



**GOWRA
LEASING &
FINANCE
LIMITED**

19th Annual Report

2011 - 2012



GOWRA GROUP





Mr. D.SURESH	-	Chairman
Mr. TILAK.SHANKAR	-	Director
Mr. GOWRA LAKSHMINARAYANA	-	Director
Mr. GOWRA SURYA PRAKASH	-	Director
Mr. SOMA DAYANAND	-	Director
Dr. TUMBALAM GOOTY SURENDRANATH	-	Director
Mr. J.A. MOHAN KUMAR	-	Director
Mr. GOWRA SRINIVAS	-	Managing Director
Mr. GOWRA L.PRASAD	-	Executive Director

REGISTERED OFFICE

No.501, 5th Floor, Gowra Grand, Behind Gowra Plaza,
1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003

BANKERS**State Bank of India**

PB Branch, S.P.Road, Begumpet, Secunderabad – 500003

ING Vysya Bank Limited

General Bazar Branch, Secunderabad – 500003

HDFC Bank

Begumpet, Hyderabad – 500016

AUDITORS**Dagliya & Co.**

Chartered Accountants
2nd Floor, Srinivasa Building
Ranigunj, Secunderabad– 500003

REGISTRAR & SHARE TRANSFER AGENT

M/s. Karvy Computershare Private Limited,

Unit – Gowra Leasing & Finance Ltd.

Plot No.17 to 24, Vithal Rao Nagar,
Madhapur, Hyderabad–500081.

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of **GOWRA LEASING & FINANCE LIMITED**, will be held on Saturday, the 29th day of September, 2012 at 11.00 a.m. at Hotel Fortune Select Manohar, Airport Exit Road, Begumpet, Hyderabad - 500016 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2012 and Statement of Profit & Loss for the year ended 31st March 2012 along with the Schedules and other statements and Auditor's Report and Directors Report thereon.
2. To declare Dividend for the year ended 31st March, 2012
3. To appoint a Director in place of Mr. Gowra Lakshminarayana, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Soma Dayanand who retires by rotation and being eligible offers himself for reappointment.
5. To appoint M/s. Dagliya & Co., Chartered Accountants, Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS :

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr.J.A.Mohan Kumar who was appointed as an Additional Director with effect from 11th August, 2012, pursuant to Section 260 of the Companies Act, 1956 and who holds office upto this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to retirement by rotation".

7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **Special Resolution:**

"RESOLVED THAT pursuant to Section 163 and all other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force hereinafter referred to as the "Act", consent and approval of the Company be and is hereby accorded for keeping the Register of Members, Index of Members, copies of all Annual Returns under Section 159 and 160 of the Act together with copies of certificates and documents required to be annexed thereto under Sections 160 and 161 of the Act or any one or more of them at the office of M/s. Karvy Computershare Private Limited, having office at Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad 500 081.

By Order of the Board
for **GOWRA LEASING & FINANCE LIMITED**,
sd/-
(GOWRA SRINIVAS)
Managing Director

Place : Secunderabad
Dated: 11th August, 2012

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON A POLL INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 25-09-2012 to 29-09-2012 (both days inclusive).
3. Brief details of the retiring directors, who are being re-appointed, are annexed hereto as per the requirements of Clause 49 of the Listing Agreement.
4. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Secretarial Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, specifying the points.
5. a) Members are requested to convert their physical holding to demat to avoid hassles involved with physical shares, such as possibility of loss, mutilation, and to ensure safe and speedy transaction in securities. Members are also requested to

- notify change of address, bank details, ECS mandates, email id, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar & Share Transfer Agent of the Company i.e. M/s. Karyv Computershare Pvt. Ltd., Hyderabad, in respect of their physical share folios to avoid procedural delays.
- b) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar & Share Transfer Agent for consolidation into a single folio.
- c) Members holding shares in physical form are requested to send certified copy of their Income Tax Permanent Account Number (PAN) card, including for all joint holders, to the Registrar & Share Transfer Agent of the Company.
6. Members/Beneficial Owners are requested to bring Annual Report with them for the Annual General Meeting. No copies of Annual Report will be distributed at the meeting.
 7. Members/Beneficial Owners/Proxies should bring the attendance slips duly filled in for attending the meeting.
 8. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, Dividend for the financial year ended 2004-2005 and thereafter, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205 (c) of the Companies Act, 1956.

Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below :

Financial Year	Date of Declaration	Due Date for Transfer to IEPF
2004-2005	18-07-2005	17-08-2012
2005-2006	18-09-2006	18-10-2013
2006-2007	26-09-2007	26-10-2014
2007-2008	24-09-2008	24-10-2015
2008-2009	30-09-2009	30-10-2016
2009-2010	30-09-2010	30-10-2017
2010-2011	30-09-2011	30-10-2018

The members who have not encashed the Dividend Warrants so far for the financial year ended 31-03-2006 or any subsequent financial years are requested to make their claim to the Company at its Registered Office. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice with Balance Sheet, Statement of Profit & Loss, Auditor's Report, Director's Report and Explanatory Statement etc., can be sent by email to its members subject to the fact that the Company has obtained email address of its members for sending the above documents. To support this green initiative of the Government, members are requested to register their email addresses for the above purpose, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their email addresses with Company's Registrar & Share Transfer Agent.

EXPLANATORY STATEMENT (PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)

ITEM NO.6 :

Mr. J.A.Mohan Kumar was appointed as an Additional Director of the Company with effect from 11th August, 2012 by the Board of Directors of the Company under the provisions of Section 260 of the Companies Act, 1956 and Articles 96 of the Articles of Association of the Company and who holds the office upto the date of this Annual General Meeting.

The Company has received a notice from member along with a deposit of ₹ 500/- as per Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. J.A. Mohan Kumar for the office of Director of the Company.

The Board of Directors recommends his appointment as Director of the Company, liable to retire by rotation.

None of the Directors, other than Mr. J.A. Mohan Kumar, are in any way concerned or interested in this resolution.



(4)



ITEM No.7

The activities pertaining to share transfer, transmission, dematerialization, rematerialization etc., were being carried out by M/s. Sathguru Management Consultants Private Limited., Plot No.15, Hindi Nagar, Punjagutta, Hyderabad - 500 034. Since, the above Registrar conveyed that they are closing down their Registry operations, the Board of Directors at their meeting held on 14th November, 2011 appointed M/s. Karvy Computershare Private Limited, having office at Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad 500 081 as Registrar & Share Transfer Agent of the Company with effect from 15th December, 2011.

The above change in Registrar & Share Transfer Agent would result in keeping the Register of Members, Index of Members, copies of Annual Returns etc. at the premises of the new Registrar & Share Transfer Agent viz., M/s. Karvy Computershare Private Limited, having office at Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad 500 081.

The approval of the shareholders is required to be obtained for the aforesaid. The Board of Directors recommends the above resolution at Item No. 7 for your approval.

None of the Directors of the Company is in any way, concerned or interested in the said Resolution.

By Order of the Board
for GOWRA LEASING & FINANCE LIMITED
Sd/-
(GOWRA SRINIVAS)
Managing Director

Place : Secunderabad
Dated: 11th August, 2012

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 19th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS :

The performance during the period ended 31st March 2012 has been as under:

(₹ in lakhs)

Particulars	As on 31-03-2012	As on 31-03-2011
Total Income	220.26	341.70
Operating Profit before interest, Depreciation & Tax	139.65	292.29
Interest and other Financial charges	6.38	41.27
Depreciation	0.80	0.85
Net Profit before Tax	132.47	250.17
Provision for Income Tax & FBT	57.81	92.81
Provision for Deferred Tax	(-12.62)	(-4.26)
Net Profit after Tax	87.28	161.62
Add : Balance brought forward from previous year	500.57	428.33
Profit available for appropriation	587.85	589.95
Proposed Dividend	30.00	42.00
Corporate Tax on Dividend	4.87	6.98
Balance to be carried forward	552.98	540.97

OPERATIONS:

During the year under review, the Company recorded a total income of ₹ 220.26 lakhs and a net profit of ₹ 87.28 lakhs against income of ₹ 341.70 lakhs and a net profit of ₹ 161.62 lakhs in the previous year. The decrease in total income and net profit was mainly on account of increase in NPA provisions and reversal of accrued interest.

BUSINESS OUTLOOK :

Considering various risks involved in business and probable future NPAs, which may result in lower margins and slower growth. Your Company is adopting a very cautious approach towards future business.

DIVIDEND :

Considering the performance during the year under review, your Directors recommended a Dividend @ 10% amounting to ₹30,00,300/- for the year ended 31st March, 2012. This will entail an outflow of ₹ 34,87,023/- (inclusive of tax thereon).

CLASSIFICATION OF LOAN COMPANY :

In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and as per Circular No.DNBS.PD.CC No.128/03.02.059/2008-09 dated 15.09.2008 issued by Reserve Bank of India, your company has been classified as Loan Company. The Company does not hold nor does it accept deposits from the public.

Disclosures as prescribed by Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and other NBFC regulations have been made in this Annual Report.

FIXED DEPOSITS:

Your Company has not accepted/invited any deposits from the public for the year under review within the meaning of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 and Section 58A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORS :

Mr. Gowra Lakshminarayana and Mr. Soma Dayanand, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.



Mr. J.A.Mohan Kumar was appointed as an Additional Director of the Company with effect from 11th August, 2012 by the Board in terms of Section 260 of the Companies Act, 1956. He hold the office till the conclusion of the forthcoming Annual General Meeting of the Company. The Company has received a notice from a member along with a deposit of ₹ 500/- as per Section 257 of the Companies Act, 1956 for appointment of Mr. J.A.Mohan Kumar as Director liable to retire by rotation.

AUDITORS' REPORT :

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under section 217 of the Companies Act, 1956.

AUDITORS :

M/s. Dagliya & Co., Chartered Accountants, Auditors of the Company retires at the Annual General Meeting and the Company has received certificate from them to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Members are requested to reappoint them and to authorize the Board to fix their remuneration.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

In compliance of section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2000, in the Companies Act, 1956, your Directors confirm : -

- a) That in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

CORPORATE GOVERNANCE :

A detailed report on Corporate Governance and a Certificate from the Statutory Auditors of the Company regarding compliance with conditions of Corporate Governance have been furnished in the Annual Report.

CODE OF CONDUCT :

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the Managing Director affirming compliance of the Code of Conduct by the Directors and Senior Management personnel of the Company for the financial year 2011-2012 is annexed and forms part of the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

In accordance with the requirements of the Listing Agreement, the Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

COMPLIANCE CERTIFICATE :

In accordance with the requirement of Section 383A of the Companies Act, 1956, Certificate from a Practicing Company Secretary, certifying that all legal requirements, in respect of the Company for the year ended 31st March, 2012 have been complied with, which forms part of this report is annexed hereto. Regarding clause No.9 of the above Compliance Certificate, the Directors feel that provisions of Section 297 of the Act do not apply to the transaction. However the Company is seeking legal opinion in the matter and if so required, Company will take necessary steps to comply the relevant provisions of the Act.

LISTING :

The equity shares of the Company is listed with Bombay Stock Exchange (BSE). There are no arrears on account of payment of listing fees to the Stock Exchange.

**CONSERVATION OF ENERGY, FOREIGN EXCHANGE ETC. :**

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable since there is no such activity at present being pursued by the Company.

PERSONNEL :

None of the employees are drawing ₹ 5,00,000/- and above per month or ₹ 60,00,000/- and above in aggregate per annum, the limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence the information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not annexed to this report.

ACKNOWLEDGEMENTS:

The Directors thank the Company's Bankers namely State Bank of India, ING Vysya Bank Ltd., HDFC Bank Ltd. and officials of concerned Government Departments for their co-operation and continued support to the Company.

The Directors also take this opportunity to express their appreciation for the sincere and dedicated services of the employees of the Company at all levels.

For and on behalf of the Board of Directors

Place : Secunderabad
Dated : 11th August, 2012

Sd/-
(D.SURESH)
Chairman

ANNEXURE TO THE DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance may be understood as a system of structuring, operating and managing a Company with a view to achieve its long term strategic goals while at the same time complying with legal and regulatory requirements. It is the implicit rule that determines a management's ability to take sound decisions in the best interest of all its stakeholders, viz., shareholders, customers, employees, creditors, etc. It takes a holistic view of the Company and its impact on economic, legal, ecological and social environments.

Corporate Governance is essentially about :

- Leadership for efficiency
- Leadership for probity
- Leadership with responsibility
- Leadership which is transparent and which is accountable

Your Company is in compliance with the guidelines on Corporate Governance as stipulated under various clauses of the Listing Agreement entered into with Stock Exchange. In this regard, we submit a report on the matters mentioned in the said clauses and practices followed by the Company.

2. BOARD OF DIRECTORS

The Board of the Company is represented by well-known people from different walks of life. They are reputed and successful professionals, businessmen having expert knowledge of finance and industry. They are well recognized in the society for their contributions and achievements in their respective fields of expertise.

The composition of the Board of Directors, with reference to the number of Executive and Non-Executive Directors meets with the requirements of Code of Corporate Governance. As on 31st March, 2012, Company's Board consists of 8 (eight) Directors, comprising of 2 (two) Executive Directors, 3 (three) Non-Executive Directors and 3 (three) Independent



Directors. Thus, the composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that at least 1/3rd of the Board should consists of independent, if the Chairman of the Board is an Independent Chairman.

a) Board Meetings :

During the financial year 2011-12, Five (5) meetings of the Board of Directors were held on 26th May, 2011, 13th August, 2011, 30th September, 2011, 14th November, 2011 and 14th February, 2012. The Company has complied with the provisions of the Clause 49 of the Listing Agreement and the requirements under the Companies Act, 1956 for holding a Board Meeting at least once in each quarter and the maximum time gap between two meetings was not more than 4 months.

b) Board Agenda :

Agenda papers for Board Meetings containing all necessary documents/ information, as specified in Clause 49 of the Listing Agreement, wherever applicable and materially significant, are made available to the Board well in advance. The draft minutes are circulated to the Board members. These are approved at the next meeting after incorporating changes, if any, which are affirmed by the Chairman.

As a process of governance, the agenda also includes a review of the action taken/pending on the decisions of the Board of previous meetings(s).

c) Directors' Attendance record and Directorship held :

None of the Directors on the Board is holding membership of more than 10 committees and Chairmanship of more than 5 committees across all the Companies in which he is a Director. All the Directors have made the necessary disclosures regarding committee positions. The details of the Directors' attendance record at the Board Meeting and at the last Annual General Meeting, their Directorship and committee membership in other Companies held during the year is given below :

Name of the Director	Category and Position	No. of Board Meetings		Whether attended last AGM	No. of Committees of Board of other companies		No. of other Directorships held
		Held	Attended		Chairman-ship	Member	
Mr. D.Suresh	Non-Executive & Independent	5	4	Yes	-	-	1
Mr. Gowra Srinivas	Executive	5	5	Yes	-	-	11
Mr. Gowra L.Prasad	Executive	5	5	Yes	-	-	5
Mr. Gowra Lakshminarayana	Non-Executive	5	5	Yes	-	-	3
Mr. Gowra Surya Prakash	Non-Executive	5	5	Yes	-	-	1
Mr. Soma Dayanand	Non-Executive	5	5	Yes	-	-	8
Mr. T.Shankar	Non-Executive & Independent	5	4	Yes	-	-	1
Mr. T.G.Surendranath	Non-Executive & Independent	5	5	Yes	-	-	1

d) Compliance Report

Compliance Certificates confirming the due compliance with the statutory requirements are placed at the Board Meeting for review by the Directors. A system of ensuring material compliance with the laws, orders, regulations and business and affairs of the Company is in place.

e) Code of Conduct for Board Members & Senior Management Personal

The Board of Directors has laid down Code of Conduct for all Board members and the designated employees in the senior management. All the Board members and the senior management executives have affirmed compliance with the

code of conduct. A declaration to this effect duly signed by Managing Director of the Company is attached herewith and forms part of Corporate Governance Report.

f) Risk Management

The implementation of the risk assessment and minimization procedure containing the project/potential risk areas, its intensity, its effects, causes and measures taken by the Company are reviewed by the committee periodically.

g) Pecuniary relationship or transactions of Non-Executive Directors:

Apart from receiving Directors Remuneration, Non-Executive Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its management, which in the judgment of the Board may affect independence of judgment of the Directors.

h) CEO/CFO Certification :

As required under Clause 49 of the Listing Agreement with the Stock Exchange, the Managing Director and Whole-time Director have certified to the Board the Financial Statements for the year ended 31st March, 2012.

3. COMMITTEES OF THE BOARD

At present, the Company has the following Board Level Committees, namely :

- A) Audit Committee
- B) Remuneration Committee
- C) Shareholders/Investor's Grievance Committee

A) Audit Committee:

Terms of Reference :

The Audit Committee was formed on 31st March, 2003 and was lastly reconstituted on 11th August, 2010, consequent upon the change in the Board of Directors.

The Composition and terms of reference of the Audit Committee meet with the requirements specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The role of Audit Committee, amongst others, includes the following :

- ❖ Recommending the appointment and removal of external auditors, fixation of audit fee and approval for payment for any other services.
- ❖ Reviewing with the management the annual financial statements, before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large.
- ❖ Reviewing the Quarterly and Annual financial statements and submit the same to the Board with recommendations, if any.
- ❖ Discussions with external auditors before the audit commences, nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- ❖ Reviewing the Company's financial and risk management policies.
- ❖ To look into the reasons for defaults in the payment to the shareholders (in case of non-payment of declared dividends).
- ❖ The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to provide any clarifications on matters relating to audit as may be required by the members of the Company.

Composition, Name of Members and Chairman :

As on 31st March, 2012, the Audit Committee comprises of 3 Independent Directors and 1 Non-Executive Director. Mr.T.Shankar is the Chairman of the Committee and he was present at the last Annual General Meeting.

Meetings and Attendance during the year :

The Committee met 4 times during the year 2011-2012 on 26th May, 2011, 13th August, 2011, 14th November, 2011 and 14th February, 2012. The attendance details of the members of the Committee are given below :

Sl. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. T.Shankar	4	3
2.	Mr. D.Suresh	4	3
3.	Dr. T.G.SurendraNath	4	4
4.	Mr. Gowra Surya Prakash	4	4

Mr.Gowra Srinivas, Managing Director, Mr.Gowra L.Prasad, Executive Director, Statutory Auditors and Internal Auditors are invited to the meetings of the Audit Committee. Any other Person/Executive, where necessary, is also required to attend the meetings.

B) Remuneration Committee :

The Remuneration Committee was formed on 15th June, 2006 and was lastly reconstituted on 11th August, 2010, consequent upon the change in the Board of Directors.

Composition, Name of Members and Chairman :

As on 31st March, 2012, the Remuneration Committee comprises of 3 Independent Directors. Dr. T.G.Surendranath is the Chairman of the Committee. The composition of Remuneration Committee is as follows :

- Dr. T.G.Surendranath - Chairman
- Mr. T.Shankar - Member
- Mr. D.Suresh - Member

Meetings and Attendance during the year :

During the year 2011-2012, the Committee met on 26th May, 2011, The attendance details of the members of the Committee are given below :

Sl. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. T.Shankar	1	1
2.	Mr. D.Suresh	1	1
3.	Dr. T.G.SurendraNath	1	1

Remuneration Policy and Details of Remuneration :

The Managing/Executive Directors are paid remuneration approved by the Board of Directors. In the Board Meeting, the remuneration (subject to the subsequent approval by the shareholders at the general body meeting and such other authorities as the case may be) is fixed by the Remuneration Committee. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the corporate world, financial position of the Company etc. The remuneration structure comprises of Basic Salary, perquisites and allowances, Contribution to Provident Fund and other funds in accordance with the provisions of the Companies Act, 1956. The Non-Executive Directors do not draw any remuneration from the Company except sitting fees for each meeting of the Board attended by them. The details of remuneration/sitting fees paid to the Executive Directors and Non-Executive Directors for the year 2011-2012 are given below :

(Amount in ₹)

Sl. No.	Name of the Director	Salary	Perquisites & Other benefits	Performance Bonus/ Commission	Sitting Fee	Total
1.	Mr. Gowra Srinivas	3,84,000	--	--	--	3,84,000
2.	Mr. Gowra L.Prasad	2,94,000	--	--	--	2,94,000
3.	Mr. D.Suresh	--	--	--	17,500	17,500
4.	Mr. T.Shankar	--	--	--	17,500	17,500
5.	Mr. Gowra Lakshminarayana	--	--	--	12,500	12,500
6.	Mr. Soma Dayanand	--	--	--	12,500	12,500
7.	Dr. T.G.Surendranath	--	--	--	22,500	22,500
8.	Mr. Gowra Surya Prakash	--	--	--	22,500	22,500

C) Shareholders/Investors Grievance Committee:

The Board re-constituted the Shareholders/investors Grievance Committee on 11th August, 2010. The Committee is empowered to perform all the functions of the Board in relation to approval and monitoring transfers, transmission, dematerialization, rematerialisation and issue of duplicate share certificates, splitting and consolidation of shares and redressal of Shareholders/Investors Grievances and other complaints.

The composition of Committee is as follows :

- Mr. Gowra Lakshminarayana - Chairman
- Mr. Soma Dayanand - Member
- Mr. Gowra Surya Prakash - Member

The Committee meets on a need basis to ensure the regular process of transfers, transmission and issue of duplicate share certificates.

The Committee ensures that communications received from shareholders/investors pertaining to dividend warrants, transfer of physical shares, change of address, bank mandates, revalidation of dividend warrants, split, consolidation, demat, remat, etc., have been answered and redressed to the satisfaction of the shareholders.

The Board has designated Mr. Gowra L.Prasad, as the Compliance Officer pursuant to clause 47(a) of the Listing Agreement with the Stock Exchange.

The Committee has acted upon all valid share transfers received during the year 2011-12. There were no transfers and complaints pending/unattended as on 31st March, 2012.

As on 31st March, 2012, 18,63,285 Equity Shares remained in the transit account with National Securities Depository Limited and Central Depository Services (India) Limited.

4. GENERAL BODY MEETINGS :

a) Location, date and time of the Annual General Meetings held during the preceding 3 years are as follows :

Year	Category	Location	Date	Time
2010-2011	AGM	Fortune Select Manohar , Airport Exit Road, Begumpet, Hyderabad-500016.	30-09-2011	11.00 a.m.
2009-2010	AGM	Fortune Select Manohar , Airport Exit Road, Begumpet, Hyderabad-500016.	25-09-2010	11.00 a.m.
2008-2009	AGM	Fortune Select Manohar , Airport Exit Road, Begumpet, Hyderabad-500016.	30-09-2009	11.00 a.m.

b) No special resolution was put through postal ballot last year nor it is proposed to put any special resolution to vote through postal ballot this year.

5. DISCLOSURES :

Related Party Transactions

During the year under review, the Register of contracts containing transactions in which Directors are interested pursuant to the provisions of the Companies Act, 1956 was placed before the Board regularly for its approval. Disclosures on transactions with related parties as required under Accounting Standard 18 have been incorporated in the notes to the Accounts.

Accounting Treatment

The financial statements of the Company are prepared in accordance with the provisions of the Companies Act, 1956 and the Accounting Standards issued by the Institute of Chartered Accountants of India.

Compliance of various Laws

There were no instances of non-compliance by Company of any requirements of the Stock Exchange, Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to capital markets during the last three years.

Prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has framed a Code of Conduct for Insider Trading, which is applicable to all Directors and Officers of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Code lays down guidelines which advise them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company.

6. MEANS OF COMMUNICATION :

The Quarterly, Half-yearly and Annual Results of the Company's performance are published in widely circulated national and local dailies such as 'Financial Chronicle' and 'Andhra Bhoomi' in English and Telugu respectively. The same were sent to the Stock Exchange and posted on the Company's website.

The Company has 1513 shareholders as on 31st March, 2012. The Company mainly communicates with its shareholders through Annual Report, which includes the Directors' Report, Management Discussion and Analysis Report, Report on Corporate Governance and Audited Financial Results.

7. THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate Report of Management discussion and analysis is attached as a part of the Annual Report.

8. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting :

Date and time of 19th AGM: 29th September, 2012 at 11.00 a.m.
Venue: Hotel Fortune Select Manohar, Airport Exit Road, Begumpet, Hyderabad-500016

b) Financial Year : 1st April, 2011 to 31st March, 2012

c) Date of Book Closure : 25th September, 2012 to 29th September, 2012

d) Dividend Payment date : Within 30 days of declaration of dividend

e) Financial Calendar : For the year 2012-2013 the indicative dates of announcement of financial results are as under:

Quarter ending June, 2012	On or before August 14, 2012
Quarter ending September, 2012	On or before November 14, 2012
Quarter ending December, 2012	On or before February 14, 2013
Audited Results for the year ending March, 2013	On or before May 31, 2013

f) Listing on Stock Exchange :

Name of the Stock Exchange	Address	Scrip Code/ Scrip iD
Bombay Stock Exchange Limited (BSE)	25 th Floor, P.J.Towers, Dalai Street, Mumbai-400001	530709 / GOWRALE

The Company has paid listing fees to BSE for the year 2012-13.

g) ISI Number for NSDL & CDSL :

INE225G01012

h) Depositories :

National Securities Depository Ltd.,
Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013.

Central Depository Services (India) Ltd.,
Phiroze Jeejeebhoy Towers,
28th Floor, Dalai Street, Mumbai-400023.

i) Market Price Data :

The details of trading at Bombay Stock Exchange Limited for the period from 1st April, 2011 to 31st March, 2012 are given below:

Month	High(₹)	Low(₹)	No. of Shares
Apr, 2011	23.30	20.05	8,610
May, 2011	27.05	21.00	7,763
Jun, 2011	29.50	25.00	1,182
Jul, 2011	28.50	20.05	9,442
Aug, 2011	22.85	16.60	3,374
Sep, 2011	23.00	20.00	8,161
Oct, 2011	22.25	16.40	12,696
Nov, 2011	24.45	18.40	10,276
Dec, 2011	22.70	18.90	656
Jan, 2012	28.40	19.60	395
Feb, 2012	27.90	25.50	704
Mar, 2012	27.35	22.05	626

j) Registrar & Share Transfer Agent :

For lodgment of transfer deeds and other documents or for any grievances/complaints, investors may contact the Company's Registrar and Share Transfer Agent at the following address :

Karvy Computershare Pvt.. Ltd.
Plot No.17 to 24,VittalRao Nagar,
Madhapur,Hyderabad-500081.
Tel : 040-44655208
Fax :040-44655208
Email :chandrasedkhar.r@karvy.com

k) Share Transfer System :

The Board of Directors of the Company has delegated the powers of share transfers, splitting, consolidation of share certificates and issue of duplicate shares, dematerialization, rematerialization of shares etc. to Share Transfer Committee. The Committee attends the share transfer formalities at least once in a fortnight. The Registrar and Share Transfer Agents register the shares received for transfer in physical mode, within 30 days from the date of lodgment, if documents are complete in all respects.

l) Distribution of Shareholding Pattern as on 31st March, 2012 :

Share Holding of nominal value of (₹)	Shareholders		Share Amount	
	Number	% of Total	In ₹	% of Total
Upto - 5000	902	59.62	2733860	9.11
5001 - 10000	345	22.80	3113580	10.38
10001 - 20000	125	8.26	1945240	6.48
20001 - 30000	56	3.70	1349640	4.50
30001 - 40000	12	0.79	434470	1.45
40001 - 50000	16	1.06	720000	2.40
50001 - 100000	25	1.65	1960690	6.53
100001 and above	32	2.12	17745520	59.15
Total	1513	100.00	30003000	100.00

m) Shareholding Pattern as on 31st March, 2012 :

Sl. No.	Category	No. of Shares held	Percentage to Total issued Shares
1.	Promoters	17,86,180	59.53
2.	Mutual Funds	--	--
3.	Banks/FI	--	--
4.	Private Corporate Bodies	18,714	0.62
5.	Public	11,77,586	39.25
6.	NRIs/OCBs	17,820	0.60
	TOTAL	30,00,300	100.00

n) Dematerialization of Shares & Liquidity :

The trading in Company's shares is permitted only in dematerialized form. The Company's shares are available for trading in the depository systems with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

As on 31st March, 2012, 17,35,444 Shares (57.84%) have been dematerialized with NSDL and 1,27,841 shares (4.26%) with CDSL.

o) Reconciliation of Share Capital Audit :

The Reconciliation of Share Capital Audit was carried out by Practicing Company Secretary for each of the quarters in the financial year 2011-12, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with depositories.

p) Outstanding GDRs/ADRs/Warrant or any convertible instruments :

The Company has not issued any GDRs/ADRs, Warrants or any convertible instruments.

q) Address for Correspondence : For queries relating to financial statements, please write to

Mr. GOWRA L.PRASAD

Compliance Officer

Gowra Leasing & Finance Ltd.,

Regd.Off.: 501, 5th Floor, Gowra Grand, 1-8-384 & 385,

S.P.Road, Begumpet, Secunderabad-500003.

Phone : 040-27843086 /27843091 Fax : 040- 27816817 Email : investors@gowraleasing.com

r) Website :

The Company's website www.gowraleasing.com containing comprehensive information about the Company and investor relations. It serves to provide the shareholders key information like Board of Directors and committees, financial results, shareholding pattern, dividends, investors presentations etc.

**ADDITIONAL INFORMATION OF DIRECTORS BEING APPOINTED/RE-APPOINTED
AT THE ANNUAL GENERAL MEETING
(Pursuant to Clause 49 of the Listing Agreement)**

Name	MR. GOWRA LAKSHMINARAYANA
Date of Birth	24-02-1947
Date of Appointment	09-02-1993
Qualification	B.Sc.
Directorship held in other Companies	Gowra Petrochem Pvt. Ltd., Gowra Infradevelopers Pvt. Ltd., Gowra Infraprojects Pvt. Ltd., Sumeru Seeds Pvt. Ltd., Gowra Aerospace Technologies Pvt. Ltd. Amar Bio Organics (India) Pvt. Ltd.
Membership/Chairmanships of Committees across public Companies	Nil
Brief Profile covering experience, achievements etc.	Mr. Gowra Lakshminarayana aged about 65 years having 40 years of experience in Yarn, Dyes, Chemicals and Finance business.
Shares held in the Company	1,01,100 Equity Shares

Name	MR. SOMA DAYANAND
Date of Birth	30-09-1946
Date of Appointment	26-09-2007
Qualification	Graduate-Electrical Engineering
Directorship held in other Companies	Parvatavardhini Power Pvt. Ltd. Sreyas Infra Ventures Pvt. Ltd. Soma Power Projects Pvt. Ltd. Sindhura Power Projects Pvt. Ltd. Superna Power Projects Pvt. Ltd. Srija Power Projects Pvt. Ltd. Supraja Power Projects Pvt. Ltd. Prajeet Invest & Fin. Pvt. Ltd. Pravara Fin & Invest. Pvt. Ltd. Sreyas Holistic Remedies Pvt. Ltd.
Membership/Chairmanships of Committees across public Companies	Nil
Brief Profile covering experience, achievements etc.	Mr. Soma Dayanand , aged about 65 years is a graduate in Electrical Engineering. He has expert domain knowledge in Power Generation Sector, Banking and Industry. He was on the board of The Vysya Bank Ltd. (Presently known as ING Vysya Bank Ltd.) for 14 years .
Shares held in the Company	3,000 equity shares

Name	MR. J.A. MOHAN KUMAR
Date of Birth	22-05-1952
Date of Appointment	11-8-2012
Qualification	B.Com. ACA
Directorship held in other Companies	Nil
Membership/Chairmanships of Committees across public Companies	Nil
Brief Profile covering experience, achievements etc.	Started career as Probationary Officer in ING Vysya Bank Ltd and worked for 35 years: <ul style="list-style-type: none"> ▪ Took up Managerial assignment within one year of joining and lead three metro branches as Branch Head. ▪ Took up the assignment of Regional Head at the age of 33 years. Youngest Regional Manager all along. ▪ Wide exposure & experience in the areas of Banking Operations, Business Origination and Relationship Management, Credit Risk Assessment and Management, Post Sanction Review, Monitoring and Recovery. ▪ Lead the challenging assignments at National level in Business wings like - Business Banking (SME), Agri & Social Banking, Personal Financial Services, Consumer Banking, Credit Monitoring & Control, Human Relations, Liabilities (Deposits) Products & Policies. ▪ Change Management Head for Migration from Traditional Banking to Core banking Solutions, O&M etc. ▪ Retired from ING Vysya Bank Ltd., in May 2012.
Shares held in the Company	Nil

**COMPLIANCE CERTIFICATE**

C I N : L65910AP1993PLC015349
Nominal Capital : Rs.5,00,00,000/-
Paid-up Capital : Rs.3,00,03,000/-

To
The Members,

GOWRA LEASING & FINANCE LIMITED,

Regd.Off. : 501, 5th Floor,
Gowra Grand, Behind Gowra Plaza,
1-8-384 & 385, S.P.Road,
Begumpet, Secunderabad-500003

We have examined the registers, records, books and papers of GOWRA LEASING & FINANCE LIMITED as required to be maintained under the Companies Act, 1956 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, the restriction clauses as provided in Section 3(1)(iii) of the Companies Act, 1956 is not applicable.
4. The Board of Directors duly met Five times on 26th May, 2011, 13th August, 2011, 30th September, 2011, 14th November, 2011 and 14th February, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 27-09-2011 to 30-09-2011 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 30th September, 2011 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has entered into a contract with M/s. Vaishnavi Corporation falling within the purview of Section 297 of the Act and the Company has not obtained approval of Central Government.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The duly constituted SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE of Directors of the Company has approved the issue of duplicate share certificates during the financial year.

13. The Company :

- i) has delivered all the certificates on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act except minor delay in despatch of certificates of 6000 duplicate shares due to change of Registrar & Share Transfer Agent
 - ii) has deposited the amount of dividend in a separate bank account which is within five days from the date of declaration of such dividend
 - iii) has paid/posted cheques/warrants for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with State Bank of India
 - iv) has transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. The appointment of Managing Director and Executive Director during the financial year has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any Sole-selling agents during the financial year.
17. Except for the matter specified in the clause No.9 above, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Equity Shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There were no transaction necessitating the Company to keep up in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from Directors, financial institutions and banks during the financial year ended on 31st March, 2012 are within the borrowing limits of the Company and that the necessary resolutions as per Section 293(1)(d) of the Act has been duly passed.
25. The Company has made loans , advances and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its Articles of Association during the financial year after obtaining approval of members in the Annual General Meeting held on 30-09-2011 and the amendment to the articles of association have been duly registered with the Registrar of Companies.
31. There was no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any Provident Fund and accordingly the provisions of the Section 418 of the Act are not applicable.

Sd/-
V.RADHIKA,
Company Secretary in Practice,
ACS No. 15464, C.P.No.5004
Place : Hyderabad
Date : 11-08-2012

ANNEXURE - " A "
(forming part of Compliance Certificate dated 11-08-2012)

STATUTORY REGISTERS/RETURNS AS MAINTAINED BY THE COMPANY :

1. Register of Charges under Section 143
2. Register of Members under Section 150
3. Copies of Annual Returns prepared under Section 159 & 160
4. Minutes Book of Meetings of Board of Directors u/s.193
5. Minutes Book of Proceedings of General Meetings u/s.193
6. Register of particulars of Contracts in which Directors are interested under Section 301
7. Register of Managing Director, Directors, Manager and Secretary under Section 303
8. Register of Director's shareholding under Section 307

OTHER REGISTERS

1. Register of Director's Attendance
2. Register of Shareholder's Attendance
3. Register of Transfers

ANNEXURE – " B "
(forming part of Compliance Certificate dated 11-08-2012)

FORMS & RETURNS AS FILED BY THE COMPANY WITH THE REGISTRAR OF COMPANIES, ANDHRA PRADESH, HYDERABAD, DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2012.

Sl. No.	Form No./ Return	Filed u/s	For	Date of Filing	Whether filed within the prescribed time (Yes/No)	If delay in filing whether requisite fee paid (Yes/No)
1.	Form 23	269	Appt. of MD and ED	24-06-2011	Yes	N.A.
2.	Form 32	303(2)	Appt of MD and ED	30-08-2011	Yes	N.A.
3.	Form 25C		Appt of MD	22-10-2011	Yes	N.A.
4.	Form 25C		Appt. of ED	22-10-2011	Yes	N.A.
5.	Form 23AC	220	F.Y.Ended 31-03-2011	14-10-2011	Yes	N.A.
6.	Form 66	383A	F.Y.Ended 31-03-2011	14-10-2011	Yes	N.A.
7.	Form 23		Article Amendment	28-10-2011	Yes	N.A.
8.	Form 1(INV)	Rule 3	Transfer of Unclaimed Dividend to IEPF	09-11-2011	Yes	N.A.
9.	Form 20B	159	AGM Dated 30-09-2011	24-11-2011	Yes	N.A.

Sd/-
V.RADHIKA,
Company Secretary in Practice,
ACS No.15464, C.P.No.5004
Place : Hyderabad
Date : 11-08-2012



DECLARATION UNDER CODE OF CONDUCT

As required under Clause 49(ID) of the Listing Agreement, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year ended on 31st March, 2012.

Date : 30-5-2012
Place : Secunderabad

Sd/-
(GOWRA SRINIVAS)
Managing Director

CERTIFICATION BY CEO & CFO OF THE COMPANY

We, Gowra Srinivas, Managing Director and Gowra L.Prasad, Executive Director of Gowra Leasing & Finance Limited, to the best of our knowledge and belief certify that :

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, its notes to the accounts and Cash Flow Statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief :
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee :
 - a) significant changes in internal control during the year;
 - b) significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Date : 30-5-2012
Place : Secunderabad

Sd/-
(GOWRA SRINIVAS)
Managing Director

sd/-
(GOWRA L.PRASAD)
Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS OVERVIEW

Gowra Leasing & Finance Ltd. was set up in the year 1993 to act as financier to the private sector. Over the past 19 years, the Company has grown with a focus.

GLOBAL & INDIAN ECONOMY

The year 2011-12 was a challenging one for the financial system in general and Non- Banking Finance Companies in particular. Reserve Bank of India continued its rate tightening cycle aimed at moderating inflation. The Indian economy is estimated to have grown by 6.9 percent in 2011-12, after having grown at the rate of 8.4 per cent in each of the two preceding years. The impact of recession in the advanced economies will reflect in the Indian fiscal adjustments to some extent due to dependency on forex reserves.

OPPORTUNITIES AND THREATS:

Even though the lending opportunities are plenty, major risk of finance sector being NPAs, due caution is being exercised by the management.

OUTLOOK:

Various economic indicators like deterioration of external position, diminution in growth prospects and slow progress on fiscal reform reveal a pessimistic outlook for the current financial year. With NBFC sector facing rough weather, your company is likely to be impacted by its performance. Considering various risks involved in business and probable future NPAs, which may result in lower margin and slower growth, your company is adopting a very cautious approach towards future business while remaining focused on high asset quality.

RISKS AND CONCERNS:

Risk is inherent in all kinds of business activities and is an integral part of the Non-Banking Finance Business. In the normal course of business, NBFCs are exposed to various risks namely, Credit Risk, Market Risk and Operational Risk besides other residual risks such as Liquidity Risk, Interest Rate Risk, Strategic Risk etc. Your company has put in place various risk management systems and practices in line with the guidelines issued by the Reserve Bank of India from time to time.

INTERNAL CONTROL SYSTEMS:

The Company has put in place adequate internal apparatus commensurate with its size, spread and complexity of operations. A sound internal audit mechanism plays an important role in contributing to the effectiveness of the internal control system.

FINANCIAL PERFORMANCE

During the year, your Company witnessed a slower growth and lower profit mainly due to interest reversal on account of NPA provisions.

HUMAN RESOURCES:

The Company recognizes the importance of key role played by the people and maintains a cordial and harmonious relationship with its employees. The productivity of staff of the Company has been satisfactory.

KNOW YOUR CUSTOMER AND ANTI-MONEY LAUNDERING

Your Company has a policy on Know Your Customer (KYC) and Anti-money Laundering in place as per the guidelines issued by Reserve Bank of India. The guidelines are incorporated in the frame work of the Company's policy.

COMPLIANCE FUNCTION

Compliance is an essential and critical process, aimed at mitigating the risk to the business. Your Company is having a commitment of adhering to the highest compliance standards in line with various statutes, regulatory bodies and various laws existing in place.

TRANSPARENCY IN SHARING INFORMATION:

Your Company believes in total transparency in sharing information about its business operations with all its stake holders.

CAUTIONARY STATEMENT:

The statements made in this report describing the Company's projections expectations and estimations may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. The actual results may differ from those expressed or implied in this report due to the influence of external and internal factors beyond the control of the Company. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.



AUDITORS' CERTIFICATE

To the Members
Gowra Leasing & Finance Limited.

We have examined the compliance of conditions of Corporate Governance by **Gowra Leasing & Finance Limited** for the year ended March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Dagliya & Co.
Chartered Accountants,

Sd/-
(JITENDRA KUMAR JAIN)
Partner
M.No.18398

Date : 30-5-2012
Place: Secunderabad

AUDITOR'S REPORT

The Members of
GOWRA LEASING & FINANCE LIMITED

1. We have audited the attached Balance Sheet of Gowra Leasing & Finance Limited as at 31st March, 2012 and also the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. 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;
 - iii. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- iv. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v. On the basis of the written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- ii) in the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Dagliya & Co.
Chartered Accountants,
(F.R.N. 671 S)
Sd/-
(Jitendra Kumar Jain)
Partner
M.No: 18398

Place : Secunderabad
Date : 30-05-2012.

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date to the members of Gowra Leasing & Finance Limited)

1. In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verifications.
- c) The Company has not disposed-off any fixed assets during the year.
2. There was no opening or closing stock of inventory nor was there any purchases during the year. Therefore the provisions of clause Nos (ii)(a), (b) and (c) of paragraph 4 of the Order are not applicable to the Company.
3. a) According to the information and explanations given to us, the Company has taken loan from two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 194.28 lakhs and the year end balance of loan taken from such parties was ₹ Nil lakh.
- b) In our opinion, the rate of interest and other terms and conditions on which such loans have been taken from Companies or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- c) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest wherever applicable.
- d) There is no amount overdue in respect of loans taken from Companies or other parties listed in the register maintained under Section 301 of the Companies Act 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5.
 - a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits as defined under the Companies Act, 1956 during the year and the Board of Directors of the Company has passed a resolution for the non-acceptance of any public deposits. The Company has complied with the directions issued by the R.B.I and N.B.F.C (Reserve Bank of India Directions, 2007).
7. In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
8. As per the information given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of any activity of the Company. Accordingly paragraph 4(viii) of the order is not applicable.
9. In respect of statutory dues:
 - a) According to the records of the Company and as per the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as are applicable to the Company, with the appropriate authorities during the year.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Cess were in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year, nor had it incurred any cash losses during the financial year under audit or in the immediately preceding financial year.
11. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not taken any loans and borrowings from any financial institution or bank nor issued any debentures.
12. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has maintained adequate records in cases where it has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Accordingly, paragraph 4(xiii) of the Order is not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of paragraph 4(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loan during the year.

17. The Company has not raised funds on short term/long term basis during the year covered by our audit. Hence the question of the usage of such funds does not arise.
18. The Company has not made any preferential allotment of shares during the period under audit to parties or Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, the Company has not issued any secured debentures during the year.
20. The Company has not raised any money by public issue during the year under audit.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place : Secunderabad
Date : 30-05-2012

For Dagliya & Co.
Chartered Accountants,
(F.R.N. 671 S)
Sd/-
(Jitendra Kumar Jain)
Partner
M.No: 18398

BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in ₹)

S. NO	Particulars	Note No.	As at 31-03-2012	As at 31-03-2011
I	Equity and Liabilities			
1	Shareholders' Funds			
	(a) Share Capital	2.1	30,003,000	30,003,000
	(b) Reserves And Surplus	2.2	84,130,052	78,889,008
	Total		114,133,052	108,892,008
2	Non-Current Liabilities			
	(a) Long Term Borrowings	2.3	-	19,427,740
	(b) Other Long-term liabilities	2.4	2,914,050	2,914,050
	(c) Long-term provisions	2.5	141,396	103,607
	Total		3,055,446	22,445,397
3	Current Liabilities			
	(a) Other Current Liabilities	2.6	122,170	470,142
	(b) Short Term Provisions	2.7	6,639,655	5,900,648
	Total		6,761,825	6,370,790
	Total		123,950,323	137,708,195
II	Assets			
1	Non-current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	2.8	11,268,896	11,338,704
	(ii) Intangible Assets		-	4,388
	(b) Non-Current Investments	2.9	238,256	238,256
	(c) Deferred Tax Assets (net)	2.10	2,187,090	925,024
	Total		13,694,242	12,506,372
2	Current Assets			
	(a) Trade receivables	2.11	102,753,261	124,114,854
	(b) Cash and cash equivalents	2.12	7,483,374	1,055,218
	(c) Short-term loans and advances	2.13	15,500	13,000
	(d) Other Current Assets	2.14	3,946	18,751
	Total		110,256,081	125,201,823
	Total		123,950,323	137,708,195

Significant accounting policies & Notes to accounts

1 & 2

As per our report of even date attached

For DAGLIYA & CO.

Chartered Accountants

Firm's registration no. 00671S

Sd/-

(Jitendra Kumar Jain)

Partner

Membership No. 18398

For and on behalf of the Board of Directors

Sd/-

(Gowra Srinivas)
Managing Director

Sd/-

(G.L.Prasad)
Executive Director

Place: Secunderabad

Date: 30-5-2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2012

(Amount in ₹)				
S. NO	Particulars	Note No.	For the year ended 31-3-2012	For the year ended 31-3-2011
	Revenue From Operations			
I	Interest	2.15	21,740,914	33,939,152
II	Other Income	2.16	284,869	230,668
III	Total Revenue		22,025,783	34,169,820
IV	Expenses:			
A	Employee benefits expense	2.17	2,180,465	1,937,538
B	Depreciation and amortization expenses	2.8	79,996	85,058
C	Finance cost	2.18	637,808	4,127,389
D	Other expenses	2.19	5,880,403	3,002,356
	Total Expenses		8,778,672	9,152,341
V	Profit Before Tax		13,247,111	25,017,479
VI	Tax Expense			
A	Current Tax		5,781,162	8,901,218
B	Earlier years Tax		(52)	380,062
C	Deferred Tax		(1,262,066)	(425,640)
VII	Profit for the period		8,728,067	16,161,839
VIII	Earnings per equity share of ₹ 10/- each fully paid up (Basic & Diluted)		2.91	5.39
	Wt Average No. of Equity shares considered for calculation of earnings per share		3,000,300	3,000,300

Significant accounting policies & Notes to accounts

1 & 2

As per our report of even date attached
For DAGLIYA & CO.

Chartered Accountants
Firm's registration no. 00671S

Sd/-
(Jitendra Kumar Jain)
Partner
Membership No. 18398

For and on behalf of the Board of Directors

Sd/-
(Gowra Srinivas)
Managing Director

Sd/-
(G.L.Prasad)
Executive Director

Place: Secunderabad
Date: 30-05-2012.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in ₹)

S. No.	Particulars	AMOUNT 31-03-2012		AMOUNT 31-03-2011	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
1	Net Profit/(Loss) before Tax and Extraordinary Items		13,247,111		25,017,479
2	<u>Adjustments for:</u>				
	- NPA Provision (Decreased) / Increased	3,985,665		951,906	
	- Contingent Provisions against Standard Assets (Decreased) / Increased	(143,081)		287,787	
	- Depreciation	79,996		85,058	
	- Dividend received	(11,655)		(34,274)	
	- Gratuity Provision	37,789		33,092	
			3,948,714		1,323,569
	Operating Profit before Working Capital Changes		17,195,825		26,341,048
3	<u>Adjustments For</u>				
	- (Increase) / Decrease in Trade Receivable	17,375,928		(31,574,824)	
	- (Increase) / Decrease in Short term loans & advances	(2,500)		(19,251)	
	- (Increase) / Decrease in Other Current Assets	14,805			
	- Increase / (Decrease) in Other Current Liabilities	(347,972)		1,782,360	
			17,040,261		(29,811,715)
	Direct Taxes Paid (Net)		34,236,086		(3,470,667)
	Net Cash from Operating Activities		(3,487,935)		(8,915,102)
			30,748,151		(12,385,769)
B.	Cash Flow from Investing Activities				
	Purchase of Fixed Assets	(5,800)		(92,687)	
	Dividends	11,655		34,274	
	(Increase) / Decrease in Non-Current Investments	-		500,000	
	Net Cash from Investments Activities		5,855		441,587
C.	Cash Flow Financing Activities				
	Borrowing/repayment of Long Term Borrowings	(19,427,740)		13,590,286	
	Dividend Paid	(4,200,420)		(3,600,360)	
	Dividend Tax Paid	(697,690)		(611,881)	
	Net Cash from Financing Activities		(24,325,850)		9,378,045
	Net Charge in Cash & Cash Equivalent (A+B+C)		6,428,156		(2,566,137)
	Opening Cash and Bank Balance		1,055,218		3,621,355
	Closing Cash and Bank Balance		7,483,374		1,055,218

As per our Report of even date.
For DAGLIYA & CO.
Chartered Accountants
(F.R.N. 671 S)

Sd/-
(JITENDRA KUMAR JAIN)
(Partner)
M.No. 18398

For and on behalf of the Board of Directors

Sd/-
(Gowra Srinivas)
Managing Director

Sd/-
(G.L.Prasad)
Executive Director

Place: Secunderabad
Date : 30-05-2012

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

i. Method of Accounting

- a. The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b. The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, as applicable to it.

- c. During the year ended March 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for presentation of its financial statements. The revised Schedule VI has a significant impact on the presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

ii. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation and impairment loss if any. All costs which are incidental to the acquisition/installation of the fixed assets are capitalized.

- a. **Intangible Assets:** Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Intangible assets are amortised over their estimated useful lives subject to a maximum period of ten years on straight line basis, commencing from date the asset is available for its use.
- b. **Depreciation:** Depreciation on fixed assets is provided on straight line method at the rates and in the manner as specified in Schedule XIV of the Companies Act, 1956.

iii. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

iv. Income Recognition

- a. Interest is recognized when no significant uncertainty as to its realization exists.
- b. Income from services is recognized as they are rendered based on agreements/arrangements with concerned parties.
- c. Dividend Income on Investments is accounted for when the right to receive the income is established.

v. Employee Benefits:

- a. **Defined Contribution Plans:** The company has defined contribution plans for employees, comprising of Government administered Employees Provident Fund. The contribution paid/payable to this plan during the year is charged to the Statement of Profit & Loss for the year. There are no other obligations other than the contribution payable to P.F.

b. Defined Benefit Plans:

Gratuity: Provision for gratuity is made on accrual basis, on the basis of completed years of service as prescribed under the payment of Gratuity Act.

c. Short term Employee Benefits:

All Employee benefits which are wholly due within twelve months of rendering the services are recognised in the period in which the employee rendered the related services.

vi. Investments

Investments are held for Long Term and are stated at cost. However diminution in the value of investments is provided to recognize a decline other than temporary in nature in the opinion of the management.



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**vii. Taxation**

Provision for current tax is made on the basis of tax payable in respect of taxable income for the period in accordance with the provisions of the Income Tax Act, 1961. The deferred tax is calculated for timing difference between the book profit and tax profit for the year which is accounted for using the tax rates and tax laws that have been enacted or substantively enacted as at the Balance Sheet date. Deferred Tax Asset arising from the timing difference is recognized to the extent that there is virtual certainty that the asset will be realized in future.

viii. Provisions, Contingent Liabilities and Contingent Assets

The company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognised nor disclosed in the financial statements.

2. NOTES TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31-03-2012

Note No.	Particulars	(Amount in ₹)	
		As at 31-03-2012	As at 31-03-2011
2.1	a Share Capital:		
	(1) Authorised:		
	50,00,000 (Last year 50,00,000) Equity Shares of ₹10/- each	50,000,000	50,000,000
	(2) Issued, Subscribed & Paid Up		
	3000300 (L.Y. 3000300) Equity shares of ₹10/- each fully paid up	30,003,000	30,003,000
		30,003,000	30,003,000
	b Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period		
		FY 2011-12	FY 2010-11
	At the beginning of the period	3,000,300	3,000,300
	Issued during the year	-	-
	At the end of the reporting period	3,000,300	3,000,300
	c The details of shareholder holding more than 5% equity shares is set below;		
		As at 31-3-2012	
		As at 31-3-2011	
	Name of Shareholder	No. of Shares held	% of holding
		No. of Shares Held	% of holding
	GOWRA PETROCHEM PRIVATE LIMITED	5,47,900	18.26
		5,47,900	18.26

(Amount in ₹)

Note No.	Particulars	As at 31-03-2012	As at 31-03-2011
2.2	<u>Reserve & Surplus:</u>		
1	<u>General Reserve</u>		
	At the beginning of the accounting period	3,363,206	2,555,114
	Additions during the year	436,403	808,092
	At the end of the accounting period	3,799,609	3,363,206
2	<u>Statutory Reserve</u>		
	At the beginning of the accounting period	25,469,213	22,236,845
	Additions during the year	1,745,613	3,232,368
	At the end of the accounting period	27,214,826	25,469,213
3	<u>Surplus in Statement of P&L</u>		
	At the beginning of the accounting period	50,056,589	42,833,320
	Additions during the year	8,728,067	16,161,839
	(balance in Statement of Profit & Loss)	58,784,656	58,995,159
	<u>Allocations and Appropriations</u>		
	Dividend	3,000,300	4,200,420
	Tax on Dividend	486,723	697,690
	Transfer To Reserves		
	- General Reserve	436,403	808,092
	- Statutory Reserve	1,745,613	3,232,368
	At the end of the accounting period	53,115,617	50,056,589
	Grand Total	84,130,052	78,889,008
2.3	<u>Long Term Borrowings</u>		
	<u>Unsecured Long Term Borrowings:</u>		
	Loans From Directors	-	19,427,740
	(Refer Note No.2.24)		
		-	19,427,740
2.4	<u>Other Long-Term Liabilities:</u>		
	Rent Advance	54,000	54,000
	Others	2,860,050	2,860,050
		2,914,050	2,914,050
2.5	<u>Long-Term Provisions:</u>		
	Provision for Gratuity	141,396	103,607
		141,396	103,607
2.6	<u>Other Current Liabilities</u>		
1	TDS Payable	71,921	425,536
2	Audit Fees Payable	37,227	37,227
3	Expenses Payable	13,022	7,379
		122,170	470,142
2.7	<u>Short-Term Provisions</u>		
	(a) Contingent Provisions against Standard Assets	144,706	287,787
	(b) Current Year's Taxes Payable(net of Advance Tax)	2,623,221	714,751
	(c) Previous Year's Taxes Payable(net of Advance Tax)	384,705	-
	(d) Proposed Dividend	3,000,300	4,200,420
	(e) Provision for Dividend Tax	486,723	697,690
		6,639,655	5,900,648



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2.8 - Fixed Assets

Fixed Assets	Gross Block			Accumulated Depreciation			Net block	
	As at 1 April 2011	Additions	As at 31 March 2012	As at 1 April 2011	Depreciation charge for the year	As at 31 March 2012	As at 31 March 2012	As at 31 March 2011
	₹	₹	₹	₹	₹	₹	₹	₹
Owned Tangible Assets								
Land	10,209,175		10,209,175	-	-	-	10,209,175	10,209,175
Flat	1,094,741		1,094,741	200,325	17,844	218,169	876,572	894,416
Furniture & Fixtures	602,680		602,680	501,336	38,150	539,486	63,194	101,344
Office Equipment	159,889		159,889	117,339	7,595	124,934	34,955	42,550
Computers	106,630	5,800	112,430	98,299	3,606	101,905	10,525	8,331
Two Wheeler	77,247		77,247	1,528	7,338	8,866	68,381	75,719
Printers	19,400		19,400	12,231	1,075	13,306	6,094	7,169
A	12,269,762	5,800	12,275,562	931,058	75,608	1,006,666	11,268,896	11,338,704
Intangible Assets								
Computer software	87,750		87,750	83,362	4,388	87,750	-	4,388
B	87,750	-	87,750	83,362	4,388	87,750	-	4,388
Grand Total (A+B)	12,357,512	5,800	12,363,312	1,014,420	79,996	1,094,416	11,268,896	11,343,092
Previous Year	12,264,825	92,687	12,357,512	929,362	85,058	1,014,420	11,343,092	

Note No.	Particulars	(Amount in ₹)	
		As at 31-03-2012	As at 31-03-2011
2.9	Non Current Investment:		
	Investment In Shares		
	INVESTMENTS (NON TRADE)		
	(A) QUOTED		
	EQUITY SHARES:		
1	JaysynthDyechem Ltd	13,500	13,500
	100 Equity Shares of ₹ 10/- each fully paid up		
2	Oriental Bank of Commerce	-	3,000
	300 Equity Shares of ₹ 10/- each fully paid up		
3	Indofrench Biotech Enterprises Limited	-	2,000
	200 Equity Shares of ₹ 10/- each fully paid up		
4	SIRIS Limited	27,500	27,500
	100 Equity Shares of ₹ 10/- each fully paid up		
5	JayaswalsNeco Limited	16,000	16,000
	200 Equity Shares of ₹ 10/- each fully paid up		
6	Finolex Industries Limited	11,616	11,616
	300 Equity Shares of ₹ 10/- each fully paid up		
7	Glenmark Pharmaceuticals Limited	20,000	20,000
	1000 Equity Shares of ₹ 1/- each fully paid up		
8	Pertech Computer Limited	2,810	2,810
	100 Equity Shares of ₹ 10/- each fully paid up		
9	Jolly Rides Limited	10,490	10,490
	9990 Equity Shares of ₹ 10/- each fully paid up		
10	Andhra Bank Limited	95,850	95,850
	1065 Equity Shares of ₹ 10/- each fully paid up		
11	Entertainment Network India Limited	6,480	6,480
	40 Equity Shares of ₹ 10/- each fully paid up		
		204,246	209,246
	Less: Provision for diminution in value of investments	35,990	40,990
	Aggregate Market Value ₹ 4.70 lakhs (P.Y ₹ 4.86 lakhs)	168,256	168,256

B. UNQUOTED

DHFL Vysya Bank Housing Fin. Limited

2000 Equity Shares of ₹ 10/- each fully paid up

70,000	70,000	70,000	70,000
<u>238,256</u>		<u>238,256</u>	

(Amount in ₹)

Note No.	Particulars	As at 31-03-2012	As at 31-03-2011
2.10 a	Deferred Tax Assets (net):	2,187,090	925,024
		<u>2,187,090</u>	<u>925,024</u>
b	Major components of deferred tax assets / (Liabilities) are:		
		<u>As at 31-03-12</u>	<u>As at 31-03-11</u>
			<u>Movement during the year</u>
1.	Relating to Fixed Assets	206,617	3,079
2.	Provision for Gratuity	47,222	12,261
3.	Provision for Non-performing Assets	1,884,071	1,293,149
4.	Contingent Provisions against Standard Assets	49,180	(46,423)
	Deferred Tax Asset (Net)	<u>2,187,090</u>	<u>1,262,066</u>
			<u>925,024</u>

Note No.	Particulars	As at 31-03-2012	As at 31-03-2011
	Current Assets		
2.11	Receivables (Finance) :		
	a) Outstanding for more than six months (Unsecured and considered doubtful)	760,081	760,081
	Less: Provision for Doubtful debts	<u>760,081</u>	<u>760,081</u>
		-	-
	b) Outstanding for more than six months (Unsecured and considered Sub standard)	8,056,654	2,000,000
	c) Outstanding for more than six months (Secured and considered Sub standard)	41,800,000	8,000,000
	d) Other Debts (Unsecured and Considered Good)	18,181,928	5,987,419
	e) Other Debts (Secured and Considered Good)	39,700,344	109,127,435
		<u>107,738,926</u>	<u>125,114,854</u>
	Less : Provision for non performing assets and doubtful debts	4,985,665	1,000,000
		<u>102,753,261</u>	<u>124,114,854</u>
2.12	Cash & Cash Equivalents :		
	(a) Balance With Banks		
	In Fixed Deposits	5,557,865	-
	In Current Accounts:	1,866,463	1,048,983
	(b) Cash on hand	59,046	6,235
		<u>7,483,374</u>	<u>1,055,218</u>
2.13	Short Term Loans & Advances:		
	(unsecured & considered good unless otherwise stated)		
	Staff Advance	15,500	13,000
		<u>15,500</u>	<u>13,000</u>
2.14	Other Current Assets:		
	Prepaid Expenses	3,946	18,751
		<u>3,946</u>	<u>18,751</u>

Note No.	Particulars	For the year ended 31-3-2012	For the year ended 31-3-2011
2.15	<u>Revenue From Operations</u>		
A	Interest Income	21,560,451	33,939,152
B	Interest Received on FDR	180,463	-
		<u>21,740,914</u>	<u>33,939,152</u>
2.16	<u>Other Income:</u>		
	Dividend Income	11,655	34,274
	Cheque Return Charges	1,000	300
	Miscellaneous Receipts	1,283	1,000
	Provision for NPA - Written Back	-	48,094
	Contingent Provisions against Standard Assets- Written Back	143,081	-
	Processing Charges	18,500	120,000
	Rent Received	109,350	27,000
			-
		<u>284,869</u>	<u>230,668</u>
2.17	<u>Employees benefit expense</u>		
	Salaries & Allowances	1,245,200	1,176,550
	Contribution to Provident Fund	51,460	42,916
	Staff Welfare Expenses	28,806	260
	Professional Tax	7,860	6,720
	Gratuity	37,789	33,092
	Directors Remuneration	678,000	678,000
	Exgratia	131,350	-
		<u>2,180,465</u>	<u>1,937,538</u>
2.18	<u>Financial Costs:</u>		
	Interest to Others	637,808	4,127,389
		<u>637,808</u>	<u>4,127,389</u>
2.19	<u>Other Expenses:</u>		
	Advertisement Expenses	61,515	56,709
	Auditor's Remuneration	57,908	41,363
	Legal & Professional Charges	176,995	199,366
	Postage, Telephones & Internet Charges	99,675	55,002
	Printing & Stationery	51,468	66,702
	Rates & Taxes	123,478	119,133
	Subscription	17,236	25,766
	Bank Commission	17,698	17,453
	Donation	-	2,500
	Miscellaneous Expenses	198,546	92,103
	Vehicle Maintenance	22,954	16,811
	Directors Sitting Fees	105,000	115,000
	Provision for Non-Performing Assets and Doubtful Debts	3,985,665	1,000,000
	Contingent Provisions against Standard Assets	-	287,787
	Rent	385,968	357,408
	Repairs & Maintenance (Building)	200,124	320,092
	Service Tax	14,143	-
	Travelling & Conveyance Expenses	355,029	228,898
	Sundry Balances Written Off	7,001	263
		<u>5,880,403</u>	<u>3,002,356</u>
2.20	Contingent liabilities not provided for: Nil (Previous Year- Nil)		

2.21	<u>Break up of Auditor's Remuneration</u>	For the year Ended 31-03-2012	For the year ended 31-03-2011
	(1) Audit Fee	33,090.00	33,090.00
	(2) Tax Audit Fees	8,273.00	8,273.00
	(3) Advice on income Tax matters	16,545.00	-
		<u>57,908.00</u>	<u>41,363.00</u>
2.22	<u>Directors' Remuneration:</u>		
	(1) Remuneration to Managing Director	3,84,000.00	3,84,000.00
	(2) Remuneration to Whole time Director	<u>2,94,000.00</u>	<u>2,94,000.00</u>
		<u>6,78,000.00</u>	<u>6,78,000.00</u>
	(3) Directors' Sitting Fee	<u>1,05,000.00</u>	<u>1,15,500.00</u>
2.23	The company does not have any non-cancelable lease arrangements. Office premises are taken on operating lease and such lease rentals are charged to revenue on accrual basis.		
2.24	<u>Related Party Disclosures:</u>		
	Disclosures as required by the Accounting Standard (AS-18)		
	"Related party disclosures are given below:		
(1)	Names of related parties and description of the relationship		
	a. Associates:	<ol style="list-style-type: none"> 1. M/s Gowra Ventures Pvt. Ltd. 2. M/s Gowra Petrochem Pvt. Ltd. 3. M/s Amar Bio Organics (India) Pvt. Ltd. 4. M/s Vaishnavi Corporation 5. M/s Gowra Engineering Technologies Pvt. Ltd. 	
	b. Key Management Personnel:	<ol style="list-style-type: none"> 1. Mr. G. Srinivas – Managing Director 2. Mr. G.L. Prasad – Executive Director 	
	c. Relatives of key Management Personnel	<ol style="list-style-type: none"> 1. Mr. G.S. Rajagopal 2. Mr. G. Laxminarayana 3. Smt G. S. Sabitha 4. Mr. G. Suryaprakash 5. Mr. G.L. Subbaram 6. Smt G.L. Ramadevi 	

(2) Related Party Transactions:

(Amount in ₹)

Nature of Transactions	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
Rent Paid				
- Mr. G. Srinivas	-	96,492 (89,352)	-	96,492 (89,352)
- Smt G.L. Ramadevi	-	-	96,492 (89,352)	96,492 (89,352)
- Mr. G.L. Subbaram	-	-	96,492 (89,352)	96,492 (89,352)
- Smt G.S. Sabitha	-	-	96,492 (89,352)	96,492 (89,352)
Total	-	96,492 (89,352)	2,89,476 (2,68,056)	3,85,968 (3,57,408)
Remuneration paid to Directors				
- Mr. G. Srinivas	-	3,84,000 (3,84,000)	-	3,84,000 (3,84,000)
- Mr. G.L. Prasad	-	2,94,000 (2,94,000)	-	2,94,000 (2,94,000)
Total	-	6,78,000 (6,78,000)	-	6,78,000 (6,78,000)



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Director's Sitting Fees				
- Mr. G.S.RajaGopal	-	-	(10,000)	(10,000)
- Mr. G.Laxminarayana	-	-	12,500	12,500
- Mr. G.Suryaprakash	-	-	(10,000)	(10,000)
			22,500	22,500
			(15,000)	(15,000)
Total		-	35,000	35,000
	(-)		(35,000)	(35,000)
Interest Paid				
- Mr. G.Laxminarayana	-	-	3,892	3,892
			(6,83,995)	(6,83,995)
- Gowra Ventures Pvt. Ltd	-	-	-	-
	(37,358)			(37,358)
- Mr. G.Srinivas	-	6,33,872	-	6,33,872
		(29,06,697)		(29,06,697)
- Amar Bio Organics (India) Pvt. Ltd.	-	-	-	-
	(3,77,926)			(3,77,926)
- Mr.G.L.Prasad	-	-	-	-
		(1,06,027)		(1,06,027)
- Gowra Engineering Technologies Pvt. Ltd.	-	-	-	-
	(15,386)			(15,386)
Total		6,33,872	3892	6,37,764
	(4,30,670)	(30,12,724)	(6,83,995)	(41,27,389)
Loan taken				
- Mr.G.Laxminarayana	-	-	-	-
			(3,24,70,000)	(3,24,70,000)
- Mr. G.Srinivas	-	16,50,000	-	16,50,000
		(4,66,20,000)		(4,66,20,000)
- Amar Bio Organics (India) Pvt. Ltd.	-	-	-	-
	(35,00,000)			(35,00,000)
- Mr. G.L.Prasad	-	-	-	-
		(50,00,000)		(50,00,000)
- Gowra Engineering Technologies Pvt. Ltd.	-	-	-	-
	(4,00,000)			(4,00,000)
Total		16,50,000		16,50,000
	(39,00,000)	(5,16,20,000)	(3,24,70,000)	(8,79,90,000)
Loan repaid				
- Mr.G.Laxminarayana	-	-	6,11,712	6,11,712
			(3,55,30,361)	(3,55,30,361)
- Gowra Ventures Pvt. Ltd	-	-	-	-
	(27,05,480)			(27,05,480)
- Mr. G.Srinivas	-	2,04,66,028	-	2,04,66,028
		(3,04,91,613)		(3,04,91,613)
- Amar Bio Organics (India) Pvt. Ltd.	-	-	-	-
	(35,00,000)			(35,00,000)
- Mr.G.L.Prasad	-	-	-	-
		(50,00,000)		(50,00,000)
- Gowra Engineering Technologies Pvt. Ltd.	-	-	-	-
	(4,00,000)			(4,00,000)
Total		2,04,66,028	6,11,712	2,10,77,740
	(66,05,480)	(3,54,91,613)	(3,55,30,361)	(7,76,27,454)
Maximum balance				
- Mr. G.Laxminarayana	-	-	6,11,712	611712
			(1,30,00,000)	(13000000)
- Gowra Ventures Pvt. Ltd	-	-	-	-
	(27,05,480)			(2705480)
- Mr. G.Srinivas	-	1,88,16,028	-	18816028
		(2,39,50,000)		(23950000)
- Amar Bio Organics (India) Pvt. Ltd.	-	-	-	-
	(35,00,000)			(3500000)

- Mr. G.L.Prasad	-	(50,00,000)	-	(5000000)
- Gowra Engineering Technologies Pvt. Ltd.	(4,00,000)	-	-	(400000)
Total	(66,05,480)	1,88,16,028	6,11,712	1,94,27,740
Repair & Maintenance (Building)- Paid to Vaishnavi Corporation	2,00,124 (1,85,304)	- (-)	- (-)	2,00,124 (1,85,304)
Balance Due by the Company as on 31.03.12				
- Mr. G.Srinivas	-	(1,88,16,028)	-	(1,88,16,028)
- Mr. G.Laxminarayana	-	-	(6,11,712)	(6,11,712)
Total	(-)	(1,88,16,028)	(6,11,712)	(1,94,27,740)

(-) Figures in brackets represent previous year's figures.

- 2.25 Segment Reporting: During the year the Company was engaged only in investment and Financing activities and its activities were confined to india. Hence there are no reportable segments of the Company.
- 2.26 No enterprises have been identified as a "supplier" under the micro, small and medium enterprises Development Act, 2006. The aforesaid identification has been done on the basis of information, to the extent provided by the vendors to the Company.
- 2.27 Balances under the head Debtors, Loans & Advances and other liabilities are subject to confirmation from the respective parties.
- 2.28 Impairment of Assets: The Company has carried out an impairment test as per 'Accounting Standard – 28', issued by I.C.A.I on all the assets and no provision was found to be required towards impairment of assets for the year ending 31st March, 2012.
- 2.29 The Company has provided for its gratuity liability on accrual basis on the basis of completed years of service as provided under the Payment of Gratuity Act. However, the provisions of Payment of Gratuity Act, do not apply to the Company, since the Company does not employ the requisite number of employees as required under the Payment of Gratuity Act.
- 2.30 Previous year figures have been regrouped / recasted / reclassified / rearranged wherever deemed necessary to conform with current year's classification.
- 2.31 Current Assets Loans & Advances are approximately of the value as stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of the amount considered reasonably necessary.
- 2.32 Expenditure in Foreign Currency
- | | | |
|--|---------|---------|
| | 2011-12 | 2010-11 |
| | Nil | Nil |
- 2.33 Earnings in Foreign Exchange
-FOB Value of Exports
- | | | |
|--|---|---|
| | - | - |
|--|---|---|

"As per our Report of even dated attached"

For DAGLIYA & CO
Chartered Accountants,
(F.R.N. 671 S)
Sd/-
(JITENDRA KUMAR JAIN)
Partner
M.No.18398
Place : Secunderabad
Date : 30-05-2012

For and on Behalf of the Board of Directors

Sd/- (GOWRA SRINIVAS) Managing Director	Sd/- (G.L.PRASAD) Executive Director
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SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY

(As required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)

(₹ in lakhs)

	Particulars	Amount Outstanding (₹)	Amount Overdue (₹)
Liabilities Side			
(1)	Loans and advances availed by the Non-banking financial Company inclusive of interest accrued thereon but not paid :-		
(a)	Debentures :		
	Secured	Nil	Nil
	Unsecured (other than falling within the meaning of public deposit*)	Nil	Nil
(b)	Deferred Credits	Nil	Nil
(c)	Term Loans	Nil	Nil
(d)	Inter-corporate Loans and borrowing	Nil	Nil
(e)	Commercial paper	Nil	Nil
(f)	Other Loans (Specify Nature)	Nil	Nil

* Please see Note 1 below

	Assets Side :	Amount Outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a)	Secured	397.00
(b)	Unsecured	181.82
(3)	Break up of Leased Assets and 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	Nil
(iii)	Other Loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	Nil
(b)	Loans other than (a) above	Nil
(4)	Break-Up of Investments	
	Current Investments:	
1.	Quoted :	
(i)	Shares:	
(a)	Equity	Nil
(b)	Preference	Nil
(ii)	Debentures and Bonds	Nil
(iii)	Units of mutual funds	Nil
(iv)	Government Securities	Nil
(v)	Other (Please specify)	Nil
2.	Unquoted :	
(i)	Shares :	
(a)	Equity	Nil
(b)	Preference	Nil
(ii)	Debentures and Bonds	Nil
(iii)	Units of mutual funds	Nil
(iv)	Government Securities	Nil
(v)	Other (Please specify)	Nil
	Loan Term Investments	
1.	Quoted :	
(i)	Shares:	
(a)	Equity	1.68
(b)	Preference	Nil



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	(ii)	Debentures and Bonds	Nil
	(iii)	Units of mutual funds	Nil
	(iv)	Government Securities	Nil
	(v)	Other (Please specify)	Nil
	2.	Unquoted :	
	(i)	Shares :	
		(a) Equity	0.70
		(b) Preference	Nil
	(ii)	Debentures and Bonds	Nil
	(iii)	Units of mutual funds	Nil
	(iv)	Government Securities	Nil
	(v)	Other (Please specify)	Nil

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :				
Please see Note 2 below				
	Category		Amount net of provisions	
			Secured	Unsecured
	1.	Related Parties **	Nil	Nil
	(a)	Subsidiaries	Nil	Nil
	(b)	Companies in the same group	Nil	Nil
	(c)	Other related parties	Nil	Nil
	2.	Other than related Parties	Nil	Nil
		Total	Nil	Nil
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :Please see Note 3 below				
	Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1.	Related Parties **		
	(a)	Subsidiaries	Nil	Nil
	(b)	Companies in the same group	Nil	Nil
	(c)	Other related Parties	Nil	Nil
	2.	Other than related parties	2.38	2.38
		Total	2.38	2.38

** As per Accounting Standard of ICAI (Please see Note 3)

(7) Other Information

Particulars		Amount
(i)	Gross Non-Performing Assets	
(a)	Related parties	Nil
(b)	Other than related parties	506.17
(ii)	Net Non-Performing Assets	
(a)	Related parties	Nil
(b)	Other than related parties	57.46
(iii)	Assets acquired in satisfaction of debt	Nil

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1988.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For and on behalf of the Board of Directors

Sd/-

GOWRA SRINIVAS
(Managing Director)

Place : Secunderabad

Date : 30-05-2012



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AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. Gowra Leasing & Finance Limited for the year ended 31st March, 2012. The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Bombay Stock Exchange (BSE) and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet of the Company, covered by our Report dated 30-05-2012 to the members of the Company.

for DAGLIYA & CO.
Chartered Accountants

Sd/-
(JITENDRA KUMAR JAIN)
Partner
M.No.18398

Place: Secunderabad
Date: 30-5-2012



Gowra Leasing & Finance Limited

Regd. Office : No.501, 5th Floor, Gowra Grand, Behind Gowra Plaza
1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003

PROXY FORM

I/We _____ of _____ being a member of **Gowra Leasing & Finance Ltd.**, hereby appoint _____ of _____ or failing him _____ of _____ as my / our proxy to attend and vote for me to / us on my/ our behalf at the 19th Annual General Meeting of the Company to be held on Saturday, the 29th September, 2012, at 11 a.m. and at any adjournment thereof.

Ledger Folio/ DP & Client ID No. _____

No. of Shares _____

Signed this _____ day of _____ 2012

Affix ₹1/-
Revenue
Stamp

(Signature of the Shareholder)

Note: The proxy must be deposited duly filled and stamped at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

Gowra Leasing & Finance Limited

Regd. Office : No.501, 5th Floor, Gowra Grand, Behind Gowra Plaza
1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003

ATTENDANCE SLIP

(Please present this slip at the entrance of the Meeting Hall)

I hereby record my presence at the 19th Annual General Meeting of the Company held at Hotel Fortune Select Manohar, Airport Exit Road, Begumpet, Hyderabad – 500016 on Saturday the 29th day of September, 2012 at 11 a.m.

Regd Folio No./DP & Client ID _____ No. of shares _____

Name of Shareholder _____

Address _____

E-mail ID _____

Phone/Cell No. _____

(Signature of the shareholder / Proxy)

(To be signed at the time of meeting over at the Meeting Hall)