

September 06th, 2022

Corporate Relationship Department

BSE Limited

Floor 25, P J Towers,

Dalal Street, Mumbai-400 001,

Maharashtra, India.

Scrip Code: 538788

Sub: Notice of 28th Annual General meeting ('AGM') and Annual Report of the Company for the Financial Year 2021-22.

Dear Sir / Madam,

Pursuant to Regulation 34 and 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Annual Report for financial year 2021-22 including the Notice of the 28th Annual General Meeting of the Company scheduled on Friday, 30th September 2022 at 11.30 AM through electronic mode [Video Conferencing ("VC") or other audio visual means ("OAVM")], which is being sent through email, to the Members of the Company.

The said Annual Report for FY 2021-22 is also available on the website of the Company viz. www.giladafinance.com

This is for your information and records.

Thanking You,

Sincerely,

For Gilada Finance and Investments Limited



Iswariya Rajan

Company Secretary and Compliance officer

M.No.A52673





GILADA FINANCE AND INVESTMENTS LIMITED

**28th ANNUAL
REPORT 2022**

BOARD OF DIRECTORS



RAJGOPAL GILADA
MANAGING DIRECTOR



PALLAVI GILADA
(Chief Financial Officer)



SANGEETHA GILADA
(Chief Executive Officer)



BINDU GILADA
(Women Director)



SAMPATKUMAR GILADA
(Director)



K.V. PRABHAKAR
(Independent Director)



D N GOPAL
Independent Director -
w.e.f 31.08.2021)



OM PRAKASH ASAVA
Independent Director -
w.e.f 18.03.2022)

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KEY MANAGERIAL PERSONS :

Rajgopal Shankarlal Gilada	Managing Director
Sangeeta Sampathkumar Gilada	Chief Executive Officer
Pallavi Vaibhav Gilada	Chief Financial Officer
Rajan Iswariya	Company Secretary & Compliance Officer

REGISTERED AND ADMIN OFFICE

#105, "R.R. Takt", 37,
Bhoopasandra Main Road, Bangalore -560094
Tel : 91-80-40620000
Website : www.giladafinance.com

STATUTORY AUDITORS

M/s. Bennur Nagaraja & Co,
Chartered Accountants
No. 21, II Floor, Hospital Road
Near Menaka Theatre, Bangalore -560053

REGISTRAR & TRANSFER AGENTS

Can Bank Computer Services Ltd.
No.218, J.P Royale, 1st Floor, 2nd Main,
Sampige Road, (Near 14th Cross) ,
Malleshwaram, Bangalore- 560003.
Ph : 080-2349661/62/64/65 E-mail: canbankrta@ccsl.co.in

VISION

*To be a diversified
Business group
having focus
on each business.*

MISSION

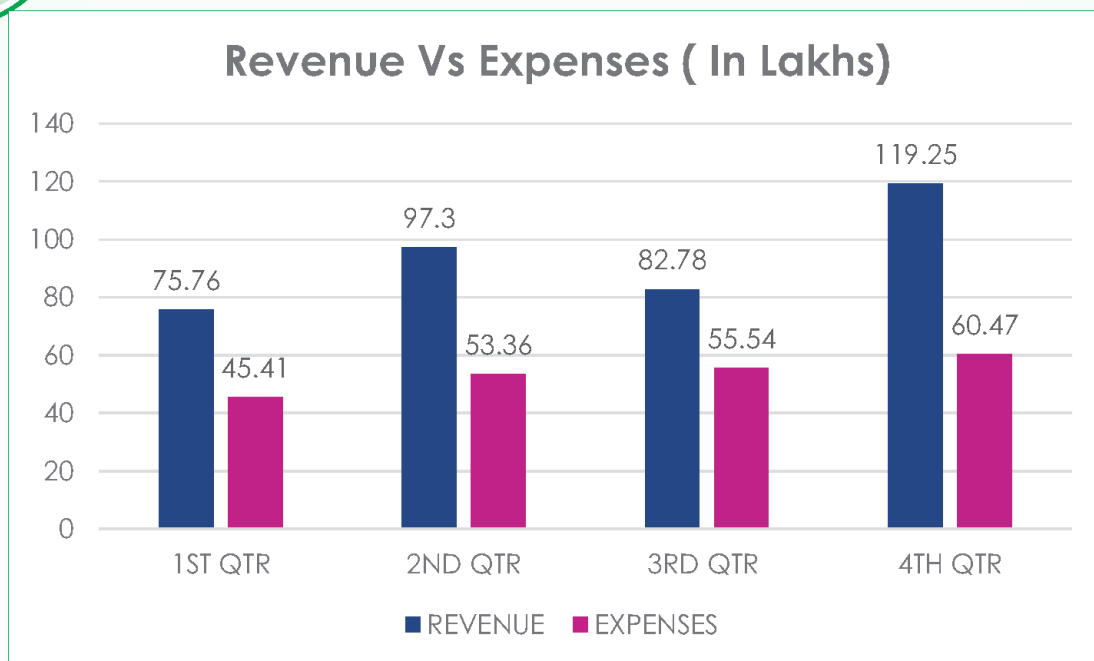
*To put all our values
and business acumen
in all business activities
in order to deliver growth
to all our stakeholders.*

VALUES

- **Focus**
- **Quality**
- **Commitment**
- **Initiative**
- **Speed**

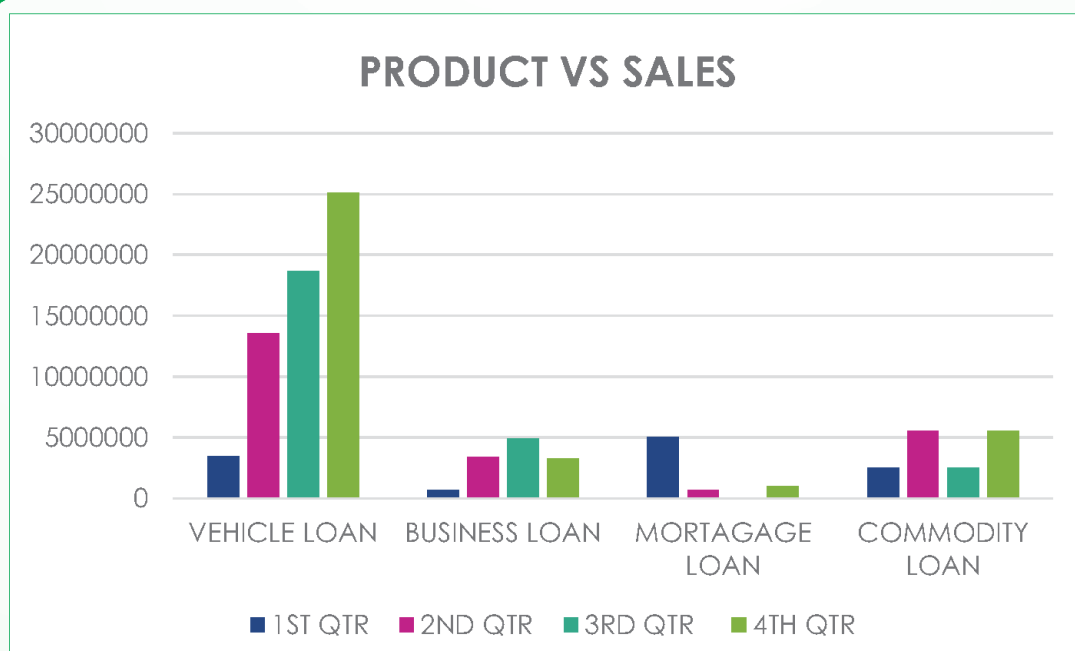
FINANCIAL HIGHLIGHTS

DURING THE YEAR 2021-22 *REVENUE VS EXPENSE (In Lakhs)*



SEGMENT LOANS

DURING THE YEAR 2021-22 *PRODUCT VS SALES (IN Rs)*



OUR PRESENCE :

Gilada Finance and Investments Limited, Kalaburgi	Shop No. 18 Chamber Complex	Super Market	Kalaburgi
Gilada Finance & Investments Ltd. Bidar	Shop No. 19 KHB Complex	RTO Office, Naubad Road, Pratap Nagar	Bidar
Gilada Finance & Investments Ltd. Peenya	3rd Floor, B/376, 9th Cross, Phase 1	Peenya Industrial Estate	Bengaluru
Gilada Finance & Investments Ltd. Yadgiri	Municipal Complex, Opposite to Degree College	Chittapur Road, Yadgiri - 585202	Yadgiri

NOTICE

To,
The Shareholders,

NOTICE is hereby given that the 28th Annual General Meeting (AGM) of the members of GILADA FINANCE AND INVESTMENTS LIMITED will be held on Friday, 30th September 2022 at 11:30 AM IST, through electronic mode [Video Conferencing ("VC") or other audio visual means ("OAVM")], to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 – ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2022 including Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss for the period ended 31st March, 2022 and the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.

ITEM NO. 2 – RETIREMENT BY ROTATION

To appoint a director in place of Ms. Bindu Gilada (DIN: 00392976) who retires by rotation and, being eligible, offers herself for re-appointment.

ITEM NO. 3: INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY

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

"RESOLVED THAT

1. Pursuant to provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, or any statutory modification(s), amendment or re-enactment thereof and subject to such approvals, permissions, and sanctions, if any, as may be necessary from any concerned authorities, the Authorized Share Capital of the Company be and is hereby increased from Rs.8,00,00,000/- (Rupees Eight Crores only) to Rs.10,00,00,000 /- (Rupees Ten Crores only) by creation of 40,00,000 Equity Shares of Rs 5/- each".

2. The Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company."

ITEM NO.4: ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY CONSEQUENT UPON INCREASE IN SHARE CAPITAL:-

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

"RESOLVED THAT

1. Pursuant to the provisions of Section 13, 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and Rules made there under, the Memorandum of Association of the Company be and is hereby altered by Substituting the existing clause with the following:

V. The Authorized Share Capital of the Company is Rs.10,00,00,000/-(Rupees Ten Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs.5/- (Rupees Five) each.

2. the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company."

SPECIAL BUSINESS:

ITEM NO. 5 – TO APPROVE THE OVERALL LIMIT OF MANAGERIAL REMUNERATION EXCEEDING ELEVEN PERCENT.

To consider and, if thought fit, to pass the following resolution, with or without modification as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof (for the time being in force) and subject to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulation 2018 and approval of the members be and is hereby accorded to the payment of managerial remuneration exceeding eleven percent of the net profits of the company for the financial year 2022-23.

RESOLVED FURTHER THAT the total Managerial Remuneration payable by the Company to its Directors, including Managing Director and Whole-time Director, in respect of any Financial Year shall not exceed as authorized by the Company in general meeting and subject to the provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination and Remuneration Committee of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to this Resolution."

ITEM NO. 6 – RE-APPOINTMENT OF MR. K.V.PRABHAKAR (DIN: 07168947), AS AN INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution, with or without modification as a Special Resolution:

'RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulations 17(1)(c) & 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and based on the recommendation of Nomination and Remuneration Committee of the Board and approval of the Board of Directors, Mr. K.V.PRABHAKAR (DIN: 07168947) who holds office upto 30.05.2022 as an Independent Director, was re-appointed by the Board of Directors as an additional director in the Board Meeting held on 30.05.2022 under section 161(1) of the Companies Act, 2013 and who vacates his office at this Annual General Meeting and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013, as amended, has been received in the prescribed manner, be and is hereby appointed as an Independent Director of the Company pursuant to section 149 of the Companies Act, 2013 and Rules made thereunder, for a further period of five years with effect from 01.06.2022, up to 30.05.2027.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. K.V.PRABHAKAR (DIN: 07168947) be paid such fees and remuneration and profit-related commission as the Board may approve from time to



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time and subject to such limits, prescribed or as may be prescribed from time to time.'

By the order of the Board

For GILADA FINANCE AND INVESTMENTS LIMITED

Iswariya Rajan
(COMPANY SECRETARY & COMPLIANCE OFFICER)
M. No. : A52673
Date: 02.09.2022
Place: Bengaluru

INFORMATION ON DIRECTORS APPOINTED/ REAPPOINTED AT THIS ANNUAL GENERAL MEETING:

ADDITIONAL INFORMATION IN TERMS OF REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING PROPOSED FOR APPOINTMENT/ RE-APPOINTMENT:

Name	Bindu Gilada
DIN	00392976
Age	54 Years
Date of Appointment	02/03/2015
Qualification	B.A.
Expertise in Specific Functional Area	As Director of several companies, Ms. Bindu Gilada has rich experience in Human Resource Management, Governance and Compliance related matters.
Directorship and Partnership	<ol style="list-style-type: none"> 1. Rajvaibhav Enterprises Private Limited 2. Vijayalakshmi Hydro Power Private Limited 3. Shankarlal Gilada & Sons Private Limited 4. Gita Refractories Private Limited
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2022	NIL
(i) Audit Committee	
(ii) Stakeholders Relationship Committee	
(iii) Nomination and Remuneration Committee	
Number of shares held in the company	4,40,000 shares

NOTES:

The Statement as required under Section 102 of the Companies Act, 2013 ('the Act') is annexed to the Notice.

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.giladafinance.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

8. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 22nd September 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 22nd September 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

9. The Meeting shall be deemed to be held at the Registered office of the Company at #105 R R Takt, 37 Bhoopasandra Main Road, Bangalore – 560094.

10. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 26th September 2022 at 09:00A.M. and ends on 29th September 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22nd September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd September 2022.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 20px;">   </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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<p>Individual Shareholders (holding securities in demat mode) login through their depository</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login Type	Helpdesk Details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares ie.. Demat (NSDL or CDSL) or Physical	Your User ID
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i) if your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox, Open the email and open the attachment i.e. a. pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

ii) if your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.

6. if you are unable to retrieve or have not received the "Initial password" or have forgotten your password.
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CSDL) option available on www.evoting.nsdl.com
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password. tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sand.associates2016@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five

unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at.evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@giladagroup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@giladagroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#).
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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 Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under

Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members 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/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@giladagroup.com. The same will be replied by the company suitably.
6. The shareholders who wish to register themselves as speaker should register before 22nd September 2022. The shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ANNEXURE TO NOTICE

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

Item No. 3, 4

The equity shares of the Company are listed on BSE Limited. With a view to encourage the participation of the small investors by making the equity shares of the company more affordable, and to increase the market capitalization of the Company, the Board in its meeting held on 02nd September 2022, and subject to the approval of the Members of the Company and all other requisite approvals, consents, permissions, sanctions, has approved and recommended to increase authorized share capital.

Presently, the Authorised Share Capital of the Company is Rs.8,00,00,000/- (Rupees Eight Crores Only) divided into 1,60,00,000 (One Crore Sixty Lakhs) equity shares of Rs.5/- (Rupees Five only) each. In order to facilitate the issue of shares for future requirements, if any, it is proposed to increase the Authorised Share Capital from Rs. 8,00,00,000/- (Rupees Eight Crores Only) to Rs. 10,00,00,000/- (Rupees Ten Crores Only). The increase in the Authorised Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company. The increase in the Authorised Share Capital and consequential alteration to Clause V of the Memorandum of Association of the Company require members' approvals in terms of Sections 13, 61 and 63 of the Companies Act, 2013 and any other applicable statutory and regulatory requirements.

Accordingly, resolutions 3, 4 of this Notice are proposed to seek Members' approvals for increase in authorized share capital and consequential alteration to Memorandum of Association of the Company. The Board recommends the resolutions 3, 4 for approval of the Members.

A copy of the Memorandum of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of this meeting. This item of special business does not relate to or affects any other company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in respect of this item of agenda.

Item No. 5:

Payment of Managerial Remuneration:

The Nomination and Remuneration Committee, in its meeting held on 02nd September 2022 recommended and the Board of Directors, in its meeting held on 02nd September 2022, approved the payment of managerial remuneration exceeding eleven percent of the net profits of the company for the financial year 2022-23 subject to the approval of the shareholders in the General Meeting.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6:

MR. K.V.PRABHAKAR (DIN: 07168947), AS AN INDEPENDENT DIRECTOR

Mr. K.V.Prabhakar, was re-appointed by the Board of Directors of the Company at its meeting held on 30.05.2022 as an additional director in the capacity of Independent Director with effect from 30.05.2022. He

holds office until the ensuing Annual General Meeting under section 161(1) of the Companies Act, 2013.

He has submitted the declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that he meets the criteria of independence as provided in section 149(6) and regulation 16 of SEBI Listing Regulations, 2015. Mr. K.V.Prabhakar, (DIN: 07168947) is not disqualified from being appointed as a Director in terms of section 164 of the Act.

In respect of the appointment of Mr. K.V.Prabhakar, (DIN: 07168947), a notice in writing in the prescribed manner, as required by section 160 of the Companies Act, 2013 (as amended) and Rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

According to section 152 of the Companies Act, 2013, read with Schedule IV to the Companies Act, 2013, in the opinion of the Board, the proposed appointment of Mr. K.V.Prabhakar, (DIN: 07168947) as an Independent Director fulfils the conditions specified in the Act and the Rules made thereunder as also the SEBI Listing Regulations, 2015 and that the proposed re-appointment of Mr. K.V.Prabhakar, (DIN: 07168947) is independent of the Management.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. K.V.Prabhakar, (DIN: 07168947), is directly or indirectly concerned or interested, financially or otherwise, except to the extent of their respective shareholding, if any, in the Company.

The Board commends this Special resolution set out in item No. 6 of the Notice for approval by shareholders.

For GILADA FINANCE AND INVESTMENTS LIMITED

Iswariya Rajan
(COMPANY SECRETARY & COMPLIANCE OFFICER)
M. NO. : A52673
DATE: 02.09.2022
PLACE: BENGALURU

DIRECTORS' REPORT

To,
The Members,

The Board has pleasure in presenting the 28th Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL PERFORMANCE OF THE COMPANY

The Board's Report shall be prepared based on the standalone financial statements of the company.

Particulars	2021-22 (In Rs)	2020-21 (In Rs)
Total Income	3,76,37,072.65	3,37,38,210.00
Total Expenditure	2,14,77,960.57	1,95,60,838.78
Profit Before Exceptional and Extraordinary Items and Tax	1,61,59,112.08	1,41,77,371.22
Exceptional Item	NIL	NIL
Profit Before Tax	1,61,59,112.08	1,41,77,371.22
Tax Expense:		
(i) Current Tax		
(ii) Prior Year Tax	28,86,314.00	43,56,700 .00
(iii) Deferred Tax		
Profit /(Loss) for the period	1,32,72,798.08	98,20,671.22
Earnings per Equity Share:		
(i) Basic	3.78	2.80
(ii) Diluted	3.61	2.80

2. OPERATIONS:

During the year under review, your Company has successfully grown its AUM to Rs. 15.49 crores from Rs.15.26 crores as compared to the previous year. The revenues from operations increased to Rs. 3.76 Crores during the financial year 2021-22 as against Rs. 3.37 Crores during the previous year. The net profit after tax improved to Rs. 1.32 Crores as compared to Rs. 98 lakhs in the previous year.

The Company will continue its focus on loans to Small & Medium Enterprises (SMEs), Leasing Mortgage loans, Working capital loans and Commodity loans. The Company has its presence in the State of Karnataka though Branches in Bangalore, Gulbarga, Bidar and Yadgiri. The Company plans to grow its Loan portfolio by increasing the productivity and with the existing infrastructure. It has also got term loans from a Public Sector Bank and from a Co-operative Bank.

3. SHARE CAPITAL:

The paid up equity share capital of the company as on 31st March 2022 was Rs. 3.51 Crores

There was no public issue, rights issue, or preferential issue, etc. during the year under review. The Company has not issued shares with differential voting rights or sweat equity shares.

The Company's 3512300 Equity Shares of Rs 10 each were Sub-divided in to 7024600 Equity Shares of Rs 5 each in the Extra Ordinary General Meeting held on 18th March 2022 during the year under review.

The Authorized Share Capital of the Company is Rs 6,00,00,000/- (Rupees Six Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs only) Equity Shares of Rs.5/- (Rupees Five) each.

The Authorized Share Capital of the Company has been increased from Rs.6,00,00,000/- (Rupees Six Crores only) to Rs.8,00,00,000 /- (Rupees Eight Crores only) by creation of 40,00,000 Equity Shares of Rs 5/- each" in the Extra Ordinary General Meeting held on 18th March 2022 during the year under review.

Further 7024600 Equity Shares were issued as Bonus Shares on 18th March 2022 during the year under review which were applied for listing. Listing approval was pending up to the Conclusion of Audit Period.

It is pertinent to mention that the Company in its Board Meeting on 05th April 2022 approve the allotment of 7024600 Equity shares of Rs. 5 per share (Post split of each equity share of Rs. 10 per share into 2 Equity Share of Rs. 5 per share) to those shareholders whose name appeared in the Register of Members of Company as on record date Thursday, 31st March, 2022 in the ratio of 1:1 [i.e. 1 (One) fully paid up equity share for every 1 (One) equity share held to the shareholders on such date].

4. TRANSFER TO RESERVES:

Your Company has transferred a sum of Rs.26.54 lacs to Statutory Reserve as required under the Reserve Bank of India Act, 1934. The Company has not transferred any amount to General Reserve during the year under review.

5.DIVIDEND:

With the view to conserve resources, your Directors are unable to declare any dividend for the year under review.

The unclaimed/ unpaid dividend of Rs 33859 is pertaining to the financial year 2017-18

6.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 i.e. AFTER 31ST MARCH, 2022 BEFORE DATE OF SIGNATURE OF DIRECTORS' REPORT:

There have been no material changes and commitments that affect 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 except the Changes mentioned below.

- a) Mr. SRIKANTIAH SHIVASWAMY has resigned from the office of Independent Director w.e.f 05.08.2021
- b) Mr. DODBALLAPUR NARASIMHAMURTHY GOPAL has been appointed as additional Director of the Company w.e.f 31.08.2021 and appointed as Independent director w.e.f 01.10.2021 for a period of five years upto 30.09.2026

- c) Mr. OM PRAKASH ASAVA has been appointed as additional Director of the Company w.e.f 14.02.2022 and appointed as Independent director in the EGM held on 18.03.2022 for a period of 5 years.
- d) Mr. K.V.Prabhakar who was appointed as Independent Director of the company on 30.05.2017 and whose period got expired on 30.05.2022 has been re- appointed as Additional director of the Company in its Board Meeting held on 30.05.2022 and will be re-appointed as Independent Director of the Company in the ensuing AGM for a second term of 5 years.

7. CHANGE IN THE NATURE OF BUSINESS, IF ANY.

There has been no change in the business of the Company during the year under review.

8. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS:

The Company has no subsidiaries. Further during the year no joint ventures or associate companies were incorporated.

9. RBI GUIDELINES:

The Company fulfills all the norms and standards applicable to NBFCs as set out by Reserve Bank of India (RBI). Your Company is well capitalized and has a capital adequacy ratio of 84.86% as against the 15% norm prescribed by the Regulator for NBFCs. This high CAR will enable the Company to increase its loan volumes by resorting to higher leveraging of debt.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- (i) Ms. Bindu Gilada (DIN: 00392976) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.
- (ii) Mr. DODBALLAPUR NARASIMHAMURTHY GOPAL has been appointed as additional Director of the Company w.e.f 31.08.2021 and appointed as Independent director w.e.f 01.10.2021 for a period of five years upto 30.09.2026
- (iii) Mr. OM PRAKASH ASAVA has been appointed as additional Director of the Company w.e.f 14.02.2022 and appointed as Independent director in the EGM held on 18.03.2022 for a period of 5 years.
- (iv) Mr. K.V.Prabhakar who was appointed as Independent Director of the company on 30.05.2017 and whose period got expired on 30.05.2022 has been re- appointed as Additional director of the Company in its Board Meeting held on 30.05.2022 and will be re-appointed as Independent Director of the Company in the ensuing AGM for a second term of 5 years.

11. NUMBER OF BOARD & COMMITTEE MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Five (5) Board Meetings, Five (5) Audit Committee Meetings, Five (5) Nomination and Remuneration Committee Meetings, one (1) Stakeholders Relationship Committee Meeting, and one (1) Independent Directors Meeting were convened and held, the details of which are furnished in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

12. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual

evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and individual Directors, including the Chairman of the Company. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January, 2017.

For evaluating the Board as a whole, views were sought from the Directors on various aspects of the Board's functioning such as degree of fulfilment of key responsibilities, Board Structure and composition, establishment, delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the management.

Similarly, views from the Directors were also sought on performance of individual Directors covering various aspects such as attendance and contribution at the Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and promoting effective relationships and open communication, communicating effectively with all stakeholders and motivating and providing guidance to the Executive Director.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition, effectiveness of meetings, Committee dynamics and quality of relationship of the Committee with the Board and the Management.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of individual Directors.

13. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE- APPOINTMENT, IF ANY:

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149 (6).

The Company has not re-appointed any Independent Director after completion of five years.

Mr. K. V. Prabhakar, an Independent Director has successfully qualified the Online Proficiency Self assessment test for Independent Director's Databank on April 14, 2020 as per IICA (Indian Institute of Corporate Affairs) in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. D.N.Gopal, an Independent Director has successfully qualified the Online Proficiency Self assessment test for Independent Director's Databank on September 04, 2020 as per IICA (Indian Institute of Corporate Affairs) in compliance with Rule 6(1) of the Com

The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis (Appointment and Qualification of Directors) Rules, 2014.

Mr. Om Prakash Asava, an Independent Director has successfully qualified the Online Proficiency Self assessment test for Independent Director's Databank on February 03, 2022 as per IICA (Indian Institute of Corporate Affairs) in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

14. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY:

The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Remuneration Policy.

The Remuneration Policy for Directors, Key Managerial Personnel ("KMP") and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, KMP and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

Salient features of the Remuneration Policy, inter alia, includes:

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC;
- Remuneration to Managing Director / Executive Directors / KMP and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same. The Remuneration Policy of the Company are made available on the Company's website www.giladafinance.com

The ratio of remuneration of each director to the median of employees' remuneration as per section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Board's report and shown below. There was no increase in the remuneration payable to the Executive Director Mr. Rajgopal Gilada during the year under review. The variable component of the salary of executive director is linked to the performance targets for the Company in terms of revenue and for other employees; the Company has a defined performance targets linked to the

consolidated statement of Profit and Loss, in addition to their performance. The increments in the pay to the employees are in consonance to average Industry standards and requirement to recognize the critical talents. In order to ensure that remuneration reflects company performance, the performance pay to the employees is linked to the organization performance. There are no employees receiving remuneration in excess of the remuneration received by the Executive Directors. The ratio of the remuneration of the executive director to the median remuneration of the employees of the Company for the year ended 31st March, 2022 is given below.

Name of the Director	Remuneration paid during 2021-22	Ratio to Median Remuneration
Mr. Sampat Kumar Gilada, Executive Director	2,00,000	1.04
Mr. Rajgopal Gilada, Managing Director	12,00,000	6.25

15. AUDITORS:

The Statutory Auditor of your Company, M/s BENNUR NAGARAJA & CO, Chartered Accountants, Bangalore were appointed for a term of 5 (Five) consecutive years at the 27th Annual General Meeting (AGM) held on 30th September, 2021 to hold office till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2026.

The Auditors' Report for the financial year ended 31st March, 2022 on the financial statements of the Company is a part of this Annual Report.

The observations made in the Auditor's Report of M/s. BENNUR NAGARAJA & CO, Chartered Accountants, read together with relevant notes thereon, are self-explanatory and hence do not call for any comments.

16. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY:

The Financial Statements of the Company have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013. Further, the Company follows the Directions issued by RBI.

17. BOARD'S EXPLANATION ON STATUTORY AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. BENNUR NAGARAJA & CO, Chartered Accountants, Statutory Auditors, in their Reports dated May 30th 2022 on the Financial Statements of the Company for FY 2021-22 except the below.

- In the ordinary course of business of financing, the company has given loans to three parties covered in the register maintained under section 189 of the Companies Act, 2013. All are in the nature of current accounts and repayable on demand. The yearend balance of loan given to such parties was Rs. 300.89 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non-Banking Financial Companies (NBFC-ND-NSI) and not prejudicial to the Company's interest.

As in the ordinary course of business of financing, there were no written terms & conditions on which loans are granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013,. However, there are no irregularities of repayment of principal amount & interest amount by the parties since they are in the nature of current accounts repayable on demand and there are no overdue amounts of loans granted.

b) There is also another disputed income tax liability of Rs.20,51,022/- for AY 2017-18 which is under appeal with commissioner of Income Tax (Appeals)- I Bangalore. The Dispute is on account of additions made u/s 68 for cash deposited in Banks during demonetization period.

c) The Company's investment in property at Vijayapur, Karnatka is not revalued as on 31/03/2022 from registered valuer under Companies Act, 2013 as required under amended Schedule III- Division III.

18. DISCLOSURE ABOUT COST AUDIT:

In view of the same and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Company is exempt from requirements of cost audit.

19. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed CS Varun Nashine, Practising Company Secretary (Membership No. 49574), to undertake the Secretarial Audit of the Company, for FY 2021-22. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure 'III'.

There are no qualifications, reservations or adverse remarks or disclaimers made by CS Varun Nashine, Practising Company Secretary (Membership No. 49574) in their Secretarial Audit Report dated 23/08/2022 on the secretarial and other related records of the Company, for FY 2021-22 except the below.

20. BOARD'S EXPLANATION ON SECRETARIAL AUDIT REPORT :

- The Company also informed that notice has been received from the Stock Exchange (BSE) dated 04th August, 2020 for Non-compliance with Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 imposing fine of Rs. 1,07,380 and was directed to pay the aforesaid fine within 15 days from the date of notice. The Company had pleaded for waiver of fine in its reply letter dated 18/08/2020 through email.

In response to the said waiver request by the Company, Stock Exchange (BSE) had reduced the fine amount to Rs. 56,640 (including GST) vide email dated 23rd April, 2021 and had given 10 days' time to pay the said fine. However the Company has again pleaded for full waiver of fine vide email dated 26th April, 2021. After that there was no communication from BSE for the mails sent and the response from Stock Exchange (BSE) for the aforesaid plea dated 26th April, 2021 is not being received till date. Further Company has not deposited fine till date.

- The Company also informed that received a show cause notice from Registrar of Companies, Bangalore dated 01st June, 2021 pointing out non-compliance of section 185, 42, 92(3), 203, 149, 145, 124(5), 134, 129, 143 of Companies Act, 2013. The Company has submitted its reply letter through Giridhar & Co. Advocates on 30th June, 2021.
- Further the Company received second notice from ROC dated 22nd July directing to clarify the

compliance of section 21 of the Companies Act, 2013 and the Company has submitted its reply through letter dated 24th July, 2021 within the prescribed time in the letter.

- In reference to the previous show cause notice received dt 30.06.2021, the Company also received a Show Cause Notice from Registrar of Companies, Bangalore dated 28th October, 2021 pointing out Violation of section 203, 129, 134 and Inspection u/s 206(5) of Companies Act, 2013. The Company has submitted its reply letter on 29th November, 2021. After that the Company has requested for Personal Hearing in a letter dt 30.11.2021 and the same has been granted on 24.12.2021 and explained our replies. No Notice has been received till date after the personal hearing.
- In the ordinary course of business of financing, the company has given loans to three parties covered in the register maintained under section 189 of the Companies Act, 2013. All are in the nature of loans repayable on demand. The year-end balance of loan given to such parties was Rs. 300.89 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non-Banking Financial Companies (NBFC-ND-NSI) and not prejudicial to the Company's interest.
- As in the ordinary course of business of financing, there were no written terms & conditions on which loans are granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013,. However, there are no irregularities of repayment of principal amount & interest amount by the parties since they are in the nature of loans repayable on demand and there are no overdue amounts of loans granted.

21. INTERNAL FINANCIAL CONTROLS:

The Board has adopted policies and procedures for ensuring the orderly and efficiently conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely disclosure of financial disclosures.

22. VIGIL MECHANISM :

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy is uploaded on the website of the Company at www.giladafinance.com under investors/policy documents/Vigil Mechanism Policy link.

23. RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 17(9) of the SEBI Listing Regulations. It establishes various levels of risks with its varying levels of probability, the likely impact on the business and its mitigation measures.

The Internal Auditor evaluates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Asset Liability Risk Management and IT Strategy and Steering Committee oversees the Risk Management and reports to the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status from time to time.

24. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the website of the Company at www.giladafinance.com under Investor Information tab.

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

There are no significant and material orders passed by the Regulators or Courts or Tribunal impacting the going concern status and company's operations in future.

26. DEPOSITS:

The details relating to deposits, covered under Chapter V of the Act and in term of the disclosure required under section 134(3) read with rule 8(5) of the Companies (Accounts) Rules, 2014, it is hereby stated that:

During the year, the company has not accepted from the public any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Accepting of Deposits) Rules, 2014. Further as the company has not accepted any deposits from the public, the Company is not required to comply with the directions issued by the Reserve Bank of India under Non-Banking Financial Companies (Reserve Bank) Directions, 1998 with respect to public deposits.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are furnished in the notes to the Financial Statements.

Loans/Investments/Guarantees made to firms and companies under the same management are within the limits prescribed under RBI Directions, 1998 to NBFC's and the limits prescribed under Sections 185 and 186 of the Companies Act, 2013.

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, the Company did not enter into any material transaction with related parties, under Section 188 of the Companies Act, 2013. All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report vide Annexure II (a). Further, the Company's policy on Related Party Transactions is attached as part of this report vide Annexure II(b) as required under the Non-Banking Financial Companies – Corporate Governance(Reserve Bank) Directions, 2015.

Your Directors draw attention of the members to Note 11 in heading B- Notes on Accounts to the financial statements which sets out related party disclosures.

29. CERTIFICATE ON CORPORATE GOVERNANCE REPORT :

Pursuant to the SEBI Listing Regulations, 2015, a separate chapter titled Corporate Governance has been included in this Annual Report, along with the reports on Management Discussion and Analysis as Annexure IV & V.

The Certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance is annexed to this Report.

30. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of this Annual Report for the year ended 31st March, 2022, has been provided in ANNEXURE- V in this Annual Report.

31. AUDIT COMMITTEE:

The Details of Audit Committee has been furnished in the Corporate Governance Report.

32. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place a new act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Your company's operation do not involve any manufacturing or processing activities, the particulars regarding conservation of energy and technology absorption, are not applicable.
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment's	

(b) Technology absorption

(i)	the efforts made towards technology absorption	Technology absorption is not applicable.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial Year) -	The Company has not incurred any expenditure on research and development during the year under review.
	(a) the details of technology imported	
	(b) the 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)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and Outgo

a) Foreign Exchange Earnings :	NIL
b) Foreign Exchange Outgo :	NIL

34. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The criteria for setting up Corporate Social Responsibility as prescribed by the notification issued by the Ministry of Corporate Affairs dated 27th February 2014 read with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are presently not applicable to the Company.

35. HUMAN RESOURCES:

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

36. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in Sub-clause (c) of Clause (3) of Sub-Section (5) of Section 134 of the Companies Act, 2013, shall 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;
 - (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- 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.

37. PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information in respect of the employees of the Company will be provided upon request. In terms of section 136 of the Act, the report and accounts are being sent to the members and others entitled thereto, excluding the aforesaid information which is available for inspection by the members at the registered office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy, such member may write to the registered office address of the Company in this regard.

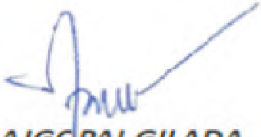
38. SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS – 2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

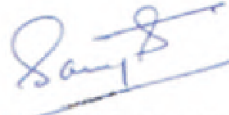
39. ACKNOWLEDGEMENTS:

The Board wishes to place on record their sincere appreciation for the continued support which the Company has received from all its stakeholders and above all, its employees..

FOR GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE : 02.09.2022

PLACE: BANGALORE

ANNEXURE TO DIRECTORS' REPORT

Annexure II (a)

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/ transactions	NIL
(c) Duration of the contracts / arrangements/transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including value, if any	NIL
(e) Justification for entering into such contracts or arrangements or transactions	NIL
(f) date(s) of approval by the Board	NIL
(g) Amount paid as advance, if any:	NIL
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

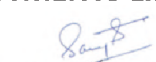
2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	Details are provided Note 11 in heading B Notes on Accounts of the financial statements to the financial statements as at 31 st March, 2022
(b) Nature of contracts/arrangements/ transactions	The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature. Details are provided Note 11 in heading B Notes on Accounts of the financial statements to the financial statements as at 31 st March, 2022
(c) Duration of the contracts / arrangements/transactions	Based on the agreements /mutual business arrangements entered into from time to time.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Based on the agreements /mutual business arrangements entered into from time to time.
(e) Date(s) of approval by the Board, if any:	The related party transactions are at arm's length basis, accordingly necessary approvals have been obtained, wherever applicable.

FOR GILADA FINANCE AND INVESTMENTS LIMITED

DATE: 02.09.2022


RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829


SAMPAT KUMAR GILADA
DIRECTOR
DIN: 02144736

ANNEXURE TO DIRECTORS' REPORT

Annexure II(b)

Policy on Related Party Transactions

(As per Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Company shall enter into transactions with related parties only on arm's length basis, supported by agreement or formal letter. If the transaction is not on arm's length basis, then, necessary compliances under Companies Act, 2013 and / or Listing Agreement will be adhered to.

For the purpose of the above clause, transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

FOR GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 02.09.2022

PLACE: BANGALORE

ANNEXURE III

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2022

To,
The Members,
Gilada Finance And Investments Limited
105, R R Takt 37 Boopasandra Main Road
Bangalore KA 560094 IN

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gilada Finance And Investments Limited (hereinafter called the company) CIN No (L65910KA1994PLC015981). The Company is a listed Public Limited Company incorporated under the Companies Act 1956. The 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's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers 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 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
 - (ii) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.
 - (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
 - (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
 - (v) The following regulations and Regulations 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, 1992;
 - (c) 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;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
 - (e) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under with regard to maintenance of minimum public shareholding and compliance under clause 35 of the Listing Agreement.

(f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(g) The Listing Agreement entered into by the Company with BSE Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(v) The Non Banking Financial Company (NBFC) norms and standards as identified by Reserve Bank of India Act, 1934 as applicable to the Company.

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 2022, and report that:

1. the company has maintained statutory registers and documents and had done necessary entries therein.

2. the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the Memorandum and Articles of Association of the Company.

3. the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

3.1 during the period under review Mr. Srikantiah Shivaswamy resigned from the post of Independent Director with effect from 05/08/2021 and Mr. Dodballapur Narasimhamurthy Gopal and Mr. Om Prakash Asava was appointed as Independent Directors with effect from 31/08/2021 and 14/02/2022 respectively.

3.2 during the period under review appointment of Bennur Nagaraja Chartered Accountant appointed as statutory auditor in casual vacancy, was regularised in the annual general meeting held on 30/09/2021.

4. According to the management representation letter received by the Company adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system found to exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

5. Decisions were carried through while the system permits the views of dissenting member views could be captured and recorded as part of the minutes.

6. the Company has duly filed forms/returns required to be submitted with the Registrar of Companies.

7. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;

8. According to the management representation letter received the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, being independent and compliance with the Code of Business Conduct and Ethics for Directors and Management Personnel;

9. the Company has complied and obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made there under, to the extent applicable and the company has complied the applicable regulations of Listing Agreement entered into by the Company with BSE Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except:

9.1 the Company received notice from the Stock Exchange (BSE) dated 04th August, 2020 for Non-compliance with Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 imposing fine of Rs. 1,07,380 and was directed to pay the aforesaid fine within 15 days from the date of notice.

The Company had pleaded for waiver of fine in its reply letter dated 18/08/2020 through email.

9.2 In response to the said waiver request by the Company, Stock Exchange (BSE) had reduced the fine amount to Rs. 56,640 (including GST) vide email dated 23rd April, 2021 and had given 10 days time to pay the said fine. However the Company has again pleaded for full waiver of fine vide email dated 26th April, 2021. As per representation received from the Company's Management in its Management letter, response from Stock Exchange (BSE) for the aforesaid plea dated 26th April, 2021 is not being received till the date of this report. Further Company has not deposited fine till the date of this report.

9.3 post audit period the company was sought a clarification on 02nd of August, 2022 under Regulation 25(2A) of SEBI (LODR) Regulations 2015 with respect to the appointment of Independent Director and as per the representation received from the Company's Management the required clarification with respect to the same has been submitted on 04th of August, 2022 within the prescribed time.

10. the Company had received a show cause notice from Registrar of Companies, Bangalore dated 01st June, 2021 pointing out non compliance of section 185, 42, 92(3), 203, 149, 145, 124(5), 134, 129, 143 of Companies Act, 2013.

10.1 the Company has submitted its reply letter through Girdhar & Co. Advocates on 30th June, 2021.

10.2 further the Company received second notice from ROC dated 22nd July, 2021 directing to clarify the compliance of section 21 of the Companies Act, 2013 and the Company has submitted its reply through letter dated 24th July, 2021 within the prescribed time in the letter.

10.3 In response to reply letter dated 24th July, 2021 ROC issued show cause notices dated 28/10/2021 u/s 206 of the Act for

- violation of section 143(3) for the financial years ending on 31/03/2018, 31/03/2019 and 31/03/2020.
- violation of section 203 during the period 01/04/2014 to 30/09/2014, 01/04/2014 to 30/09/2014, 02/03/2015 to 05/04/2016 and 04/08/2019 to 01/09/2020.
- violation of section 137 for the financial years ending on 2018-19, and 2019-20.
- violation of section 129 for the financial years ending on 31/03/2018, 31/03/2019 and 31/03/2020.

10.4 In response to above mentioned show cause notices dated 28/10/2021, Company filed its reply dated 30/11/2021 requesting for physical hearing which was scheduled on 24th December, 2021. The meeting was attended by the Company's representatives, further no actions had been taken on this matter till the date of this report.

11. during the period under Audit it was found that as per 3(b) of Annexure-A to the Auditor's Report there are no written terms & conditions on which loans are granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013. It is further mentioned that no irregularities of repayment of principal amount & interest amount by the parties were noticed, since they are in the nature of current accounts repayable on demand.

12. during the period covered under review, the Company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

12.1 the Company sub divided equity shares of face value of INR 10/- (Indian Rupees Ten Only) into equity shares of face value of INR 5/- (Indian Rupees Five Only);

12..2 the Company increased its authorised capital from INR 6,00,00,000/- (Indian Rupees Six Crore Only) to INR 8,00,00,000/- (Indian Rupees Eight Crore Only) and alteration in capital clause of Memorandum of Association was done due to subdivision and increase in Authorised capital;

12.3 issue of 70,24,600 (Seventy Lakhs Twenty Four Thousand Six Hundred) equity shares of rupees INR 5/- (Indian Rupees Five Only) as Bonus shares in the ratio of 1:1.

12.4 adoption of new set of Articles of Association as per Companies Act, 2013.

We further report that, based on the information provided on <http://www.bseindia.com> 1,40,49,200 equity shares of Gilada Finance & Investments Limited (Scrip Code: 538788) are listed with BSE Limited (Bombay Stock Exchange) and admitted to dealings on the Exchange in the list of 'T' Group Securities effective from November 19, 2014.

We further report that there were adequate systems and processes in the company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The company had deputed proper persons to ensure the timely compliances of laws applicable to the Company.

There were no other specific 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.

Due threat of infection arising out of COVID-19 pandemic, we had to conduct our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the company. We state that we have not done a physical verification of all the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place: Pune
Date: 23/08/2022

For SAND& Associates
Practicing Company Secretaries

(Varun Nashine)
Partner
C.P. No. 17975 | M. No. 49574
UDIN: A049574D000833049

Annexure 'A'

to Secretarial Audit Report of GILADA FINANCE AND INVESTMENTS LIMITED dated 23rd August, 2022

To,

The Members,

Gilada Finance And Investments Limited

Corporate Identity Number: L65910KA1994PLC015981

Registered Office: # 105, R RTakt

37 Boopasandra Main Road, Bangalore-560094

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and relied on the opinion of the Statutory Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, etc.
5. 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 procedures on test basis.
6. 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 SAND& Associates
Practicing Company Secretaries**

Place: Pune

Date: 23/08/2022

**(Varun Nashine)
Partner
C.P. No. 17975 | M. No. 49574
UDIN: A049574D000833049**

ANNEXURE-IV

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31ST MARCH 2022

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting best practices.

1. Company's Philosophy:

The Company seeks to adopt good corporate governance practices and ensure compliance with all relevant laws and regulations. The Company conducts its activities in a manner that is fair and transparent and also perceived to be such by others. The Company is in compliance with the applicable corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("SEBI Listing Regulations") as applicable, with regard to corporate governance.

2. Board of Directors:

Composition :

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 Board has been constituted in a manner as per Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 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 Board comprises of six members, of which three are Non-Executive Directors including a Woman Director. Not less than one-third of the total strength of the Board comprises of Independent Directors. The Company has three Independent Directors. None of the Directors on the Company's Board is a member on more than ten (10) Committees and Chairman of more than five (5) Committees across all the companies in which he is a Director. All the Directors have made necessary disclosure regarding committee positions occupied by them in other companies. The composition of the Board is in conformity with the listing requirements.

All the Directors possess requisite qualifications and experience in general corporate management, banking, finance, economics, marketing, digitization, analytics and other allied fields that allow them to contribute effectively by actively participating in the Board and Committee Meetings, providing valuable guidance and expert advice to the Board and the Management and enhancing the quality of Board's decision making process..

During the financial year 2021-22, the Company did not have any material pecuniary relationship or transactions with its Non- Executive Directors.

Code of Conduct for Directors and Senior Management: The Company has adopted the code of conduct for directors and Senior Management and the Company received the annual affirmations with regard to the

adherence to the code of conduct for the financial year 2021-22.

3. Board Meetings:

The Board meets at regular intervals to discuss and decide on policy of the Company / business and strategy apart from other Board business. The Board of Directors formulates the business strategies and operational policies concerning the Company's operations.

The Board periodically reviews the matters required to be placed before it and inter alia reviews and approves the quarterly financial statements, corporate strategies, business plan, annual budgets and capital expenditures. It monitors the overall performance and reviews other matters, which require Board's attention. The Board also takes on record the declarations and confirmations made by the Chairman and Managing Director regarding compliances of all laws on a quarterly basis.

The Board of Directors duly met Five (5) times respectively on 30th June 2021; 06th August 2021; 31st August 2021; 12th November 2021, and 14th February 2022, in respect of which meetings proper notices were sent and the proceedings were properly recorded and signed in accordance with the provisions of the Companies Act, 2013 and rules made there under. The requisite information as enumerated in Annexure I to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board of Directors for discussion and consideration at Board Meetings.

The composition of the Board of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting and the number of Directorships and Committee Memberships held by the Directors in other public companies are given below:

Name of Director (Designation)	Category	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorship in other Companies*	No. of Membership in Committees of Directors in other
Mr. Rajgopal Gilada (Managing Director)	Professional & Executive Director	5	YES	11	NIL
Mr. Sampath Kumar Gilada (Director)	Professional & Non-Executive Director	5	YES	12	NIL
Mr. Bindu Rajgopal Gilada	Non-Executive Woman Director	5	YES	4	NIL
Mr. K.V. Prabhakar (Director)	Independent & Non-Executive Director	5	YES	1	1
Mr. Srikantiah Shivaswamy	Independent Non-Executive Director	5	YES	-	NIL
Mr. Doddaballapura Narasimhamurthy	Independent Non-Executive Director	3	YES	-	NIL
Mr. Omprakash Asava	Independent Non-Executive Director	1	YES	-	NIL

* 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 section 149(7) of the Act, to the Company, which is taken on record by the Board.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company, Ms. Bindu Gilada will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers herself for re-appointment. Information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting is annexed to the Notice of the Annual General Meeting.

4. Familiarization Programme for Independent Directors:

Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires listed companies to familiarize the Independent Directors with the Company their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., through various programmes. Accordingly the Company has a familiarization programme for independent directors with regard to their roles, rights, responsibilities in the Company; nature of the industry in which the Company operates, the business model of the Company, etc. and the same is available on the website of the Company.

5. Separate Meeting of Independent Directors:

During the year under review, in line with Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with provisions of the Companies Act, 2013, the independent directors had a separate meeting on 29th October 2021 without the presence of the management team and the non-independent directors of the Company.

6. 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, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee.

(i) Audit Committee:

The Company has an independent Audit Committee constituted in terms of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee exercises the powers and discharges the functions as stipulated Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and rules made there under. The Members of the Audit Committee possess adequate knowledge of accounts, audit, finance, etc.

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, periodic review of statutory compliances and overseeing other matters specified for the review by Audit Committee under the Listing Agreement.

The Audit Committee also undertakes and reviews such other matters as may be delegated by the Board from time to time.

Composition and Meeting:

As at 31st March, 2022, the Audit Committee Comprised of:

Sl. No.	Name	Particulars	No. of Meetings attended	Remarks
1.	Mr. K.V. Prabhakar	Non-Executive Independent Director	5	-
2.	Mr. Sampat Kumar Gilada	Executive Promoter Director	5	-
3.	Mr. Srikantiah Shivaswamy	Non-Executive Independent Director	0	-
4.	Mr. Doddballapur Narasimhamurthy Gopal	Non-Executive Independent Director	3	-
5.	Mr. Om Prakash Asava	Non-Executive Independent Director	1	-

The Committee met 5 times during the financial year 2021-22. There are no recommendations of the Audit Committee which have not been accepted by the Board.

(ii) 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 including periodic increments in salary.

The committee further considers and recommends 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 requirements. The recommendations of the committee are placed before the Board for its approval.

Composition and Meeting:

As at 31st March, 2022 the Nomination and Remuneration Committee Comprised of-

Sl. No.	Name	Particulars	No. of Meetings attended	Remarks
1.	Mr. K.V. Prabhakar	Non-Executive Independent Director	5	-
2.	Mr. Rajgopal Gilada	Executive Promoter Director	5	-
3.	Mr. Srikantiah Shivaswamy	Non-Executive Independent Director	0	-
4.	Mr. Doddballapur Narasimhamurthy Gopal	Non-Executive Independent Director	3	-
5.	Mr. Om Prakash Asava	Non-Executive Independent Director	1	-

Majority of the members of this committee comprise of independent directors.

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 has formulated a charter in terms of the provisions of the Act and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

The nomination and remuneration committee is responsible for identifying persons who are qualified to be appointed in senior management. The committee has formulated the charter in terms of the provisions of the Act and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia, deals with the criteria for identifying persons who are qualified to be appointed in senior management. These attributes shall be considered for nominating candidates for senior management position.

The Committee met Five (5) times during the financial year 2021-22.

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company etc.

The Directors expressed their satisfaction with the evaluation process.

Details of Remuneration paid to the Directors:

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Companies Act, 2013.

a. Executive Directors:

All elements of remuneration package i.e. salary, benefits; bonuses etc paid to Executive Directors during the financial year 2021-22 are detailed herein below-

Name of Director	Salary	Perquisites & Allowances	Total
Mr. Sampat Kumar Gilada	2,00,000	-	2,00,000
Mr. Rajgopal Gilada	12,00,000	-	12,00,000

Notes:

- (i) No commission is payable to Executive Directors;
- (ii) No sitting fee is paid to Executive Directors for attending the meetings of the Board of Directors of the Company and committees thereof;
- (iii) There is no separate provision for payment of severance fees;
- (iv) The Company does not have any Stock Option Scheme.
- (iii) Stakeholders Relationship Committee:

Terms of Reference

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Shareholders and Investors Grievance Committee of the Company was renamed as the "Stakeholders Relationship Committee".

The Board has modified the scope of the Committee to align it with the revised Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is as follows:

- (i) To review the reports submitted by the Registrar and Share Transfer Agent of the Company at half yearly intervals.
- (ii) To interact periodically with the Registrar and Share Transfer Agent to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the said Investor grievances redressal system.
- (iii) To follow-up on the implementation of suggestions for improvement.
- (iv) To periodically report to the Board about serious concerns, if any.
- (v) To consider and resolve the grievances of the shareholders of the company.

The Committee approves transfer of shares, consolidation/sub-division of shares, issue of duplicate shares and other allied matters. The Committee also looks into the shareholders' grievances pertaining to share transfers, dematerialization of shares, issue of duplicate shares and all other matters concerning shareholders/investors and gives direction from time to time for effective settlement of investors' grievances.

Composition and Meeting:

As at 31st March, 2022 the Stakeholders Relationship Committee Comprised of:

SL.No.	Name	Particulars	No. of Meeting attended
1.	Mr. K. V. Prabhakar	Non-Executive Independent Director	1
2.	Mr. Rajgopal Gilada	Executive Promoter Director	1
3.	Mr. Dodballapur Narasimhamurthy Gopal	Non-Executive Independent Director	1
4.	Mr. Om Prakash Asava	Non-Executive Independent Director	0

The Committee met once during the financial year 2021-22.

The minutes of the Committee Meetings are circulated to the Board, discussed and taken note of. The Company has been receiving various correspondences from the shareholders and the required information/documents are promptly furnished to the shareholders. No complaints were received from the shareholders during the financial year 2021-22.

7. General Body Meeting:

(i) Details of location, time and date of last three Annual General Meetings of the Company are provide below:

Year	Location	Date	Time
2018-19	Hotel Kanishka, No.2, II Main Road, Gandhinagar Bangalore- 560 009	30 th September, 2019	11:00 A.M
2019-20	Video Conferencing	07 th December 2020	11:00 AM
2020-21	Video Conferencing	30 th September 2021	12:00 Noon
2021-22	EGM (Video Conferencing)	18 th March 2022	11.30 A.M.

8. 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 has 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. Rajgopal Gilada, Managing Director is attached to this report.

9. Auditors Certificate on Corporate Governance:

The auditors' certificate on compliance of corporate governance norms has been shown in as ANNEXURE to this Annual Report.

10. Vigil Mechanism:

As Required by the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees. The 'Vigil Mechanism Policy' is uploaded on the website of the Company. The Company further affirms that during the year, no personnel have been denied access to the audit committee.

11. 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 11 in heading B- Notes on Accounts of the financial statements in the annual report.

➤ **Compliance with Statutory / legal requirements:**

There are no non-compliances by the company and no penalties, imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities, on any matters relating to Capital Markets during the last three years except the below .

- a) The Company received notice from the Stock Exchange (BSE) dated 04th August, 2020 for Non-compliance with Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 imposing fine of Rs. 1,07,380 and was directed to pay the aforesaid fine within 15 days from the date of notice. The Company in its reply has pleaded for waiver of fine in its reply letter dated 18/08/2020 through email.

In response to the said waiver request by the Company, Stock Exchange (BSE) had reduced the fine amount to Rs. 56,640 (including GST) vide email dated 23rd April, 2021 and had given 10 days time to pay the said fine. However the Company has again pleaded for full waiver of fine vide email dated 26th April, 2021. As per representation received from the Company's Management in its Management letter, response from Stock Exchange (BSE) for the aforesaid plea dated 26th April, 2021 is not being received till the date of this report. Further Company has not deposited fine till the date of this report.

- b) The Company also informed that received a show cause notice from Registrar of Companies, Bangalore dated 01st June, 2021 pointing out non-compliance of section 185, 42, 92(3), 203, 149, 145, 124(5), 134, 129, 143 of Companies Act, 2013. The Company has submitted its reply letter through Giridhar & Co. Advocates on 30th June, 2021.

Further the Company received second notice from ROC dated 22nd July directing to clarify the compliance of section 21 of the Companies Act, 2013 and the Company has submitted its reply through letter dated 24th July, 2021 within the prescribed time in the letter.

In reference to the previous show cause notice received dt 30.06.2021, the Company also received a Show Cause Notice from Registrar of Companies, Bangalore dated 28th October, 2021 pointing out Violation of section 203, 129, 134 and Inspection u/s 206(5) of Companies Act, 2013. The Company has submitted its reply letter on 29th November, 2021. After that the Company has requested for Personal Hearing in a letter dt 30.11.2021 and the same has been granted on 24.12.2021 and explained our replies. No Notice has been received till date after the personal hearing.

➤ **Compliance with Accounting Standards:**

Your Company confirms that it has complied with all the applicable Indian Accounting Standards issued by the Institute of Chartered Accountant of India.

➤ **Compliance of mandatory requirements:**

The Company has complied with all the mandatory requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. Means of Communication:

1	Half Yearly report sent to each household of shareholders	Since the unaudited quarterly / half-yearly results are published in the newspapers, the same were not sent to each household of shareholders.
2	Quarterly results sent to each household of shareholders	No, published in newspapers
3	In which newspaper the results are normally published in?	The Business Standard (English) and the Sanjevani (Kannada)
4	Any website, where results are displayed?	Yes
5	Whether it also displays official news releases and the presentations made to institutional investors or to the analysts	Yes
6	Whether Management Discussion & Analysis is part of the Annual Report	Yes
7	Whether shareholders' information forms and Annual Report	Yes

13. General Shareholders' Information:

a. Annual General Meeting;

Financial Year	Venue	Date	Time
2021-22	VIDEO CONFERENCING	30.09.2022	11:30 AM IST

b. Dividend Payment Date: Not applicable since no dividend has been declared.

c. Date of Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2022 to Friday, 30th September, 2022 (both days inclusive).

d. Tentative Financial Calendar 2022-23:

Sl. No.	Name of Stock Exchange	Address of the Stock Exchange
1.	BSE Limited (Bombay Stock Exchange)	P.J. Tower, Dalal Street, Fort, Mumbai- 400 001

e. Listing on Stock Exchange:

Unaudited results for quarter ending 30th June 2022	First Week of August 2022
Unaudited results for quarter ending 30th September 2022	Last Week of October 2022
Unaudited results for quarter ending 31st September 2022	Last Week of January 2023
Audited results for ending 31st March 2023	Last Week of May 2023
Annual General Meeting for year ended 31.03.2023	August-September 2023

f. Stock Code:

Effective from November 19, 2014, the equity shares of Gilada Finance & Investments Limited (Scrip Code: 538788) are listed at BSE Limited (Bombay Stock Exchange) and admitted to dealings on the Exchange in the list of XT Group Securities.

g. Registrar & Share Transfer Agent of the Company:

Canbank Computer Servis Limited
#218, J P Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross)
Malleshwaram Bangalore - 560003
Ph: 080-23469661/62/64/65
E-mail id: canbankrta@ccsl.co.in

h. Share Transfer System:

Physical Share Transfers lodged for transfer are processed and the share certificates are generally returned within a period of 15 days from the receipt if the documents are clear in all aspects. The authority for share transfers etc. is Stakeholders Relationship Committee which meets to consider and approve the transfer of shares.

i. Shareholding pattern as on 31st March 2022:

The distribution of shareholding as on 31.03.2022 is as under:

Category Code	Category of Shareholder	No. of Share-holders	Total No. of shares	No. of shares held in demat form	Total Shareholding as a percentage of total number of shares		No. of Shares underlying outstanding convertible securities		Shares pledged or otherwise encumbered	
					As a % of (A + B) (VI)	As a % of (A+B+C) (VII)	(VIII)	% holding (IX)	No of Shares (X)	As a % (XI)
(I)	(II)	(III)	(IV)	(V)						
(A)	Promoter and Promoter Group									
1	Indian									
(a)	Individuals/HUF	8	2101800	2101800	29.92	29.92	0	0	0	0
(b)	Central Government/State Governments)	0	0	0	0	0	0	0	0	0
b.	Bodies Corporate	1	2026800	2026800	28.85	28.85	0	0	0	0
(d)	Financial Institutions/banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Person Acting Concert	0	0	0	0	0	0	0	0	0
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Reserve Bank of India	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub - Total(A)(I)	9	4128600	4128600	58.77	58.77	0	0	0	0.000
2	Foreign									
(a)	Individual(Non - Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.000
	Total Shareholding of Promoter and Promoter Group (A)=[A(I)+ (A(2)]	9	4128600	4128600	58.77	58.77	0	0	0	0.000

(B)	Public Shareholdings									
(B)	Public Shareholdings									
1	Institutions								NA	NA
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0	-	-
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0	-	-
(c)	Central Government/state Governments	0	0	0	0	0	0	0	-	-
(d)	Venture Capital Funds	0	0	0	0	0	0	0	-	-
(e)	Insurance Companies	0	0	0	0	0	0	0	-	-
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	-	-
(g)	Foreign venture Capital	0	0	0	0	0	0	0	-	-
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-
(i)	Any Others (specify)	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions	0	0	0	0	0	0	0	-	-
	TOTAL (FFI)	0	0	0	0	0	0	0	-	-
	Foreign Mutual Funds	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions/ Banks	0	0	0	0	0	0	0	-	-
	Stressed Assets Stabilization Fund	0	0	0	0	0	0	0	-	-
	State Finance Corporation	0	0	0	0	0	0	0	-	-
	Sub-Total (B)(1)	0	0	0	0	0	0	0	-	-
2	Non Institutions									
(a)	Bodies Corporate	8	621002	611002	8.84	8.84	0	0	-	-
(b)	Individuals									
	i) Individual Share holders holding nominal share capital up to Rs. 2 lakh	2106	1409340	692758	20.06	20.06	0	0	-	-
	ii) Individual Share-holders holding nominal share capital in excess of Rs. 2lakh	10	850936	479936	12.11	12.11	0	0	-	-
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-
(d)	Any other (Specify)									
	Trust	1	200	200	0	0	0	0	-	-
	TOTAL (Trust)	0	0	0	0	0	0	0	-	-
	Director and their relatives	0	0	0	0	0	0	0	-	-
	Foreign Nationals	0	0	0	0	0	0	0	-	-
	Escrow Account	0	0	0	0	0	0	0	-	-
	Market maker	0	0	0	0	0	0	0	-	-
	Non-resident Indian	6	2928	2928	0.04	0.04	0	0	-	-
	O.C.Bs	0	0	0	0	0	0	0	-	-
	Societies	0	0	0	0	0	0	0	-	-

	Clearing members	9	3354	3354	0.05	0.13	0	0	-	-
	Shares in transit	0	0	0	0	0	0	0	-	-
	Hindi Undivided Family	19	8240	8240	0.12	0.12	0	0	-	-
	Foreign Corporate Bodies	0	0	0	0	0	0	0	-	-
	Partnership Firm	0	0	0	0	0	0	0	-	-
	Custodian of Enemy Property	0	0	0	0	0	0	0	-	-
	Foreign Collaborators	0	0	0	0	0	0	0	-	-
	ESOPs/ESOS/ESPS/ Employee Shareholders	0	0	0	0	0	0	0	-	-
	Sub -Total (B)(2)	2159	2896000	1798418	41.23	41.23	0	0	-	-
	Total Public Shareholding B=(B)(1)+(B)(2)	2159	2896000	1798418	41.23	41.23	0	0	-	-
	Sub -Total (A+B)	2168	7024600	5927018	100	100	-	0	-	-
(c)	Shares held by Custodian against Depository receipt have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	-	-
2	Public	0	0	0	0	0	0	0	-	-
	Grand Total (A+B+C)	2168	7024600	5927018	100	100	-	0	-	-

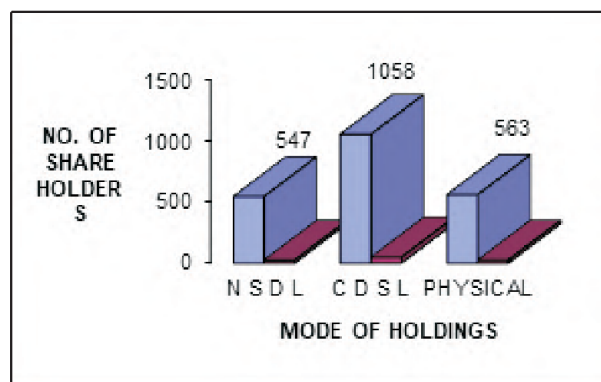
j. Dematerialization of shares and liquidity:

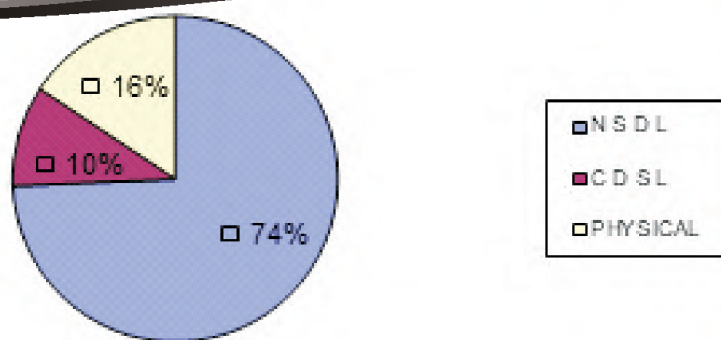
The trading in the Company's equity shares is permitted only in Demat form. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Service Limited (CDSL) for maintaining and facilitating transaction of the Company's shares in electronic mode. The ISIN No. allotted to the Company's equity shares is INE918C01029).

The details of dematerialization of shares are as specified here under:

CATEGORY	No. OF HOLDERS	%
NSDL	547	25.23
CDSL	1058	48.80
DEMAT	1605	74.03
PHYSICAL	563	25.97
TOTAL	2168	100.00

CATEGORY	No. OF SHARES	%
NSDL	5221406	74.33
CDSL	705612	10.04
DEMAT	5927018	84.38
PHYSICAL	1097582	15.62
TOTAL	7024600	100.00





The Company had submitted an application for listing of 3512300 equity shares under direct listing with BSE Limited (Bombay Stock Exchange). Based on the information provided on <http://www.bseindia.com> the equity shares of Gilada Finance & Investments Limited (Scrip Code: 538788) are listed and admitted to dealings on the Exchange in the list of XT Group Securities effective from November 19, 2014.

K. Financial Year:

The Financial Year of the Company is from 1st April to 31st March.

I. Outstanding GDRs:

Not Applicable. There are no outstanding GDRs/ADRs as on 31.03.2022.

m. Plant Locations:

The Company has no Plants.

n. Address for correspondence:

Registered Office: #105 R R Takt, 37, Bhoopasandra Main Road, Sanjay nagar, Bangalore- 560094.

Non-Mandatory Requirements:

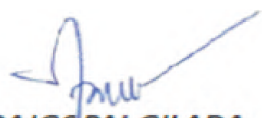
The Company has not adopted any of the non-mandatory requirements as enumerated in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

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 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.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

❖ GLOBAL ECONOMIC OVERVIEW:

According to IMF's World Economic Outlook (Apr'22), the world economy is projected to grow by 3.6% both in 2022 and 2023 from a growth of 6.1% in 2021. The growth is expected to normalise in the range of 3.3%-3.4% over the medium term. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption. The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global trade growth is expected to slow from an estimated 10.1% in 2021 to 5% in 2022 and further to 4.4% in 2023. The global economy was affected by prohibitive shipping freight rates and a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were compelled to withdraw policy support to contain inflation even as the economic recovery was still incomplete. The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilisers and gold. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

❖ THE COVID-19 PANDEMIC

The Financial year 2021-22 (FY2022) was once again dominated by Covid as new waves of infection swept across countries. In India, the second wave ('Delta') proved far more deadly than the first. After a shaky start in some places, the roll-out of vaccines in India began in dead earnest. The eventual success of nation-wide vaccination across this far flung sub-continent played a large role in curbing hospitalisation. The advent of the highly transmissible variant 'Omicron' arrived in early January 2022. In this third wave, India's daily number of reported cases peaked to nearly 350,000 in January 2022 and the active case load was over 22 million. Fortunately, while highly transmissible, Omicron was nowhere as clinically deadly as Delta. So, while many got infected, almost all got well again within a week or so, without hospitalisation and morbidity. India did not see a re-run of lockdowns and a massive drop in GDP as witnessed in FY2021. Thanks to a huge vaccination drive, the earlier strong link between Covid waves and fall in GDP growth was considerably reduced. It is too early to opine on the matter, but it would seem that India has got used to Covid. So long as the new variants are like Omicron, we should have less to worry about mass hospitalisations, huge excess morbidity, multiple lockdowns and lower growth. There can be no doubt that Covid has inflicted enormous pain and suffering to individuals and corporates alike across the globe. Equally, it gave the world an opportunity to reinvent itself to adapt to new ways of life and business. This pandemic was a real test of resilience and agility of businesses across all sectors, be it manufacturing, service, real estate, entertainment sector and others. Corporates that successfully adapted and survived the challenges thrown by Covid have generally become resilient and agile organisations who are now future ready to weather such a massive disruption.

❖ OVERVIEW OF INDIAN ECONOMY FY 2021-22:

The Financial Year 2021-22 was fairly a year of recovery from the adverse impacts of COVID-19 pandemic. The Indian economy successfully faced the challenges posed by the second and third waves of the pandemic, thanks to successful implementation of vaccination program, untiring services of the front line warriors, fiscal and monetary policies, stimulus measures of Reserve Bank of India, central and state governments which gave a much-needed cushion for the stability of the economy. According to the second advance estimates of India's Gross Domestic Product (GDP) published by the National Statistical Office for the financial year 2021-22, GDP growth in the first and second quarter was 20.1% and 8.4% respectively. In the third quarter, the GDP growth slowed down to 5.4%. In the fourth quarter, India witnessed third wave of infection but remained largely unaffected owing to vaccination of large proportion of population. India's GDP growth in Financial Year 2021-22 is estimated at 8.9%, compared to a contraction of 7.3% in Financial Year 2020-21. The Index of Industrial Production grew 11.3% against an 8.4% contraction in Financial Year 2020-21. The consumer and business confidence was resilient with improvement in general economic situation, household incomes, and spending. The economic recovery continued its positive momentum throughout the festive season. The mobility indicators viz. collections from GST, toll and e-way bill generators had demonstrated recovery to pre-pandemic levels since February, 2022. Food-grain production touched a new record in Financial Year 2021-22, with both kharif and rabi output crossing the final estimates for Financial Year 2020-21 as well as the targets set for Financial Year 2021-22. The farm sector remained upbeat due to higher minimum support prices announced by the government. The Economic Survey 2021-22 stated that the total consumption is estimated to have increased by 7.0% in Financial Year 2021-22 with Government consumption contributing the larger pie. Private consumption, on the other hand, is also expected to have improved significantly to its pre-pandemic output levels. The macro-economic indicators suggest that the Indian economy is well on its way to achieve its pre-pandemic growth levels in the current Financial Year 2023.

As a part of rehabilitation measure to reduce the stress caused by COVID-19 pandemic, the government has extended the Emergency Credit Line Guarantee Scheme till March 31, 2023 to provide credit support to small and micro organizations with expansion of guarantee cover by Rs. 50,000 crores to total cover of Rs. 5 lakh crores. It also provisioned additional credit of Rs. 2 lakh crores for Micro and Small Enterprises to be facilitated under the Credit Guarantee Trust for Micro and Small Enterprises. It further accelerated the MSME performance with an outlay of Rs.6,000 crores over five years.

FINANCIAL SERVICES -NBFC SECTOR

Over the past few years, Non-Banking Financial Companies (NBFCs) have played a prominent role in the Indian financial system. They provide financial inclusion to the underserved section of the society that does not have easy access to credit. NBFCs have revolutionized the Indian lending system and have efficiently leveraged digitization to drive efficiency and provide customers with a quick and convenient financing experience. The plethora of services include vehicle financing, MSME financing, home financing, microfinance and other retail segments. The Government has consistently worked on the governance measures to strengthen the systemic importance of the NBFCs. As of January 31, 2022 there were approximately 9,495 NBFCs registered with Reserve Bank of India (RBI), of which 49 deposit accepting NBFCs. The pandemic impacted the NBFCs operations, leading to decline in disbursements across the sectors. However, the support and focus of the Government through various liquidity measures such as repo rate cut, targeted long-term repo operations, special liquidity scheme and partial credit guarantee scheme, kept the

sector afloat. The total credit outstanding from the NBFCs for Financial Year 2020-21 stood at Rs.23.75 trillion and is expected to grow by 6-7% in the Financial Year 2021-22. This growth was mainly led by growth in the housing, auto, gold and other retail segments which stood resilient even in the previous fiscal year. While the disbursement and AUM trends improved in the second and third quarters of Financial Year 2021-22, the trend is expected to continue in Q4 of Financial Year 2021-22 due to the limited impact of the third wave of the pandemic. The disbursement growth would have to remain healthier for a sustained AUM growth. Besides, bank credit growth to the NBFC sector improved significantly to 14.6% in February 2022 from 7% a year ago. Pursuant to RBI circular RBI/2021-22/125 DOR/STR/ REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date.

GFIL: STANDALONE PERFORMANCE HIGHLIGHTS FOR FY2022

- Assets under management (AUM): increased by 1.5%% to ` 15.49 Crores
- Total income: increased by 11.55 % to ` 3.38 Crores.
- Net interest income (NII): 19.58% to ` 3.59 Crores.
- Operating expenses to NII stood at 72.53%.
- Impairment on financial instruments: NIL.
- Profit before tax (PBT): increased by 13.98% to ` 1.61 Crores.
- Profit after tax (PAT): increased by 35.15% to ` 1.32 Crores.
- Gross NPA ratio improved to 9.14 % and Net NPA ratio improved to 7.74 %
- Capital adequacy ratio as of 31 March 2022 was 84.86%, which is well above the RBI norm of 15%. Tier I capital adequacy was 72.85%.

❖ NEW RISK MANAGEMENT FRAMEWORK

The Company is exposed to various risks such as pandemic risk, credit risk, economic risk, interest rate risk, liquidity risk, cash management risk, technology risks, etc. The Company has adopted a risk management policy which provides for identification, assessment and control of risks, which in the opinion of the Board of Directors may pose significant losses and may threaten the existence of the Company.

The Board of Directors has constituted a Risk Management Committee consisting of the majority of Directors. The terms of reference of the Risk Management Committee include a periodical review of the risk management policy, risk management plan, implementing and monitoring the risk management plan and mitigation of the key risks.

The Company has included the following further steps in its risk management policy to combat the ongoing Covid 19 pandemic. These includes,

- i) Following prudent underwriting and credit norms
- ii) Efficient collection mechanism aimed at improving the collection efficiency to pre-covid levels
- iii) Flexible loan repayment options to customers
- iv) Considering multiple scenarios after the covid the moratorium pattern of the existing loans and the behavior of moratorium customers and collection capacity management

Further during the Financial year ended 2022, the Company enhanced the scope of the risk management policy to cover operational and investment risks. This is in addition to the management of the various existing risks Credit Risk, Liquidity Risk, Interest Rate Risk and Operation Risk. Being cognizant of this fact, the company has robust risk governance and has built an effective risk management framework. The company strongly believes that effective risk management can be a strategic differentiator and hence will remain focused on continuously strengthening its risk management systems.

The Company manages credit risk through stringent credit norms. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles.

Operational risks managed by internal control systems. The Risk Management Committee reviews and monitors these risk at periodical intervals.

❖ **OUTLOOK OF GILADA FINANCE AND INVESTMENTS LIMITED:**

Your Company will focus on increasing the AUM besides maintaining good asset quality. To improve the business volumes and the impending need for raising resources, it will resort to borrowings from the Financial Institutions as the gearing is low. The Company will continue to concentrate on lending to MSMEs and in particular the secured loan segment where the collection efficiency is better. It will also aim at improving the business volumes of Vehicle Finance products. The Company is expected to achieve reasonable growth in loan volumes with the above strategy in the current Financial year.

All the above shall give the Company a decent growth for the year.

❖ **OPPORTUNITIES AND THREATS:**

NBFCs have played an important role by providing funding to the unbanked sector by catering to the diverse financial needs of the customers. Further, such companies play a critical role in participating in the development of an economy by providing a fillip to transportation, employment generation, wealth creation, bank credit in rural segments and to support financially weaker sections of the society. Emergency services like financial assistance and guidance is also provided to the customers in the matters pertaining to insurance. In the current year, the challenges for NBFCs have moved from liquidity to asset quality with the COVID-19 outbreak and the impact on customers repayment capacity to repay loans. Liquidity covers of the NBFCs are largely dependent on the repayments that they receive from their customers. In order to revive the economy, the RBI had announced numerous measures to inject liquidity and keep the cost of funds benign to increase credit offtake and promote economic growth. The regulator increased credit offtake to both Micro, Small & Medium enterprises and consumer segments.

The Company on its positive side, is having the strong base portfolio in Microfinance. And moreover the Company is successfully working in the same field from year 2009. The Company have diversified funder base including nationalized banks, Private Banks, and financial institution and the Company is providing 5% cash collateral in the form of fixed deposits. The company will have the challenge since there are many market participants and the competition in this sector is very severe and the primary security coverage is 1:1.05 times of the assets. The pressure on asset quality is expected to mount due to lockdown coupled with cash flow and liquidity issues for retail and MSME segments

SEGMENT-WISE PERFORMANCE:

There is no separate reportable segment as per IND AS 108 on "Operating Segments" in respect of the Company.

❖ RISKS AND CONCERNS:

The customers' profile is an important aspect for the business of the Company. The Credit Bureaus have helped to a certain extent in identifying the risk associated with a customer and improving the asset quality of the Company thereby reducing credit risk. Additionally, as mentioned above the due diligence parameters of the borrowers have been made more stringent and industry specific exposures are also being regulated.

Dealers play a big role in directing customers to financiers. Our Company makes reasonable incentive payments to the dealers and our prompt services have rendered us a financier of choice for the dealers. Our Company has been financing vehicles only of selected manufacturers available in the market.

Any increase in interest rates may result in increasing cost of borrowings which in turn will adversely affect our profitability.

A Company's growth is directly linked to its strong and committed workforce. With the training and development activities, better incentive schemes, etc., the Company has been trying to control employee attrition. Despite increased competition, the Company has been able to retain its loyal work force, which contributes in a big way towards maintaining a positive culture, which in turn aids in ensuring that the negative effects of troublesome macro environment do not affect the overall growth plans of the Company.

Further, change in regulatory requirements for NBFCs from time to time, can have a bearing on the running of the Company. The overall economic slowdown and its impact on service sector is also a cause of concern.

The Company has put in place a Risk Management Policy to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In the opinion of the Board there exists no risks, which may threaten the existence of the Company.

❖ INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Effective internal controls are necessary for building up an efficient organization. Our Company has adequate internal control systems in place to ensure accuracy, transparency and accountability in its operations.

The company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

The company has appointed M/s. Ramesh Kamalapurkar & Co , Chartered Accountants, to conduct internal audit covering all areas of operations. The reports are placed before the audit committee of the Board. The audit committee reviews the performance of the audit and compliance functions.

Any internal control weaknesses, non-compliance with statutes and suggestions on improvements in

existing practices form part of internal audit report. A quarterly report of the various compliances is also placed before the Audit Committee. The Audit Committee reviews the internal audit report and the compliance report and ensures that observations pointed out in these reports are addressed in a timely and structured manner by the Management. The internal audit report is reviewed by the Statutory Auditors while performing audit functions to confirm that there are no transactions conflicting with the interests of the Company and regulatory stipulations.

❖ **FINANCIAL PERFORMANCE:**

During the financial year under review, your company has made substantial disbursements and was able to report positive returns. Detailed financial performance has been given in Director's Report.


❖ **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES:**

The Company being in the growth trajectory requires more manpower to carry on its operations. Our Company has always been able to attract and retain good talent. The majority of the recruitments during the year under review have been for executives at collection and sales levels. The Company has reasonable salary structure and attractive incentives to retain talent and help the employees to build a career in the Company. To maintain competency and to improve the analytical abilities of employees for gearing them to face challenges, proper training and development is imparted by the Company before the employee takes up any responsibility. The company continues to place high importance on its human resources and enjoys cordial relationships at all levels.

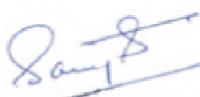
❖ **CAUTIONARY STATEMENT:**

The statements made in this report describe the Company's objectives and projections that may be forward looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

**BY AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR GILADA FINANCE AND INVESTMENTS LIMITED**



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 02.09.2022

PLACE: BANGALORE

INDEPENDENT AUDITOR'S REPORT TO SHAREHOLDERS

To the Members of GILADA FINANCE & INVESTMENTS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of “GILADA FINANCE & INVESTMENTS LIMITED”, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit & Loss including comprehensive income, the statement of changes in equity and the Statement of Cash Flow for the year then ended and a notes to financial statement including summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the companies Act 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2022, and its profit, the changes in equity and cash flows for the year ended as on that date.

Basis For Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Reporting of key audit matters as per SA 701 :- The Company's investment in property at Vijayapur, Karnataka is not revalued as on 31/03/2022 from registered valuer under Companies Act, 2013 as required under amended Schedule III – Division III.

Emphasis of Matter

We draw attention to point no.17 of Note 18 relating to impact of COVID-19 pandemic in the financial statements in which the management has described the probable impact on the company and the environment in which it operates. This note also indicates that uncertainties exist and it is currently not possible to reasonably estimate the future impact. The measures taken to deal with these circumstances were explained by the management

Our opinion is not modified in respect of this matter.

Other Matters

Even after lifting lockdown restrictions situation have not become normal. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

Information other than the financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

The Boards Report is expected to be made available to us after the date of this Auditors Report.

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.

When we read Boards Report, If we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with Governance for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the Act, read with Companies (Ind AS) Rules, 2015 & 2016. This responsibility 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 financial statements that give a true and fair view and are free from

material misstatement, whether due to fraud or error.

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

The board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the companies Act, we give in the Annexure - A statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement, the statement of changes in equity, dealt with by this Report are in agreement with the books of account.

- d) In our opinion, except for the matter described in "Emphasis Matter paragraph" the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B and our report expresses an unmodified opinion on the adequacy and operating effectiveness of company's internal control over financial reporting.
- g) With respect to the other matters to be included in the Auditors 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 and
- 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 in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 (B) (5) (A) to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts, for which there were no material foreseeable losses provision is required.
- (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

(BENNUR NAGARAJA)
PROPRIETOR
M. No. 024163

Place : Bangalore
Date : 30/05/2022
UDIN:22024163AKVXRG6034

ANNEXURE –A TO THE AUDITOR'S REPORT

1. (a) The Company has maintained proper records showing full particulars including quantitative details & situation of the property, plant & equipment and intangible assets.
 (b) All the fixed assets have been physically verified by the management during the year under audit, and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company & the nature of its fixed assets. No material discrepancies were noticed on such verification.
 (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the Company.
 (d) The Company has not revalued its property, plant & equipment by the registered valuer during the year under audit.
 (e) We are informed by the Management any kind of proceedings have not been initiated against the Company for holding any benami property under the benami transactions (Prohibition) Act, 1988 and rules made there under.
2. (a) The nature of the Company's business / activities during the year does not involve inventories. Accordingly clauses (II)(a) of paragraph 3 of the Companies (Auditors Report) order 2020 is not applicable to the Company.
 (b) Since the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate during the year under audit, our comments on details submitted in quarterly returns to banks or financial institutions not required.
3. (a) In the ordinary course of business of financing, the company has given loans to few related parties covered in the register maintained under section 189 of the Companies Act, 2013 on the basis of oral agreement since the Companies are under the same management. The maximum amount involved during the year was not determined by the management, since they are in the nature of current accounts and repayable on demand. The yearend balance of loan given to such parties was Rs. 300.89 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non Banking Financial Companies (NBFC-ND-NSI) and not prejudicial to the Company's interest.
 (19.43% of total loans outstanding).
 (b) There are no written terms & conditions on which loans are granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, However, no irregularities of repayment of principal amount & interest amount by the parties were noticed, Since they are in the nature of current accounts repayable on demand.
 (c) Since there are no written terms & conditions on which loans are granted to Companies, firms / other parties listed in the register maintained under section 189 of the Companies Act, 2013, and since they are in the nature of current accounts repayable on demand, there are no overdue amounts of loans granted.
 (d) The Company had invested Rs.0.90 lakhs in the shares of order companies who are not subsidiaries, joint ventures & associates and the investments made are not prejudicial to the Company's interest.
4. In our opinion & according to informations and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, with respect to loans and investment made.

5. Since no deposits have been accepted from public, in our opinion & according to the information & explanations given to us, the company is not required to comply with the directions issued by Reserve Bank of India under Non Banking Financial Companies (Reserve Bank) Directions, 1998, with respect to public deposits, No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
6. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the nature of business of the Company, Since the Company is not into manufacturing activity.
7. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, Goods & Service Tax, cess & other material statutory dues applicable to it. However, we are informed that the provisions of the Employees Provident Fund & Employees State Insurance Scheme are not yet applicable to the Company.

According to the information & explanations given to us, no undisputed amounts payable in respect of provident fund, employees state Insurance income tax, sales tax, service tax, customs duty, excise duty, value added tax, Goods & Service Tax, cess & other material statutory dues were in arrears, as at 31-3-2022 for a period of more than 6 months from the date they became payable.

(b) According to the information & explanations given to us, except income tax, there is no dues of sale tax, customs duty, service tax, excise duty, value added tax, Goods & Service Tax & cess which have not been deposited on account of any dispute.

- (1) The disputed income tax liability of Rs. 4,71,077/- for AY 06-07, was settled by filing application under newly launched Vivad Se Vishwas Scheme of the I.T.dept.
- (2) There is a another disputed incometax liablilty of Rs.20,51,022/- for AY 2017-18 which is under appeal with commissioner of Income Tax (Appeals)- I Bangalore. The Dispute is on account of additions made u/s 68 for cash deposited in Banks during demonetization period.
8. We are informed by the management that any kind of transactions not recorded in the books of account have not been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
9. (a) In our opinion & according to the information & explanations given to us, the company had generally not defaulted in repayment of dues to a Financial Institution, Bank or debenture holders.
- (b) We are informed by the management of the company that the company is not declared wilful defaulter by any bank or financial institution or other lender
- (c) Since no additional term loans were obtained during the year under audit our comments on its application is not required.
- (d) No funds raised on short term basis have been utilised for long term purposes.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
- (f) Since the company do not have any subsidiaries, joint ventures or associate companies, the question of company raising any loans on the pledge of securities does not arise.
10. (a) The Company did not raise any money by way of initial public offer or further public offer (including

- debt instruments) during the year. Accordingly, Paragraph 3 (X) of the order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- 11.(a) According to the information & explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (b) We have not filed any report under subsection 12 of Section 143 of the Companies Act in Form ADT4 as prescribed under rule 13 of the Companies (Audit & Auditors) Rules, 2014 with the Central Government.
- (c) We are informed by the management of the company that any kind of complaints from whistle blower had not been received by the company during the year under audit.
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)(a) and (b) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, wherever applicable and details of such transactions has been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the order is not applicable.
16. (a) According to the information and explanations given to us, the Company has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has conducted Non-Banking Financial activities with a valid certificate of Registration (COR) from the Reserve Bank of India.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.
- (d) We are informed by the management of the company that the group it belongs has only one core investment company (CIC).
17. The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year under audit.
19. On the basis of financial ratios ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, ongoing projects does not apply to the company.
20. (a) Section 135(5) second proviso of the Companies Act, 2013 in respect of other than ongoing projects does not apply to the company.

- (b) Section 135(6) of the Companies Act, 2013 in respect of ongoing projects does not apply to the company.
21. Since, the company not required to prepare consolidated financial statements, our comments on the matters as required by this clause is not required.

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No.419S

PLACE : BANGALORE
DATE : 30/05/2022
UDIN:22024163AKVXRG6034

(BENNUR NAGARAJA)
PROPRIETOR
M. No. 024163



AUDITOR'S REPORT ON CASH FLOW STATEMENT

To
The Board of Directors
Gilada Finance & Investments Limited
Bengaluru

We have examined the attached Cash Flow Statement of Gilada Finance & Investments Limited for the year ended 31 / 3 / 2022. The statement has been prepared by the Company in accordance with the requirements of Listing Agreements executed with the stock exchange where the shares of the company are listed and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated to the members of the Company.

PLACE : BANGALORE
DATE : 30/05/2022
UDIN:22024163AKVXRG6034

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

ANNEXURE –B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the Internal Financial controls with reference to financial statements over financial reporting of **Gilada Finance & Investments Ltd as of 31st March, 2022** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 the 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.

Auditor's 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 the 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accounts of India.

PLACE : BANGALORE
DATE : 30/05/2022
UDIN:22024163AKVXRG6034

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

(BENNUR NAGARAJA)
PROPRIETOR
M.No. 024163

Balance Sheet as at MARCH 31, 2022

(In Rupees)

	Particulars	Note No.	Figures as at the end of current reporting period (FY 21-22)	Figures as at the end of the previous reporting period (FY 20-21)
	1		2	3
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	1(a)	7997140.71	390610.06
(b)	Bank Balance other than (a) above	1(b)	33859.00	33859.00
(c)	Derivative financial instruments		NIL	NIL
(d)	Receivables			
	(I) Trade Receivables		NIL	NIL
	(II) Other Receivables	2	3729877.00	3598885.00
(e)	Loans	3	154864267.58	152582155.20
(f)	Investments	4	90000.00	90000.00
(g)	Other Financial assets (to be specified)		NIL	NIL
(2)	Non-financial Assets			
(a)	Inventories		NIL	NIL
(b)	Current tax assets (Net)		493320.00	NIL
(c)	Deferred tax Assets (Net)		1013300.00	1013300.00
(d)	Investment Property	5	39837000.00	39837000.00
(e)	Biological assets other than bearer plants		NIL	NIL
(f)	Property, Plant and Equipment	6(A)	199079.00	310092.00
(g)	Capital work-in-progress		NIL	NIL
(h)	Intangible assets under development		NIL	NIL
(i)	Goodwill		NIL	NIL
(j)	Other Intangible assets	6(B)	292586.00	148168.00
(k)	Other non-financial assets (to be specified)		NIL	NIL
	Total Assets		208550429.29	198004069.26
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Derivative financial instruments		NIL	NIL
(b)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		NIL	NIL
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	1279491.00	1013459.00

(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		NIL	NIL
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		NIL	NIL
(c) Debt Securities		NIL	NIL
(d) Borrowings (Other than Debt Securities)	8	7017530.00	6444476.00
(e) Deposits		NIL	NIL
(f) Subordinated Liabilities		NIL	NIL
(g) Other financial liabilities(to be specified)		NIL	NIL
(2) Non-Financial Liabilities			
(a) Current tax liabilities (Net)		NIL	907673.00
(b) Provisions	9	125769.45	2295989.50
(c) Deferred tax liabilities (Net)		NIL	NIL
(d) Other non-financial liabilities(to be specified)		NIL	NIL
(3) EQUITY			
(a) Equity Share capital	10	35123000.00	35123000.00
(b) Other Equity	11	165004638.84	152219471.76
Total Liabilities and Equity		208550429.29	198004069.26

See accompanying notes to the financial statements

Suspense A/c & Disbursement A/c

As per our report of even date attached
For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

FOR AND ON BEHALF OF BOARD OF DIRECTORS

BENNUR NAGARAJA
PROPRIETOR
M No. 024163

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN :00307829

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN :02144736

Place : Bangalore
Date : 30/05/2022
UDIN : 22024163AKVXRG6034

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN :AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

ISWARIYA RAJAN
COMPANY SECRETARY
PAN :ABTPI9119A

PROFIT AND LOSS AS AT 31ST MARCH 2022

(In Rupees)

	Particulars	Note No.	Figures for the current reporting period (FY 21-22)	Figures for the previous reporting period (FY 20-21)
	Revenue from operations			
(i)	Interest Income	12	35987883.94	30261182.00
(ii)	Dividend Income			
(iii)	Rental Income			
(iv)	Fees and commission Income		1521426.71	3219152.00
(v)	Net gain on fair value changes			
(vi)	Net gain on derecognition of financial instruments under amortised cost category			
(vii)	Sale of products(including Excise Duty)			
(viii)	Sale of services			
(ix)	Others (to be specified)			
(I)	Total Revenue from operations		37509310.65	33480334.00
(II)	Other Income (to be specified)	13	127762.00	257876.00
(III)	Total Income (I+II)		37637072.65	33738210.00
	Expenses			
(i)	Finance Costs	14	638311.00	698386.00
(ii)	Fees and commission expense			
(iii)	Net loss on fair value changes			
(iv)	Net loss on derecognition of financial instruments under amortised cost category			
(v)	Impairment on financial instruments	15	(4802655.00)	2633904.00
(vi)	Cost of materials consumed			
(vii)	Purchases of Stock-in-trade			
(viii)	Changes in Inventories of finished goods, stock-in-trade and work-in- progress			
(ix)	Employee Benefits Expenses	16	7208893.00	8323620.00
(x)	Depreciation, amortization and impairment	6	352856.00	349659.00
(xi)	Others expenses (to be specified)	17	18080555.57	7555269.78
(IV)	Total Expenses (IV)		21477960.57	19560838.78
(V)	Profit/(loss) before exceptional items and tax (III- IV)		16159112.08	14177371.22
(VI)	Exceptional items		NIL	NIL
(VII)	Profit/(loss) before tax (V -VI)		16159112.08	14177371.22
(VIII)	Tax Expense: (1) Current Tax (2) Deferred Tax		2886314.00 NIL	4356700.00 NIL
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)		13272798.08	9820671.22
(X)	Profit/(loss) from discontinued operations		NIL	NIL
(XI)	Tax Expense of discontinued operations		NIL	NIL
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)		NIL	NIL

(XIII)	Profit/(loss) for the period (IX+XII)		13272798.08	9820671.22
(XIV)	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)		NIL	NIL
	(ii) Income tax relating to items that will not be reclassified to profit or loss		NIL	NIL
	Subtotal (A)			
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		NIL	NIL
	(ii) Income tax relating to items that will be reclassified to profit or loss		NIL	NIL
	Subtotal (B)		NIL	NIL
	Other Comprehensive Income (A + B)		NIL	NIL
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)		13272798.08	9820671.22
(XVI)	Earnings per equity share (for continuing operations)			
	Basic (Rs.)		3.78	2.80
	Diluted (Rs.)		3.61	2.80
(XVII)	Earnings per equity share (for discontinued operations)			
	Basic (Rs.)		NIL	NIL
	Diluted (Rs.)		NIL	NIL
(XVIII)	Earnings per equity share (for continuing and discontinued operations)			
	Basic (Rs.)		3.78	2.80
	Diluted (Rs.)		3.61	2.80

See accompanying notes to the financial statements

As per our report of even date attached

For BENNUR NAGARAJA & CO

CHARTERED ACCOUNTANTS

FR No. 419S

BENNUR NAGARAJA

PROPRIETOR

M No. 024163

Place : Bangalore

Date : 30/05/2022

UDIN : 22024163AKVXRG6034

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN :00307829

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN :02144736

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN :AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

ISWARIYA RAJAN
COMPANY SECRETARY
PAN :ABTPI9119A

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the Year ended 31/03/2022	For the Year ended 31/03/2021
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit (Loss) before Tax	16159112	14177371
Adjustment For :		
- Depreciation and amortisation	352856	349659
- Finance Costs	638311	698386
- Investment written off	NIL	NIL
	991167	1048045
Operating Profit / (Loss) before Working Capital changes	17150279	15225416
Changes in working capital :		
- (Increase)/Decrease in financial assets	(2413104)	(3909266)
- (Increase)/Decrease in non financial assets	(526725)	(7569976)
- (Increase)/Decrease in non financial liabilities	(2930802)	NIL
- (Increase)/Decrease in financial liabilities	266032	154426
Net change in working capital	(5604599)	(11324816)
Cash generated from operations	11545680	3900600
Net Income tax (Paid) / refunds of current year	(3000000)	3200000
Net Income tax (Paid) / refunds of previous year	(487631)	NIL
Net cash flow from / (used in) operating activities (A)	8058049	700600
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including capital advance	(386261)	(144547)
Net cash flow from / (used in) investing activities (B)	(386261)	(144547)
C. CASH FLOW FROM FINANCING ACTIVITIES		
- Proceeds from / (Repayment of) short term borrowings	573054	(640029)
- Finance Cost	(638311)	(698386)
Net cash flow from / (used in) financing activities (C)	(65257)	(1338415)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	7606531	(782362)
Cash & cash equivalents of the beginning of the year	424469	1206831
Cash & cash equivalents of the end of the year	8031000	424469
D. RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET :		
Cash & cash equivalents as per Balance Sheet	8031000	424469
Less : Bank balances not considered as Cash & Cash equivalents (as defined in IND AS 7 Statement of Cash Flow)	NIL	NIL
Net Cash & cash equivalents (as defined in IND AS 7 Statement of Cash Flows)	8031000	424469
Add : Current investments considered as part of Cash and Cash equivalents (as defined in IND AS 7 Statement of Cash Flows)	NIL	NIL
Cash & cash equivalents of the end of the year	8031000	424469
Comprises :		
(a) Cash in hand	408660	457190
(b) Balances with Banks - in current accounts	7622340	(32721)

As per our report of even date attached
For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

BENNUR NAGARAJA
PROPRIETOR
M No. 024163

Place : Bangalore
Date : 30/05/2022
UDIN : 22024163AKVXRG6034

FOR AND ON BEHALF OF BOARD OF DIRECTORS

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN : 00307829

SANGEETA GILADA
CHIEF EXECUTIVE OFFICER
PAN : AIDPG1236B

SAMPATHKUMAR GILADA
DIRECTOR
DIN : 02144736

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

ISWARIYA RAJAN
COMPANY SECRETARY
PAN : ABTP19119A

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(In Rupees ...)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
35123000.00	NIL	NIL	NIL	35123000.00

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
35123000.00	NIL	NIL	NIL	35123000.00

See accompanying notes to the financial statements

As per our report of even date attached
For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

FOR AND ON BEHALF OF BOARD OF DIRECTORS

BENNUR NAGARAJA
PROPRIETOR
M No. 024163

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN :00307829

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN :02144736

Place : Bangalore
Date : 30/05/2022
UDIN : 22024163AKVXRG6034

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN :AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

ISWARIYA RAJAN
COMPANY SECRETARY
PAN :ABTPI9119A

B. Other Equity

(1) Current reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature) Remeasurement of defined benefit liabilities (Assets)	Money received against share warrants	Total
			Capital Reserve (Forfeiture of share warrants)	Securities Premium	Other Reserves (specify nature) (Statutory Reserve)	Retained Earnings								
Balance at the beginning of the current reporting period	NIL	NIL	12375000.00	NIL	24456931.00	77132822.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	152219472.00
Changes in accounting policy/prior period errors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Restated balance at the beginning of the current reporting period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Comprehensive Income for the current year	NIL	NIL	NIL	NIL	NIL	13272798.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	13272798.00
Dividends	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Transfer to retained earnings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (transfer to statutory reserve)	NIL	NIL	NIL	NIL	2654560.00	2654560.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (income tax paid of earlier years)	NIL	NIL	NIL	NIL	NIL	487631.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	487631.00
Balance at the end of the current reporting period	NIL	NIL	12375000.00	NIL	27111491.00	87263429.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	165004639.00

B. Other Equity

(1) Current reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of Comprehensive Income (specify nature) Remeasurement of defined benefit liabilities (Assets)	Money received against share warrants	Total
			Capital Reserve (Forfeiture of share warrants)	Securities Premium	Other Reserves (specify nature) (Statutory Reserve)	Retained Earnings								
Balance at the beginning of the current reporting period	NIL	NIL	12375000.00	NIL	24456931.00	77132822.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	152219472.00
Changes in accounting policy/prior period errors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Restated balance at the beginning of the current reporting period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Comprehensive Income for the current year	NIL	NIL	NIL	NIL	NIL	13272798.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	13272798.00
Dividends	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Transfer to retained earnings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (transfer to statutory reserve)	NIL	NIL	NIL	NIL	2654560.00	2654560.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (income tax paid of earlier years)	NIL	NIL	NIL	NIL	NIL	487631.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	487631.00
Balance at the end of the current reporting period	NIL	NIL	12375000.00	NIL	27111491.00	87263429.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	165004639.00

PARTICULARS		AS ON 31/3/2022 Rs.	AS ON 31/3/2021 Rs.
<u>NOTE NO. 1 :</u>			
<u>(a) CASH & CASH EQUIVALENTS :</u>			
Cash in Hand		408660.17	457190.17
Balances with Banks in current A/c's		7588480.54	(66580.11)
	TOTAL	7997140.71	390610.06
<u>(b) BANK BALANCE OTHER THAN (a) ABOVE :</u>			
Earmarked Bank balance for Dividend Payment in SBI Peenya Branch		33859.00	33859.00
	TOTAL	33859.00	33859.00

<u>NOTE NO. 2 :</u>		
<u>OTHER RECEIVABLES :</u>		
(a) Recivable considered good --- Secured	NIL	NIL
(b) Recivable considered good --- Unsecured	729800.00	1002385.00
(c) Receivables which have significant increase in credit risk	2800000.00	2377000.00
(d) Receivables credit impaired	NIL	NIL
(e) Debts due by Directors/Officers/Firms & Companies in which directors are interested	200077.00	219500.00
TOTAL	3729877.00	3598885.00

NOTE NO. 3 :

Loans

	(Current Year)						(Previous Year)					
	Amortised cost	At Fair Value			Subtotal	Total	Amortised cost	At Fair Value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6=1+5)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12=(7)+(11))
Loans												
(A)												
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	NIL
(ii) Loans repayable on Demand	30089335.58	-	-	-	-	30089335.58	22889208.20	-	-	-	-	22889208.20
(iii) Term Loans	127342500.00	-	-	-	-	127342500.00	137063170.00	-	-	-	-	137063170.00
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	NIL
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	NIL
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	NIL
Total (A) - Gross	157431835.58	-	-	-	-	157431835.58	159952378.20	-	-	-	-	159952378.20
Less: Impairment loss allowance	2567568.00	-	-	-	-	2567568.00	7370223.00	-	-	-	-	7370223.00
Total (A) - Net	154864267.58	-	-	-	-	154864267.58	152582155.20	-	-	-	-	152582155.20
(B)												
(i) Secured by tangible assets	127342500.00	-	-	-	-	127342500.00	112847496.00	-	-	-	-	112847496.00
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	NIL

(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	NIL
(iv) Unsecured	30089335.58	-	-	-	-	30089335.58	47104882.20	-	-	-	-	47104882.20
Total (B) - Gross	157431835.58	-	-	-	-	157431835.58	159952378.20	-	-	-	-	159952378.20
Less: Impairment loss allowance	2567568.00	-	-	-	-	2567568.00	7370223.00	-	-	-	-	7370223.00
Total (B) - Net	154864267.58	-	-	-	-	154864267.58	152582155.20	-	-	-	-	152582155.20
(C) (I) Loans in India	-	-	-	-	-	-	-	-	-	-	-	NIL
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	NIL
(ii) Others												
(a) Loans to related parties	30089335.58	-	-	-	-	30089335.58	22889208.20	-	-	-	-	22889208.20
(b) Mortgaged Land Loans	-	-	-	-	-	-	11530148.00	-	-	-	-	11530148.00
(c) Hypothecated Vehicle Loans	102109360.00	-	-	-	-	102109360.00	93317348.00	-	-	-	-	93317348.00
(d) Business Loans (MSME) & Personal Loans	17233140.00	-	-	-	-	17233140.00	24215674.00	-	-	-	-	24215674.00
(e) Hypothecated commodity Loans	8000000.00	-	-	-	-	8000000.00	8000000.00	-	-	-	-	8000000.00
Total (C) - Gross	157431835.58	-	-	-	-	157431835.58	159952378.20	-	-	-	-	159952378.20
Less: Impairment loss allowance	2567568.00	-	-	-	-	2567568.00	7370223.00	-	-	-	-	7370223.00
Total (C) (I) - Net	154864267.58	-	-	-	-	154864267.58	152582155.20	-	-	-	-	152582155.20
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	NIL
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	NIL
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	NIL
Total C(I) and C(II)	154864267.58	-	-	-	-	154864267.58	152582155.20	-	-	-	-	152582155.20

NOTE NO. 4 :

Investments

Investments														
Investments	(Current Year)							(Previous Year)						
	Amortise d cost	At Fair Value			Su b- Tot al	Others *	Total	Amortis ed cost	At Fair Value			Sub- Total	Oth ers*	Total
		Through Other Comprehe nsive Income	Through profit or loss	Design ated at fair value throu gh profit or loss					Through Other Compreh ensive Income	Throu gh profit or loss	Design a ted at fair value throu gh profit or loss			
(1)	(2)	(3)	(4)	(5)= (2)+ (3)+ (4)	(6)	(7)=(1)+ (5)+(6)	(8)	(9)	(10)	(11)	(12)= (9)+(1 0)+(11)	(13)	(14)=(8)+ (12)+(13)	
Mutual funds	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Government securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Other approved securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Debt securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Equity Instruments	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Subsidiaries	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Associates	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Joint Ventures	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Others														
(a) Mahesh Vidya Bhavan Shares	50000.00	-	-	-	-	-	50000.00	50000.00	-	-	-	-	-	50000.00
(b) Mahesh Souharda Credit Co-Operative Society Shares	40000.00	-	-	-	-	-	40000.00	40000.00	-	-	-	-	-	40000.00
Total – Gross (A)	90000.00	-	-	-	-	-	90000.00	90000.00	-	-	-	-	-	90000.00
(i) Investments outside India	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
(ii) Investments in India	90000.00	-	-	-	-	-	90000.00	90000.00	-	-	-	-	-	90000.00
Total (B)	90000.00	-	-	-	-	-	90000.00	90000.00	-	-	-	-	-	90000.00
Total (A) to tally with (B)	90000.00	-	-	-	-	-	90000.00	90000.00	-	-	-	-	-	90000.00
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Total – Net D= (A)-(C)	90000.00	-	-	-	-	-	90000.00	90000.00	-	-	-	-	-	90000.00

PARTICULARS	AS ON 31/3/2022	AS ON 31/3/2021
<u>NOTE NO. 5 :</u>		
<u>INVESTMENT PROPERTY :</u>		
1. Vacant Land at Kalburgi (Gulbarga), Karnataka (At revalued cost) Opening Balance Fair market value as on 29/04/2022 based on report of registered valuer : Rs.3,41,25,000/-	38500000.00	38500000.00
2. Land and residential building at Vijayapura, Karnataka (At cost) Opening Balance Fair market value : Not ascertained	1337000.00	1337000.00
TOTAL	39837000.00	39837000.00

NOTE NO. 6 :

PROPERTY, PLANT & EQUIPMENT & DEPRECIATION & INTANGIBLE ASSETS

Particulars of the Fixed Assets	Gross Block			Depreciation				Net Block	
	As at 3/31/2021	Additions (Deletions)	As at 3/31/2022	Upto 3/31/2021	Rate	For the year	Up to 3/31/2022	As at 3/31/2022	As at 3/31/2021
A) Tangible Assets									
1. Office Equipments	1149438.00	60831.00 (4000.00)	1206269.00	1033418.00	60.13%	93432.00	1126850.00	79419.00	116020.00
2. Computer Systems	1479926.00	0.00	1479926.00	1446871.00	77.52%	25624.00	1472495.00	7431.00	33055.00
3. Vehicles	728610.00	64430.00	793040.00	660461.00	91.50%	95305.00	755766.00	37274.00	68149.00
4. Furniture & Fixtures	1618197.00	15000.00	1633197.00	1525329.00	35.30%	32913.00	1558242.00	74955.00	92868.00
Total (A)	4976171.00	136261.00	5112432.00	4666079.00		247274.00	4913353.00	199079.00	310092.00
B) Intangible Assets									
1. Software A/c	629125.00	250000.00	879125.00	480957.00	33.56%	105582.00	586539.00	292586.00	148168.00
Total (A+B)	5605296.00	386261.00	5991557.00	5147036.00		352856.00	5499892.00	491665.00	458260.00
Previous year	5460749.00	144547.00	5605296.00	4797377.00		349659.00	5147036.00	458260.00	663372.00

SCHEDULE A :

ANNEXURE OF FIXED ASSETS & DEPRECIATION ALLOWABLE UNDER INCOME TAX ACT

Particulars of the Fixed Assets	W.D.V As on 3/31/2021	Gross Block			Depreciation		Net Block
		Additions/ (Deletions) Before 9/30/2021	Additions/ (Deletions) After 10/1/2021	Total As on 3/31/2021	Rate of Deprn.	For the Year	W.D.V. As on 3/31/2022
(A) TANGIBLE ASSETS :							
I. Plant and Machinery							
1. Office Equipments	393102.00	37032.00 (4000.00)	23799.00	449933.00	15%	65705.00	384228.00
2. Two Wheelers	276514.00	64430.00	-	340944.00	15%	51142.00	289802.00
3. Computer Systems (Including Software)	148064.00	NIL	-	148064.00	40%	59226.00	88838.00
II. Furniture & Fixtures							
1. General	464028.00	-	15000.00	479028.00	10%	47153.00	431875.00
(B) INTANGIBLE ASSETS :							
1. Software A/c	-	250000.00	-	250000.00	25%	62500.00	187500.00
TOTAL	1281708.00	347462.00	38799.00	1667969.00		285726.00	1382243.00

NOTE NO. 7 :

TRADE PAYABLES :

<u>AS ON</u> <u>31/3/2022</u>	<u>AS ON</u> <u>31/3/2021</u>
1279491.00	1013459.00

Trade payable aging Schedule as on 31/03/2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1. M S M E	NIL	-	-	-	-
2. Others	1279491	-	-	-	1279491
3. Disputed dues (M S M E)	NIL	-	-	-	-
4. Disputed dues (Others)	NIL	-	-	-	-
Total	1279491	-	-	-	1279491

NOTE NO. 8 :

Borrowings (Other than Debt Securities)

	(Current Year)				(Previous Year)			
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
(a)Term loans								
(i)from banks	-	-	-	-	-	-	-	NIL
(ii)from other parties	4015073.00	-	-	4015073.00	3970276.00	-	-	3970276.00
(b)Deferred payment liabilities	-	-	-	-	-	-	-	NIL
(c)Loans from related parties	3002457.00	-	-	3002457.00	2474200.00	-	-	2474200.00
(d) Finance lease obligations	-	-	-	-	-	-	-	NIL
(e)Liability component of compound financial instruments	-	-	-	-	-	-	-	NIL
(f)Loans repayable on demand	-	-	-	-	-	-	-	NIL
(i)from banks	-	-	-	-	-	-	-	NIL
(ii)from other parties	-	-	-	-	-	-	-	NIL
(g) Other loans (specify nature)	-	-	-	-	-	-	-	NIL
Total (A)	7017530.00	-	-	7017530.00	6444476.00	-	-	6444476.00
Borrowings in India	7017530.00	-	-	7017530.00	6444476.00	-	-	6444476.00
Borrowings outside India	-	-	-	-	-	-	-	NIL
Total (B) to tally with (A)	7017530.00	-	-	7017530.00	6444476.00	-	-	6444476.00

(A) Term Loans from Other Parties :

(1) Maheshwari Souharda Credit Co-operatives Ltd. 4015073.00 3970276.00

- | Secured against charge created on the hypothecated assets of the company : Full outstanding amount
- | Guaranteed by Directors : Full outstanding amount
- | Terms of Repayment : 12 months from the date of disbursement / renewal
- | Period and amount of default : NIL
- | Loan amount taken : Rs.40 lakhs
- | Rate of Interest : 14.5% p.a monthly rests

(B) Loans from Related Parties :(Unsecured)

From Directors (Rajgopal Gilada) 2474200.00 2474200.00

(Unsecured & no fixed repayment period & no fixed amount & no fixed rate of interest)

@ 12%

From Other Companies

Shankarlal Gilada & Sons Pvt Ltd

528257.00 NIL

@ 12%

PARTICULARS	AS ON 31/3/2022 Rs.	AS ON 31/3/2021 Rs.
<u>NOTE NO. 9 :</u>		
<u>PROVISIONS :</u>		
<u>(a) Provisions for employee Benefits</u>		
Provisions for Gratuity payable	NIL	1806579.00
Bonus payable	NIL	292843.00
Employees Professional Tax payable	2960.00	NIL
<u>(b) Others</u>		
GST payable	1467.95	54633.00
TDS payable	87482.00	108075.00
Unclaimed Dividend payable for FY 2017-18	33859.50	33859.50
TOTAL	125769.45	2295989.50

PARTICULARS	AS ON 31/3/2022 Rs.	AS ON 31/3/2021 Rs.
NOTE NO. 10 : EQUITY SHARE CAPITAL :		
AUTHORISED : 6000000 Equity shares of Rs.10/- each 16000000 Equity shares of Rs.5/- each	- 80000000.00	60000000.00 -
ISSUED, SUBSCRIBED AND FULLY PAID UP 35,12,300 Equity Shares of Rs. 10/- each with voting rights 70,24,600 Equity Shares of Rs. 5/- each with voting rights	- 35123000.00	35123000.00 -

A. Details of shareholders holding more than 5% of total paid up capital

Sl. No.	Name of the Shareholder	As on 31/03/2022 Face value@Rs.5/-		As on 31/03/2021 Face value@Rs.10/-	
		No. of Shares	% of Shares	No. of Shares	% of Shares
1	Malu Plantation and Resorts Ltd.	402000	5.72	201000	5.72
2	Smt.Rajashree Gilada	525800	7.49	262900	7.49
3	Shankarlal Gilada & Sons (P)Ltd.	2026800	28.85	1013400	28.85
	TOTAL	2954600	42.06	1477300	42.06

B. Shareholding of promoters and changes, if any :

Shares held by promoters at the end of the year					% Change during the year
Sl No	Promoters Name	Face value @ Rs.5/- No. of shares	Face value @ Rs.10/- No. of shares	% of total shares	
1	Sampath Gilada	10200	5100	0.15	NIL
2	Sangeeta S Gilada	287000	143500	4.09	NIL
3	Gowrajadevi Shankarlal Gilada	182000	91000	2.59	NIL
4	Shankarlal Gilada	340000	170000	4.84	NIL
5	Rajashree Gilada	525800	262900	7.49	NIL
6	Bindu Rajgopal Gilada	220000	110000	3.13	NIL
7	Sampathkumar Gilada	231200	115600	3.29	NIL
8	Rajgopal Gilada	305600	152800	4.35	NIL
9	Shankarlal Gilada & Sons Pvt Ltd	2026800	1013400	28.85	NIL
	Total	4128600	2064300	58.77	

C. Aggregate number of shares allotted pursuant to contract without payment being received in cash

D. Aggregate number of shares bought back

E. Aggregate number of shares allotted as fully paidup

by way of bonus shares

NIL

NIL

NIL

NIL

NIL

NIL

PARTICULARS	AS ON 31/3/2022 Rs.	AS ON 31/3/2021 Rs.
NOTE NO. 11 :		
OTHER EQUITY :		
A) CAPITAL RESERVE		
(a) Revaluation Reserve (On Revaluation of Capital Asset (Land at Gulbarga) into Stock in trade in FY 2011-12)	38158293.54	38158293.54
(b) Forfeiture of Share Warrants in f y 2019-2020	12375000.00	12375000.00
TOTAL (A)	50533293.54	50533293.54
B) STATUTORY RESERVE (UNDER RBI Act)		
Opening Balance	24456931.24	22492797.00
Add : Transferred during the year	2654559.62	1964134.24
TOTAL (B)	27111490.86	24456931.24
C) RETAINED EARNINGS (SURPLUS IN PROFIT AND LOSS ACCOUNT)		
Opening Balance	77132821.98	69276285.00
Add : Net Profit after Tax during the year	13272798.08	9820671.22
Less : Transferred to Statutory Reserve Fund (20%)	2654559.62	1964134.24
Less : Income Tax paid for previous years	487631.00	1964134.24
TOTAL (C)	87263429.44	77132821.98
D) OTHER COMPREHENSIVE INCOME		
Opening Balance	96425.00	96425.00
Add(Loss) Other comprehensive Income for the year	NIL	NIL
Add(Loss) Tax Impact on above	NIL	NIL
TOTAL (D)	96425.00	96425.00
TOTAL (A)+(B)+(C)+(D)	165004638.84	152219471.76

NOTE NO. 12 :

Interest Income

Particulars	(Current Year)			(Previous Year)		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	35987883.94	-	-	30261182.00	-
Interest income from investments	-	-	-	-	-	-
Interest on deposits with Banks	-	-	-	-	-	-
Other interest Income	-	-	-	-	-	-
Total	-	35987883.94	-	-	30261182.00	-

NOTE NO. 13 :

Other Income (to be specified)

Particulars	(Current Year)	(Previous Year)
Net gain/(loss) on ineffective portion of hedges	NIL	NIL
Net gain/(loss) on derecognition of property, plant	NIL	NIL
Net gain or loss on foreign currency transaction and	NIL	NIL
Others (to be specified) : Bad debts Recovered	80624.00	108000.00
Interest on IT Refund	NIL	131690.00
Interest on F D	NIL	18186.00
Profit on Sale of Seized vehicle sale	47138.00	NIL
Total	127762.00	257876.00

NOTE NO. 14 :

Finance Costs

Particulars	(Current Year)		(Previous Year)	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised cost
Interest on deposits	-	-	-	-
Interest on borrowings	-	638311.00	-	698386.00
Interest on debt securities	-	-	-	-
Interest on subordinated liabilities	-	-	-	-
Other interest expense	-	-	-	-
Total	-	638311.00	-	698386.00

NOTE NO. 15 :

Impairment on financial

instruments Particulars	(Current Year)		(Previous Year)	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost
Loans	-	(4802655.00)	-	2633904.00
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	-	(4802655.00)	-	2633904.00

NOTE NO. 16 :

Employee Benefits Expenses

Particulars	(Current Year)	(Previous Year)
Salaries and wages	5808893.00	6598620.00
Contribution to provident and other funds	-	-
Share Based Payments to employees	-	-
Staff welfare expenses	-	-
Others (to be specified) : Directors Salaries	1400000.00	1725000.00
Total	7208893.00	8323620.00

NOTE NO. 17 :

Other expenses (to be specified)

Particulars	(Current Year)	(Previous Year)
Rent, taxes and energy costs	565354.04	1046511.00
Repairs and maintenance	357336.93	217840.00
Communication Costs	124197.58	154186.00
Printing and stationery	69019.00	63828.00
Advertisement and publicity	141600.00	202350.00
Director's fees, allowances and expenses	163000.00	44000.00
Auditor's fees and expenses	200000.00	160000.00
Legal and Professional charges	2279785.00	1044451.00
Insurance	NIL	NIL
Other expenditure :		
Sharelisting & Share transfer exps.	300000.00	300000.00
Travelling & Conveyance exps.	293095.00	345829.00
Loss on sale of seized vehicles	NIL	313270.00
Bad debts written off	13007923.86	2744134.00
Miscellaneous expenses	579244.16	918870.78
Total	18080555.57	7555269.78

NOTE 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information :

Gilada Finance & Investments Limited is a public Company incorporated in India under the provisions of the erstwhile Companies Act, 1956 on 26/07/1994. Its shares are listed on Bombay Stock Exchange. The Company is Non-Banking Financial Company which is registered with Reserve Bank of India (RBI). The Company engaged in the business of lending and primarily deals in vehicle financing, small business loans and mortgage loans.

Company is registered as Non-Banking Financial Company (NBFC) and is adhering the regulatory and disclosure standards as applicable to NBFC-ND-NSIs. The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS).

2. Accounting Policies :

1. Basis of preparation :

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies Rules 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

2. Basis of Measurement :

The financial statements have been prepared on the historical cost basis.

3. Use of Estimates :

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

The key assumptions concerning the future and other key sources of estimation of 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 on 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 circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Areas that involved a higher degree of estimate and judgment or complexity in determining the carrying amount of some assets and liabilities are mentioned below.

a. Effective Interest Rate Method (EIR) :

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 judgment regarding the expected behavior and life cycle of the instruments, as well as expected changes to other fee income / expense that are integral parts of the instrument.

b. Impairment of Financial Assets :

The measurement of impairment losses on loan assets and commitments, requires judgment, 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 (ECL) 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 judgments and estimates include :

- The Company's criteria for assessing if there has been a significant increase in credit risk.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL model, including the various formula and the choice of inputs.
- It is company's policy to regularly review its model in the context of actual loss experience and adjust when necessary.

c. Provisions and other contingent liabilities :

The reliable measure of estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Estimates and judgments are constantly 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.

4. Revenue Recognition :

a. Interest Income on Loans :

Interest income is recognized 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.

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.

b. Fee and Commission Income :

Fee based income are recognized when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned for the services rendered are recognized as and when they are due

c. Interest Income on Investments :

Interest income from investments is recognized 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.

d) Investments :

(a) The Company changed its accounting policy in respect of Investment in property during financial year 2011-12. Investment in Capital Asset (i.e Land at Kalburagi in Karnataka) revalued and held as stock in trade effective 31st March, 2012, on the basis of valuation report given by approved valuer. This change in accounting policy resulted into creation of revaluation reserve to the extent of Rs.381/58 lakhs.

Land at Kalburagi is again revalued on 29/04/2022 at Rs.3,41,25000/- by registered valuer but depreciated amount of Rs.43,75,000/- is not recognised as impairment of investment in property.

(b) Long term unquoted investments in shares are stated at cost & provision for diminution in the value of Long Term Investments is made only if, such decline is other than temporary, in the opinion of the management.

(c) Investment in Land & Building at Vijayapura in Karnataka, acquired against partial settlement of dues from commission agent at Vijayapura is treated as long term investment and stated at cost.

The valuation of Investment in property at Vijayapura is not carried out from registered valuer and Impairment of investment in this property is not recognised

4. Property, Plant & Equipment :

Property, Plant and Equipment are stated at cost of acquisition including incidental expenses, less accumulated depreciation and accumulated impairment loss, if any, All costs directly attributable to bringing the asset to the working condition for its intended use including financing costs are also capitalized.

Depreciation is provided on WDV method on the basis of useful life under Schedule II to the Companies Act, 2013 are as under :

a. Office Equipments	:	5
b. Computer Hardware	:	3
c. Furniture & Fixtures	:	10
d. Vehicles	:	10
e. Computer Software	:	3

Property, Plant & Equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is recognized in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

4. Intangible Assets :

Intangible Assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets comprises of computer software which is amortized over the estimated

useful life. The amortization period is lower of license period or 5 years which is based on management's estimates of useful life. Amortisation is calculated using the straight line method to write down the cost of intangible assets over their estimated useful lives.

5. Financial Instruments :

a.Recognition and Initial measurement :

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities of FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition, Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

b.Classification and Subsequent measurement of financial assets :

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

Amortised Cost :

The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

FVOCI – debt Instruments :

The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI – equity Instruments :

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period of the Company changes its business model for managing financial assets. All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets :

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest Income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gain and loss on derecognition is recognized in Statement of profit and loss.

Debt investments at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of profit and loss. Other net gains and losses are recognized in OCI. On depreciation, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

Equity investments that are not designed as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of profit and loss.

c. Financial liabilities and equity instruments :

Classification as debt or equity :

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments :

An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an equity transaction are recognized as a deduction from equity.

Financial Liabilities :

Financial Liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

d. De-recognition :

Financial Assets :

The Company derecognizes a financial asset when the contractual rights to the cash flows from the

financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balancesheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial Liabilities :

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

e. Impairment of Financial Instruments :

Equity instruments are not subject to impairment under Ind AS 109, on financial instruments.

The Company recognizes lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward looking information.

The Company recognizes lifetime ECL for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss expenses, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI and carrying amount of the financial asset is not reduced in the Balance Sheet.

7. Finance Costs :

Finance Costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans, non-convertible debentures, fixed deposits mobilized, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

8. Cash & Cash Equivalents:

Cash and Bank balances include Cash in hand, Bank Balances, Bank Deposits and Corporate deposits, if any.

9. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities of the Company are segregated.

10. Taxes on Income:

Tax expenses comprise current tax, deferred taxes and prior period taxes. Current income tax at the amount expected to be paid to the tax authorities in accordance with Income Tax Act.

Deferred income taxes reflect the impact of the current year timing differences between taxable income and accounting income for the year. Deferred tax is measured based on current tax rates.

11. Provisions & Contingencies:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. The Company does not provide for a contingent liability but discloses its existence in the financial statement.

12. Earnings per equity share:

Basic earnings per share is 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. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, subdivision of shares etc., that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

13. Employee Benefits :

(a) ESI & EPF Contribution : In the opinion of the Management, the Provisions of ESI & EPF Act is not yet applicable to the Company.

(b) Provision for Retirement Benefits : Since the management of the Company does not provide any kind of post retirement benefits like gratuity etc to any of its employees, provision for retirement benefits like gratuity etc is not made by the Company.

14. Impairment of Assets :

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

15..Reposessed Hypothecated Stock :

The reposessed stock has been valued at yearend at market value & accounted in the books of accounts of the Company. The Company maintained separately a Seized Vehicles Register, recording the date of seizure of vehicle, release of vehicle and sale of Seized Vehicle & accounted profit /loss on sale of seized vehicles, wherever applicable.

B. NOTES ON ACCOUNTS

1. The outstanding balances of Debtors, Creditors, Loans and Advances given / taken are subject to confirmation from the parties.
2. Auditors remuneration includes the following :

	As on 31/3/2022	As on 31/3/2021
(a)Statutory Audit Fees	60000.00	50000.00
(b)Tax Audit & Tax matters	60000.00	50000.00
(c)Company Law matters	40000.00	30000.00
(d)Other services	40000.00	30000.00
(e)Reimbursement of expenses	NIL	NIL
TOTAL	200000.00	160000.00

3. During the year, as and when required, Loans and advances are given to and taken from the Directors / Companies/ firms and other parties, in which Directors are interested. Since the accounts were operated as current accounts, repayable on demand, it is impossible for the Management to quantify the maximum amount of unsecured loans given and taken. However, Balance outstanding at the yearend together with loan taken against security of immovable property by a company under the same management does not exceeds the limit prescribed under section 185 & 186 of the Companies Act, 2013 & under RBI Directions to NBFC's.

4. Previous year's figures have been regrouped / recast / rearranged / reclassified, wherever required.

5. Contingent Liabilities & Commitments

(to the extent not provided for)

A. Contingent Liabilities

a. Claims against the Company not acknowledged as debt :-

1. Disputed Income Tax Liability for A.Y.2017-18 Rs.20,51,022/-
(on account of addition u/s 68 on deposit of cash in Bank during demonetisation period)

b.Guarantees :

Sl No.	Name of the Related Party	Amount	Nature of Guarantee provided
1.	Whitefield Refractories (P) Ltd	250 lakhs	Corporate Guarantee

C. Other Money for which the Company is contingently liable : - NIL

B. Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for : - NIL

b. Un called liability on shares and other investments partly paid : - NIL

c. Other Commitments : - NIL

6. In the opinion of the management, there is no material diminution in the value of investments made in Immovable Properties / Unquoted shares, held as Long term investments.

7. In the opinion of the Board, the realisable value of the Current Assets, Loans and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

8. Loans/Investments / Guarantees / Securities taken together to single group of parties i.e. Firms & Companies under the same management are within the limit prescribed under RBI Directions, 1998 to NBFC's and the limits prescribed under section 185 & 186 of the Companies Act, 2013.

9. Earnings per share

Particulars	31/03/22	31/03/21
Net Profit after tax	13272798	9820671
Weighted average number of equity shares (Nos)	3511322	3512300
Earnings/(Loss) per share (INR) (Basic)	3.78	2.80
Earnings/(Loss) per share (INR) (Diluted)	3.61	2.80
Nominal Value of Equity Shares (INR) w.e.f 18/3/22	5	10

10. As per Indian Accounting Standard-12 on "Income Taxes" issued by the Institute of Chartered Accountants of India, no amount has been provided against deferred tax Asset / Liability, in view of amount involved is not material. out has been provided against deferred tax Asset / Liability, in view of amount involved is not material.

11. Related Party Disclosures :-

Party where the control Exists	Name of Related Party
1. Key Managerial Personnel	
a) Managing Director	Rajgopal Gilada
b) Director	Sampath Kumar Gilada
c) Chief Executive Officer	Sangeeta Gila da
d) Chief Financial Officer	Pallavi Gilada
e) Company Secretary	Iswariya Rajan
2. Enterprises owned / significantly influenced by KMP	1. Gita Refractories Pvt Ltd 2. Rajvaibhav Enterprises Pvt Ltd 3. Sahyadri Renewable Energy Pvt Ltd 4. Prestress Steel LLP 5. Whitefield Refractories Pvt Ltd 6. Vijayalakshmi Hydro Power Pvt Ltd 7. Shankarlal Gilada & Sons Pvt Ltd 8. Krishna Valley Power Pvt Ltd 9. Srisakthi Land Developers & Constructions Pvt Ltd 10. Vikramaditya Renewable Energy Pvt Ltd 11. SRM Power Pvt Ltd 12. Suyash Udyog (P) Ltd. 13. Samrat Wires (P) Ltd. 14. Yash Proteins (P) Ltd. 15. Siddhi Ferrous (P) Ltd.

SI No.	Related Party	Nature of Transaction	31/03/22	31/03/21
1.	Rajgopal Gilada (Managing Director)	Remuneration	1200000/-	1150000/-
2.	Sampathkumar Gilada (Director)	Remuneration	200000/-	575000/-
3.	Sangeetha Gilada (Chief Executive Officer)	Salary	528000/-	506000/-
4.	Ishwarya Rajan (Company Seceretary)	Salary	581800/-	345544/-
5.	Gita Refractories Pvt Ltd.	Unsecured Loan outstanding Interest Received	25083081/- Dr. 3019811/-	17889208/- Dr 2223060/-
6.	Prestress Steel LLP	Unsecured Loan outstanding Interest Received	NIL 76521/-	NIL 397294/-
7.	Rajvaibhavy Enterprises Private Limited	Unsecured Loan outstanding Interest Received	5000000/- Dr. 700000/-	5000000/- Dr. 700000/-
8.	Whitefield Refractories (P) Limited	Corporate Guarantee	25000000/-	25000000/-

12. A separate schedule to the Balance sheet as required under NBFC (RBI) Directions, 1998 is given in Annexure – A.

13. Reconciliation of Movement in Borrowings to cash flows from financing activity

Borrowings	31/03/22	31/03/21
Opening Balance	6444476	7084505
Cash flows (Net)	573054	(640029)
Amortisation of loan origination costs	NIL	NIL
Closing Balance	7017530	6444476

14. Financial risk management objectives and policies

The company's principal financial assets/liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial assets/liabilities is to finance and support company's operations. The company's principal financial assets include loans, other receivables, cash and cash equivalents and refundable deposits/ Investment in property that derive directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises two types of risk. Interest rate risk & other price risk such as commodity risk. Financial instruments affected by market risk include loans & borrowings & refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31st, 2022 & March 31st 2021. The sensitivity analysis have been prepared on the basis that the amount of net debt & the ratio of fixed to floating interest rates of debt. The sensitivity of the relevant profit or loss item in the effect of the assumed changes in respective market risks. This is based on the financial assets

and financial liabilities held at March 31st, 2022 & March 31st 2021.

b) Interest rate risk

Interest rate sensitivity on fixed and floating rate assets and liabilities with defining maturity profiles is measured by using the duration gap analysis. The same is computed monthly and sensitivity of the market value of equity assuming varied changes in interest rates are presented and monitored by management.

c) Credit Risk

Credit risk is the risk that the company will incur a loss because its customers fail to discharge their contractual obligations. The company has a comprehensive framework for monitoring credit quality of its all kinds of loans primarily based on days past due monitoring, at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

In assessing the impairment of financial loans under expected credit loss (ECL) model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for trade advances. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the company

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio :

Particulars	31/03/2021		
	Std Assets	Sub-Std Assets	Doubtful & Loss Assets
Gross carrying Value	11694010 0	15885998	5750265
Allowance for ECL	467760	2382241	5507283
ECL Coverage Ratio	0.40%	15%	96%

Particulars	31/03/2022		
	Std Assets	Sub-Std Assets	Doubtful & Loss Assets
Gross carrying Value	140445501	10679553	3739213
Allowance for ECL	361452	1067955	1141100
ECL Coverage Ratio	0.25%	10.00%	30.52%

15. Loans written off as Bad debts

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss statement.

16. Capital Management

The company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2022 and March 31, 2021 was as follows:

Particulars	31/03/2022	31/03/2021
Total equity attributable to the equity shareholders of the company	149594345	136809178
As a percentage of total capital	95.52%	95.50%
Borrowings	7017530	6444476
As a percentage of total capital	4.48%	4.50%
Total capital (equity and borrowings)	156611875	143253654

17. COVID -19 Impact Assessment

Covid-19, a global pandemic has spread across our country and created an unprecedented level of disruption. The Government of India declared a nation wide lockdown effect from April, 2021 which was in force till June 2021. Even after lifting lockdown restrictions, situation have not become normal. These developments are likely to impact the company's business operations. RBI announced the Covid-19 regulatory package following which the company has offered the option of restructuring to all eligible borrowers. Few borrowers have opted for restructuring as on 31st March, 2022. Hence, company is required to make additional provision for the year, as per RBI, Directions.

18. Comparison of loss allowance under Ind AS with provisions required as per IRACP (Income Recognition & Asset Classification) as on 31/03/2022

Asset Classification as per RBI Norms	Asset Classification as per Ind AS	Gross carrying amount as per Ind AS	Loss Allowance as per Ind AS	Net carrying amount	Provision as per IRACP norms	Difference
Performing Assets	Stage – 1	140445501	361452	140084049	361452	NIL
Substandard Assets	Stage – 2	10679553	1067955	9611598	1067955	NIL
Doubtful Assets	Stage – 3	3739213	1141100	2598113	1141100	NIL
Loss Assets	Stage – 3	-	-	-	-	-
Total		154864267	2570507	152293760	2570507	NIL

20. Details of accounts Restructured under RBI Directions

Particulars	As on 31/03/2022		As on 31/03/2021	
	No of Accounts	Amount	No of Accounts	Amount
a. Personal Loans	NIL	NIL	24	3261792/-
b. Corporate Loans of which MSME's	NIL	NIL	NIL	NIL
c. Other Loans	NIL	NIL	NIL	NIL
Total	NIL	NIL	24	3261792/-

21. Details of Loans or Advances granted to Promoters, Directors, KMPS & the related parties without specifying any terms or period of repayment.

Type of Borrower	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
(1) Promoter	NIL	NIL
(2) Directors	NIL	NIL
(3) KMPS	NIL	NIL
(4) Related Parties	Rs.3,00,89,335/-	19.43%
Total	Rs.3,00,89,335/-	19.43%

22. Details of Depreciation, Amortisation & Impairment :

Sl No		As on 31/03/22	As on 31/03/21
1	Depreciation	Rs.352856/-	Rs.349659/-
2	Amortisation	NIL	NIL
3	Net Impairment Provision	NIL	Rs.2633904/-
4	Reversal of Net Impairment Provision	Rs.4802655/-	NIL

23. Details of immovable properties not held in the name of the company : NIL

24. Fair value of investment property disclosed based on valuation by registered value under the Co's Act. :

- (a) Property at Kalburagi valued & disclosed at Market Value.
- (b) Property at Vijayapura not valued & not disclosed at Market Value.

25. Details of Benami Property held : NIL

26. Details of wilful defaulter declared : NIL

27. Quarterly returns of current asset filed by the company with Bank or any other lender tallies with books of accounts or not : Not Applicable

28. Details of relationship with struck off Companies : NIL

29. Details of pending Registration of charges or satisfaction with Registrar of Companies : NIL

30. Analytical Ratios :-

Sl No	Particulars	Numerator	Denominator	As on 31/03/2022	As on 31/03/2021	% Variance	Reason for Variance (if above 25%)
1	Capital to risk weighted assets ratio (CRAR)	177056086	203608257	86.96 %	-	+5.49%	NA
		164189212	201541633	-	81.47%	-	-
2	Tier I CRAR	146856246	203608257	72.13 %	-	+2.67%	NA
		139992690	201541633	-	69.46%	-	-
3	Tier II CRAR	30199840	203608257	14.83 %	-	+2.82%	NA
		24196522	201541633	-	12.01%	-	-
4	Liquidity Coverage Ratio	8031000	903000	8.89 times	-	+8.47%	NA
		424469	108000	-	0.42 times	-	-

31. Details of borrowings used for other than specific purposes : NIL

32. Details of lending of borrowed funds & share premium to other Intermediary who shall lend or invest or provide any guarantee, security on behalf of the Company (ie ultimate beneficiaries) : NIL

33. Details of any fund received from funding party to lend or invest or provide any guarantee, security on behalf of the funding party (ie ultimate beneficiaries). : NIL

34. Details of undisclosed income surrendered or disclosed as income on search, survey or any other income tax assessments. : NIL

35. Details of Crypto Currency or Virtual Currency traded or invested. : NIL

36. Details of Non-Performing Assets & Provisions against NPA's

(A) Gross NPA's & Net NPA's

(B) Total Provision against NPA's

Non Performing Assets	Principal Amt. Rs. Outstanding	Percentage
Gulbarga - Vehicle Loan	6785628.00	
Bidar - Vehicle Loan	2489238.00	
Peenya - SME business loan & personal Loan	5114509.00	
Gross NPA	14389375.00	9.14%
Less : Provision against Bad & Doubtful debts	2206116.00	
Net NPA	12183259.00	7.74%
Total Loan Assets	157431836.00	

Non Performing Assets	Principal Amt. Rs. Outstanding	Total Provision Required
Sub Std Asset	10650162.00	1065016.00
Doubtful Asset	3739213.00	1141100.00
Loss Assets	-	-
Total	14389375.00	2206116.00

As per our report of even date attached.

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

(BENNUR NAGARAJA)
PROPRIETOR
M.No: 024163

For and on Behalf of Board of Directors

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

Place : Bangalore
Date : 30/05/2022
UDIN:22024163AKVXRG6034

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN: 02144736

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN: AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN: BGDPM7347E

(ISWARIYA RAJAN)
COMPANY SECRETARY
PAN: ABTPI9119A

ANNEXURE . A :

Schedule to the Balance Sheet of a Non.deposit taking Non.Banking Financial Company
(as required in terms of Paragraph 13 of Non Banking Financial (Non.Deposit Accepting
or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Sl. No.	Particulars	(Rs. In lakhs)	
		Amount Outstanding	Amount Overdue
1.	<u>Liabilities Side :</u> Loans & Advances availed by the NBFC's inclusive of interest accrued thereon but not paid :		
	(a) Debenture : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	40.15	NIL
	(d) Inter corporate loans & borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature)		
	Loan from Directors	24.74	NIL
	Agents Deposits	NIL	NIL

Sl. No.	Particulars	Amount Outstanding
	<u>Assets Side :</u>	
2.	Break.up of Loans & Advances including bills receivables (Other than those included in (3) below) :	
	(a) Secured	NIL
	(b) Unsecured	300.89
3.	Break.up of leased Assets & stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	NIL
	(b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	NIL
	(b) Repossessed Assets	28
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	1273.42
4.	<u>Break.up of Investments :</u>	
	<u>Current Investments :</u>	
	<u>1. Quoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	<u>2. Unquoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	<u>Long Term Investments :</u>	
	<u>1. Quoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL

5.	2. Unquoted :			
	(i) Shares : (a) Equity			0.9
	(b) Preference			NIL
	(ii) Debentures & Bonds			NIL
	(iii) Units of mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
	Borrower group.wise classification of assets financed as in (2) and (3) above :			
6.				
8.				

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)

(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Gilada Finance and Investments Limited
105, R R Takt 37 Boopasandra Main Road
Bangalore KA 560094 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gilada Finance And Investments Limited having CIN L65910KA1994PLC015981 and having registered office at # 105, R R Takt 37 Boopasandra Main Road Bangalore KA 560094 IN (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Pune

Date : 23/08/2022

Signature

Varun Nashine (Partner)
Membership No. : 49574
CP No.:1795
UDIN : A049574D000833049

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Gilada Finance and Investments Ltd
105 R R Takt, 37 Bhoopasandra Main Road,
Sanjaynagar, Bangalore- 560094,

We, BENNUR NAGARAJA & CO, Chartered Accountants (Firm's Registration No.: 000419S), as Statutory Auditors of GILADA FINANCE AND INVESTMENTS LIMITED ("The Company"), having its Registered office at # 105 R R Takt, 37 Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094, have examined the compliance of conditions of Corporate Governance by the Company for the financial years ended March 31, 2022 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchange(s).

We have been requested by the management of the Company to provide a certificate on Compliance of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

PLACE : BANGALORE
DATE : 30/05/2022
UDIN:22024163AKVXRG6034

For BENNUR NAGARAJA & CO
CHARTERED ACCOUNTANTS
FR No. 419S

(BENNUR NAGARAJA)
PROPRIETOR
M.No. 024163