	Particulars	0-30/31	1m-2m	2m-3m	3m-6m	6m-1y	1y-3y	3y-5y	over 5 y	Total
	Loans	339,825	339,825	339,825	5,633,138	14,914,118	22,656,603	15,960,484	431,100	60,614,918
	Investments	-	-	-	-	-	1,856,770	-	-	1,856,770
	Borrowings (Other than debt secur)	68,846	68,846	68,846	206,538	22,386,659	338,663	-	-	23,138,398
	Deposits	-	-	-	-	2,480,000	-	-	-	2,480,000

GALADA FINANCE LIMITED Notes to Financial statements			
Note	Particulars	As at 31st March, 2020	As at 31st March, 2019
		INR	INR
38	Provisions & Contingencies Category-wise Break up of 'Provisions and Contingencies' shown in the Statement of Profit and Loss Account Provisions for depreciation on Property, Plant & Equipments Provision towards impairment loss allowance* Provision made towards income tax Provision for standard assets#	 937,391 995,800 158,500 (752,050)	 1,323,430 612,000 274,200 (110,000)
	* Represents impairment loss allowance on stage 3 loans. # Represents impairment loss allowance on stage 1 and stage 2 loans.		
39	Schedule to Balance Sheet of Systemically Important Deposit taking Company as required by RBI Master Direction – Non-Banking Financial Company – Systemically Important Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions')		
	Particulars	31st March 2020 (Rs. In Lakhs)	31st March 2019 (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	1,099,775	1,793,134
	(d) Inter-Corporate Loans and Borrowings	-	-
	(e) Other Loans		
	- From Bank	21,712,258	16,465,252
	- From Others	326,365	5,804,747
	- From Others (Directors)	3,168,254	2,879,729
	(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	57,871,558	50,827,763
	(b) Unsecured	2,743,360	2,675,710
	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	2,000,000	2,307,450
	(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, 2020	As at 31st March, 2019
		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	1,400,580	11,313,776
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares		
	a) Equity	6,190	6,440
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	450,000	1,200,000
	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	57,871,558	50,827,763
	- Unsecured	2,743,360	2,675,710
	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	1,856,770	12,520,216
	7. Other Information		
	(i) Gross credit impaired assets		
	a. Related party	-	-
	b. Other than related party	12,182,668	13,371,843
	(ii) Net credit impaired assets		
	(a) Related party	-	-
	(b) Other than related party	7,264,568	9,449,843
	(iii) Assets Acquired in	-	-

GALADA FINANCE LIMITED Notes to Financial statements			
Note	Particulars	As at 31st March, 2020	As at 31st March, 2019
		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. (Previous year 19 Lakhs).		
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, 2020	
	i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended		NIL
	ii) Respective amount where asset classification benefits is extended		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 DIYALI B AND ASSOCIATES Chartered Accountants Firm Regn No. 0177405		For and on behalf of the Board of Directors of M/s. Galada Finance Limited	
Diyali B Proprietrix Membership No. 242354		J. Ashok Galada Managing Director DIN : 00042295	Naveen Galada Director DIN : 00043054
Place : Chennai Date : 25/07/2020 UDIN : 20242354AAAAAI1564		Deepika Company Secretary	K.R Manimeghala Chief Financial Officer

Galada Finance Limited							
Effect of IND AS adoption on the Balance Sheet as at 31st March 2019 and 01st April 2018							
Galada Finance Limited Balance Sheet as at 31st March, 2020		As at 31st March, 2019			As at 31st March, 2018		
Particulars		IGAAP	Adjustments	INDAS	IGAAP	Adjustments	INDAS
		INR	INR	INR	INR	INR	INR
1	ASSETS						
	Financial Assets						
	Cash & cash equivalents	1,529,563	-	1,529,563	823,101	-	823,101
	Bank balances other than cash & cash equivalents	-	-	-	-	-	-
	Receivables	-	-	-	-	-	-
	(i) Trade receivables	-	-	-	-	-	-
	(ii) Other receivables	-	-	-	-	-	-
	Loans	53,809,773	(306,300)	53,503,473	55,696,388	107,000	55,803,388
	Investments	21,516,072	(8,995,856)	12,520,216	22,169,638	(7,003,222)	15,166,416
	Other financial assets	5,968,236	-	5,968,236	5,415,693	-	5,415,693
	Total Financial Assets	82,823,644	(9,302,156)	73,521,488	84,104,820	(6,896,222)	77,208,598
2	Non-Financial assets						
	Current tax assets (net)	870,939	-	870,939	871,279	-	871,279
	Deferred tax assets (net)	418,600	2,244,204	2,662,804	341,800	1,860,821	2,202,621
	Property, plant and equipment	3,673,012	-	3,673,012	4,969,170	-	4,969,170
	Other non-financial assets	-	-	-	-	-	-
	Total Non-Financial assets	4,962,551	2,244,204	7,206,755	6,182,249	1,860,821	8,043,070
	TOTAL ASSETS	87,786,195	(7,057,952)	80,728,243	90,287,069	(5,035,401)	85,251,668
	LIABILITIES AND EQUITY						
	Liabilities						
3	Financial liabilities						
	Payables						
	(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	293,732	-	293,732	312,980	-	312,980
	Debt securities	-	-	-	-	-	-
	Borrowings (Other than debt securities)	24,063,133	-	24,063,133	23,791,823	-	23,791,823
	Deposits	2,480,000	-	2,480,000	3,594,000	-	3,594,000
	Other financial liabilities	399,729	-	399,729	478,761	-	478,761
	Total Financial liabilities	27,236,594	-	27,236,594	28,177,564	-	28,177,564
4	Non-financial liabilities						
	Current tax liabilities (net)	-	-	-	-	-	-
	Provisions	-	-	-	-	-	-
	Other non-financial liabilities	-	-	-	-	-	-
	Total non-current liabilities	-	-	-	-	-	-
5	Equity						
	Equity share capital	30,000,000	-	30,000,000	30,000,000	-	30,000,000
	Other equity	30,549,601	(7,057,952)	23,491,649	32,109,505	(5,035,401)	27,074,104
	Total current liabilities	60,549,601	(7,057,952)	53,491,649	62,109,505	(5,035,401)	57,074,104
	TOTAL EQUITY AND LIABILITIES	87,786,195	(7,057,952)	80,728,243	90,287,069	(5,035,401)	85,251,668
	Significant accounting policies						
	The accompanying notes are an integral part of the financial statements						
Galada Finance Limited							
Explanatory Notes to Balance sheet Reconciliation							
1 Re-measurement of non-current financial assets-Investments							
Under Indian GAAP, long term investments were measured at cost less diminution in value which is not temporaray in nature. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value and the restatement gain / (loss) has been taken to Other Comprehensive Income (OCI).							
2 Deferred tax							
Deferred tax has been recognised on account of adjustments made due to application of Ind AS. These adjustments have resulted in an increase in deferred tax asset by Rs 22,44,204/- as at 31st March 2019.							
3 Impairment of Financial Assets							
The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.The Company's Expected Credit Loss calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates. The adjustment has resulted in a increase of provision for impairment loss by Rs 3,06,300/-.							
4 Reconciliation of total equity as at 31st March 2019 and 01st April 2018							
Particulars		Note No	As at 31st March 2019	As at 01st April 2018			
			INR	INR			
Total equity (shareholder's fund) under previous GAAP			60,549,601	62,109,505			
Adjustments for :							
Tax impact on Ind AS adjustments		1 above	2,244,204	1,860,821			
Fair valuation of quoted and unquoted investments		2 above	(8,995,856)	(7,003,222)			
Impairment Loss		3 above	(306,300)	107,000			
Total adjustment to equity			(7,057,952)	(5,035,401)			
Total equity under Ind AS			53,491,649	57,074,104			

Effect of IND AS adoption on the Standalone Statement of Profit and Loss for the year ended 31st March 2019

Galada Finance Limited			Year ended 31st March 2019 (Latest period presented under previous GAAP)		
Particulars		Note No.	IGAAP INR	Effect of transition to Ind AS INR	IND AS INR
I	Income				
	Revenue from operation		12,355,520	-	12,355,520
	Other income		365,684	-	365,684
	Total income		12,721,204	-	12,721,204
II	Expenses				
	Finance cost		4,401,259	-	4,401,259
	Impairment Loss Allowance		88,700	413,300	502,000
	Employee benefit expenses		2,625,874	-	2,625,874
	Depreciation and amortisation		1,323,430	-	1,323,430
	Other expenses		3,595,721	-	3,595,721
	Loss on Sale of Shares		1,971,924	-	1,971,924
	Total expenses		14,006,908	413,300	14,420,208
III	Profit / (Loss) before exceptional items and tax (3 - 4)		(1,285,704)	(413,300)	(1,699,004)
IV	Exceptional items		-	-	-
V	Profit before tax (III-IV)		(1,285,704)	(413,300)	(1,699,004)
VI	Tax expense:				
	- Current tax		351,000	-	351,000
	- Deferred tax		(76,800)	-	(76,800)
			274,200	-	274,200
VII	Profit / (Loss) for the year (V - VI)		(1,559,904)	(413,300)	(1,973,204)
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	-	(1,992,634)	(1,992,634)
	Income tax effect on above	2	-	383,383	383,383
IX	Total Comprehensive Income (VII+VIII)		(1,559,904)	(2,022,551)	(3,582,455)

Explanatory Notes to Profit Reconciliation for the year 2018-2019 :
1 Re-measurement of non-current financial assets-Investments

Under Indian GAAP, long term investments were measured at cost less diminution in value which is not temporary in nature. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value and the restatement gain or (loss) has been taken to Other Comprehensive Income (OCI).

2 Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

3 Reconciliation of total comprehensive income for the year ended 31st March 2019

Particulars	Note No	Year ended 31st March, 2019
		INR
Profit after tax as per previous GAAP		(1,559,904)
Adjustments for other comprehensive income :		
Fair valuation of quoted and unquoted investments	1 above	(1,992,634)
Tax impact on Ind AS adjustments	2 above	383,383
Impairment Loss Allowance		(413,300)
Total effect on transition to Ind AS		(2,022,551)
Total comprehensive income under Ind AS		(3,582,455)

Effect of Ind AS adoption on the statement of cash flow for the year ended 31st March 2019

Particulars	Year ended 31st March 2019		
	IGAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	2,568,135	-	2,568,135
Net cash flows from investing activities	(1,018,983)	-	(1,018,983)
Net cash flows from financing activities	(842,690)	-	(842,690)
Net increase (decrease) in cash and cash equivalent	706,462	-	706,462
Cash and cash equivalent at the beginning of the period	823,101	-	823,101
cash and cash equivalent at the end of the period	1,529,563	-	1,529,563
		As at 31st March 2019	As at 01st April 2018
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP		1,529,563	823,101
Other bank balances earlier considered as cash and cash equivalent			
Bank deposits with original maturity more than 3 months but upto 12 months		-	-
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS		1,529,563	823,101
In terms of our report of even date attached.			
For DIYALI B AND ASSOCIATES	For and on behalf of the Board of Directors of M/s. Galada Finance Limited		
Chartered Accountants			
Firm Regn No. 017740S	J. Ashok Galada	Naveen Galada	
	Managing Director	Director	
	DIN : 00042295	DIN : 00043054	
Diyali B			
Proprietrix			
Membership No. 242354			
Place : Chennai	Deepika	K.R Manimeghala	
Date : 25/07/2020	Company Secretary	Chief Financial Officer	