



BOARD OF DIRECTORS

(As on 30th June, 2015)

● DIRECTORS ●

SMT. MAMTA VERMA, IAS

(Nominated by State Government)

SHRI C. J. MACWAN

(Nominated by State Government)

SHRI AJIT NATH JHA

(Nominated by SIDBI)

● MANAGING DIRECTOR ●

SHRI ARVIND AGARWAL, IAS

● SECRETARY (BOARD) ●

SHRI RAVEENDRAN NAIR

● AUDITORS ●

**M/S. MANUBHAI & SHAH
CHARTERED ACCOUNTANTS,
AHMEDABAD**

● HEAD OFFICE ●

**Udyog Bhavan, Block No. 10, 1st Floor, Sector-11, GH-4,
Gandhinagar-382 010**

● REGIONAL OFFICES ●

Ahmedabad, Surat, Rajkot



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NOTICE

Notice under Regulation No. 23 of General Regulations of the Corporation is hereby given that the 55th Annual General Meeting of the shareholders of the Corporation will be held on **Friday, the 30th October, 2015 at 4.00 p.m. in the Office of the Chairman at Head Office at Udyog Bhavan, Block No. 10, 1st Floor, Sector-11, Gandhinagar 382 010** to transact the following business :

- (i) To receive, consider and adopt the audited financial statements of the Corporation for the Financial Year ended 31st March 2015 including the Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- (ii) To re-appoint M/s. Manubhai & Shah, Chartered Accountants, Ahmedabad, as Statutory Auditors of the Corporation to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting as recommended by RBI and to fix their remuneration.

By order of the Board of Directors,

Place : Gandhinagar

Date : 22-08-2015

(ARVIND AGARWAL, IAS)
MANAGING DIRECTOR

NOTES :

1. Pursuant to Regulation 28-B of GSFC General Regulations, a shareholder shall be entitled for one vote for each share held by him for the whole period of six months prior to the date of 55th Annual General Meeting.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE CORPORATION.**
3. **No proxy shall be valid unless it is duly stamped and unless it together with the power of attorney or other authority, if any, under which it is signed or a copy of that power of authority certified by a notary public or Magistrate, is deposited at the Head Office of the Corporation not less than 7 clear days before the date fixed for the meeting.**
4. Pursuant to Regulation 12 of the GSFC General Regulations, the Register of Members and Share Transfer Books will remain closed from **26-10-2015 to 30-10-2015** (both days inclusive).
5. Shareholders seeking any information with regard to accounts are requested to write to the Corporation at least 10 days before the meeting so as to enable the management to keep the information ready.
6. Members are requested to bring their copy of Annual Report at the meeting.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and e-mail id to the R & T Agent of the Corporation. In case shares held in dematerialized form, the information regarding change of address and e-mail id should be given to their respective Depository Participant.



8. Voting through electronic means :

In terms of Clause 35B of the Listing Agreement read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015, the Corporation is pleased to provide e-voting facility to the members in respect of business to be transacted at the 55th Annual General Meeting to be held on **Friday, the 30th October, 2015 at 4.00 p.m.** The facility of casting votes by the members using electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services India Ltd (CDSL).

The Corporation has engaged the services of CDSL to provide e-voting. The e-voting facility is available at the link www.evotingindia.com.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The e-voting facility will be available during the following voting period :

Commencement of e-voting	10.00 Hours of Tuesday, 27 th October, 2015
End of e-voting period	17.00 Hours of Thursday, 29 th October, 2015

E-voting shall not be allowed beyond 17.00 hours on 29th October, 2015. The e-voting module shall be disabled by CDSL for voting thereafter. During the e-voting period, shareholders of the Corporation holding shares either in physical form or in dematerialized form, as on the Cut-off-Date may cast their votes electronically. The **Cut-off-Date for the purpose of e-voting is 24th April, 2015.**

Instructions for e-voting :

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Corporation.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(vi) If you a first time user, follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Corporation/ Depository Participant are requested to use the 10 digits Sequence Number in the PAN Field. The Sequence Number is printed on the mailing address.
Date of Birth DOB#	Enter the Date of Birth as recorded in your demat account or in the Corporation records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Corporation records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Corporation, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on EVSN of GUJARAT STATE FINANCIAL CORPORATION.
- (xi) On the voting page, you will see ‘RESOLUTION DESCRIPTION’ and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK” else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- (xvii) Any person, who acquires shares of the Corporation and becomes a member of the Corporation after dispatch of the Notice of the AGM and holding share as on the cut-off-date i.e. 24th April, 2015, should follow the same procedure as mentioned above for e-voting. However, if a person is already registered with CDSL for e-voting then existing password can be used for casting vote.
- (xviii) **Note for Non-individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The results of e-voting will be announced by the Corporation on its website and also informed to the Stock Exchanges. Kindly note that once you have cast your vote, you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.
- (xxi) Mr. Pragnesh M Joshi, Practicing Company Secretary, Ahmedabad, Gujarat (Membership No. FCS 7238 & Certificate of Practice No. 7743) has been appointed as the Scrutinizer to scrutinize the e-voting, remote e-voting and poll process in the AGM in a fair and transparent manner.
- (xxii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Ballot Paper”/“Polling Paper” for all those members who are present at the AGM but have not cast their vote by availing the facility of e-voting.
- (xxiii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast in the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Corporation and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxiv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Corporation at www.gsfc.gujarat.gov.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd., and NSE Limited.





DIRECTOR'S REPORT

To the Members,

Your Corporation's Board of Directors is pleased to present the 55th Annual Report on the operations of the Corporation together with the audited statement of accounts for the year ended March 31, 2015.

Before going into the performance highlights of the Corporation, economic scenario of the country, in brief, is taken stock of as under :

1. Economy :

Fiscal 2015 has been a different year for the Indian economy. During the year under reference, macro-economic stability has returned, reforms are being undertaken, the external environment has moved in India's favour and above all, a new Government has come into power. Regaining growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency and to this end, the emphasis of policy remained on fiscal consolidation and removal of structural constraints. Apart from fiscal consolidation, Government of India focused on maintaining a stable external balance, measures to further control inflation, priorities for growth revival which included streamlining of implementation procedures to restart the investment cycle and simplification of tax policy. The annual growth rate of the Indian economy is projected to be in the range of 5.4 to 5.9 per cent in 2014-15 overcoming the sub-5 per cent GDP growth of past two years. Measures taken for repealing of archaic laws governing market access, expansion and entry/exit of firms and revamp of the dispute resolution mechanism for commercial disputes to lend greater predictability to policy, giving boost to physical infrastructure and improving productivity in agriculture will yield results in years to come. Fundamentally, India's medium term growth prospects are promising and growth of about 7-8 per cent should be within reach. With basic public good provision and investment tapping into cheap labour, India can easily get closer to its growth frontier laying a strong foundation for the long run.

2. Financial Highlights :

During the year under report, your Corporation's gross income amounted to ₹ 41.64 crore, comprising interest income at ₹ 7.97 crore, other income at ₹ 6.84 crore and exceptional income at ₹ 26.83 crore. Interest expenses of ₹ 118.26 crore and operational expenses of ₹ 16.98 crore accounted for total expenditure, excluding provisions, depreciation and contingencies. Corporation provided ₹ 0.79 crore towards diminution in value of investments and written back NPA provision no longer required of ₹ 8.85 crore. During 2014-15, your Corporation's operations resulted in net loss of ₹ 94.80 crore. However, after over more than a decade, Corporation registered a net profit of ₹ 1.52 crore in the 4th quarter of the year under report due to exceptional income. Accumulated loss as on the last day of the year under report stood at ₹ 2234.73 crore. In view of loss, your Directors refrained from recommending dividend for the year under reference.

3. Resources :

During the year under report, your Corporation has not resorted to any borrowings. Corporation disposed off a part of its investment in shares and realized a net gain of ₹ 14.13 crore. As at the end of the year, no external debts are outstanding for payment except that of Government of Gujarat.



4. Recovery :

As the members are aware, Corporation concentrates only on recovery since last many years. Good clients have already closed accounts either in the normal course of business or by availing benefits of One Time Settlement (OTS) schemes introduced by the Corporation from time to time. This has resulted into leaving only sticky accounts with the Corporation from which recovery was not easily forthcoming. In order to boost the recovery efforts, OTS schemes for BIFR/GBIFR cases and Term Loans are re-introduced during the second half of the year under report. Corporation's recovery of dues stood at ₹ 13.64 crore during 2014-15 as against ₹ 22.88 crore reported a year ago.

5. Human Resource :

The staff strength as on 31st March, 2015 stood at 81 consisting of 9 "A" Grade officers, 60 "B" Grade employees and 12 Grade "C" subordinate employees. Five employees are on loan service and 25 on deputation to various Government departments. The effective manpower strength available with the Corporation as on the last day of the report stood at 51.

6. Vigil Mechanism :

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, Corporation has devised an effective whistle blower mechanism enabling stakeholders, including individual employees, to freely communicate their concerns about illegal or unethical practices. The Whistle Blower Policy of the Corporation is available at the website of the Corporation.

7. Corporate Governance :

As required by Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report, Corporate Governance Report and Certificate regarding compliance of conditions of Corporate Governance are annexed hereto and form part of this Annual Report.

8. Auditors :

M/s. Manubhai & Shah, Chartered Accountants, Ahmedabad (Firm Registration No. 106041W), statutory auditors of the Corporation retire at the ensuing Annual General Meeting and are eligible for re-appointment. In terms of Section 37 (1) of the SFCs Act, 1951, Reserve Bank of India confirmed their eligibility for re-appointment and the said firm has also consented for re-appointment as statutory auditors for financial year 2015-16. Their re-appointment is being placed before the shareholders for approval in the ensuing Annual General Meeting. The observations made in the Auditors' Report on the audited accounts of the Corporation for the year ended 31st March, 2015 are dealt with in "Addendum" to this Report.

9. Board of Directors :

During the year under reference, SIDBI, vide its letter dated 29.12.2014, withdrawn the nomination of Shri Balbir Singh as Director on the Board of the Corporation and in his place, Shri Ajit Nath Jha, Deputy General Manager, SIDBI, Ahmedabad was nominated. In compliance with Clause 49 of the Listing Agreement, brief resume of the Director, who has been nominated by SIDBI during the year under reference, is furnished in the Corporate Governance Report attached to this Report.



The Board places on record its appreciation for the guidance and counsel received from Shri Balbir Singh during deliberations of the Board and Audit Committee as its Chairman.

On his elevation as Chief Secretary to Government of Gujarat, Shri D.J. Pandian, IAS, tendered resignation from the Board of the Corporation vide Note dated 1.11.2014. Since Section 14 of the SFCs Act, 1951 does not envisage resignation by a nominated Director and Section 11 of the said Act stipulates that a nominated director shall hold office during the pleasure of the authority nominating him, the resignation letter was forwarded to nominating authority.

10. Directors' Responsibility Statement :

The Directors, based on the representations received from the Accounts Department, hereby confirm that:

1. in the preparation of the annual accounts for the year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. such accounting policies as mentioned in Note 16 of the Annual Accounts have been selected and applied consistently and judgments and estimates that are reasonable and prudent are made so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year ended 31st March 2015 and of the loss of the Corporation for that year.
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the regulatory provisions for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities.
4. the annual accounts for the year ended 31st March 2015 has been prepared on a going concern basis.

11. Acknowledgement :

Your Corporation's Board of Directors is sincerely grateful to the Government of Gujarat for its continuous support and guidance. The Board acknowledges with gratitude the co-operation and support received from Industries & Mines Department, Finance Department and other agencies. The Board thanks RBI, SIDBI and its Ahmedabad office for their support and guidance. The Board also acknowledges with thanks the commercial banks and other institutions for their support and co-operation. The Board takes this opportunity to put on record its deep sense of gratitude to its stakeholders and customers for their continued support and confidence. The Board appreciates the sincere and dedicated services rendered by the employees of the Corporation.

For and on behalf of the Board of Directors,

Place : Gandhinagar
Date : 30-05-2015

(Arvind Agarwal)
Managing Director





ADDENDUM TO THE DIRECTORS' REPORT

EXPLANATORY NOTES OF THE BOARD OF DIRECTORS ON QUALIFICATIONS/ OBSERVATIONS OF STATUTORY AUDITORS

Point No. (a) Preparation of financial statements as per proforma prescribed in Regulation 55 of GSFC General Regulations :

Corporation has changed the presentation of Balance Sheet and Profit and Loss Account from horizontal basis to vertical basis with effect from Financial Year 1985-86 with the approval of the Board of Directors. The financial statements have again been synchronized with Schedule VI of the Companies Act, 1956 since FY 2011-12. Appropriate steps are being taken for restoring the position followed since 1985-86.

Point No. (b) Confirmation and adjustment of Government loan :

Government loans are granted as a result of provision in the Budgets of Government of Gujarat and subsequent issuance of Government Resolutions. The outstanding details are submitted to administrative department on quarterly basis. The loan accounts are also reconciled with other authorities. However, separate confirmation is not obtained from lending authority.

Point No. (c) Fixed Assets Register :

Fixed Assets Registers in respect of Land & Building, Vehicles and Computers have been updated during the year under reference. Corporation has already received physical verification reports in respect of Furniture & Fixtures and Office Equipments. Capital work at Surat office and in a portion of Head Office is in progress. All the Registers will be updated in FY 2015-16.

Point Nos. (d) & (e) Confirmation and adjustments of Assets & Liabilities and SL & GL :

Reconciliation of assets and liabilities and Subsidiary Ledgers and General Ledgers is an on-going process and wherever lacuna is found out, necessary rectification is resorted to. Corporation has not adopted the practice of obtaining balance confirmation from loanees. Adequate disclosure has been made in Note 16 (B) (4) with regard to such differences.

Point No. (f) Party-wise details of interest received and bad debts written off :

Management Information System will be strengthened so as to extract party-wise details of interest received from Long Term Loans and Advances. Bad debts are written off when an account is closed as a result of One Time Settlement. The procedure followed is disclosed in Note 16 (A) (02) (e) and (08).

Point No. (g) Gratuity and leave encashment :

Liabilities on account of gratuity and leave encashment are accounted on the basis of valuation done by Life Insurance Corporation of India at the time of making contribution to LIC and not on the basis of actuarial valuation at year end. Adequate disclosure is made in Note 16 (A) (5).

Point No. (h) Going concern :

Adequate disclosure is made in Note 16(B) (12).





MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(1) Industry outlook :

State Financial Corporations are created for fulfilling certain critical socio-economic obligations of the States like entrepreneurial development, employment generation and balanced regional development by promoting and financing industry in semi-urban, rural and backward regions of the States. GSFC played a pivotal role in the overall promotion and development of Small and Medium sectors in the State of Gujarat and Union Territory of Dadra & Nagar Haveli. GSFC was carrying out the functions efficiently and it was performing quite well till 1999-2000. With the liberalization of economy and consequential financial sector reforms, Corporation's fortune declined steadily since 2001-02. Banks and other NBFCs have by then been focusing extending loan to small and medium industries in a large way. Due to various factors, Corporation could not withstand competition. Corporation's inability to pool concessional and adequate resources also led to its sufferings. Unless sufficient resources at affordable cost are available, Corporation cannot restart its normal operations.

(2) Corporation's Performance :

Corporation discontinued its main operations of sanction and disbursement of loan from FY 2001-02. Since then, Corporation is concentrating on recovery of its dues. With the passage of time, almost all good clients have closed the accounts either in the regular course or by availing benefits of One Time Settlement Schemes introduced by the Corporation from time to time. All accounts became non performing and recovery became difficult. Notwithstanding the fact that recovery from such sticky accounts is a herculean task, Corporation recovered ₹13.64 crore during the year under report as against recovery of ₹ 22.88 crore in the previous year.

(3) Opportunities & Threats :

SFCs were helping to decentralize economic development and have created employment opportunities by assisting first generation entrepreneurs, artisans, crafts persons, SSI units etc. Prior to liberalization, Banks and financial institutions were reluctant to extend financial support to entrepreneurs of such sectors due to the risks involved. SFCs were filling the vacuum. With the opening up of economy, Banks and Financial Institutions, which have access to cheap funds, accord high priority to lend to the MSME sector and extend financial assistance at competitive rates. SFCs could not withstand the competition. Thus, though the Corporation has the potential to serve the sector from close quarters, adverse financial position and its inability to raise cheap funds prevented it from carrying out its main operations of sanction and disbursement.

(4) Internal control system and their adequacy :

Corporation's internal control system provides for budgetary control and cost monitoring system. Regular management reviews are undertaken to ensure conformity with targets. Corporation has established well placed internal audit mechanism. The internal audit is carried out by a reputed and independent firm of Chartered Accountants. The



Internal Auditor's reports are reviewed by the Audit Committee on quarterly basis. The internal control system is adequate commensurate with the size and operations of the Corporation.

(5) Human Resources:

Total employee strength of the Corporation at the end of the year stood at 81 as against 95 in the previous year. Cordial and harmonious relations continued to be maintained throughout the year.

(6) Financial Performance :

(₹ in Crore)

Particulars	Year ended 31/03/2015	Year ended 31/03/2014
Total Income	41.64	40.81
Interest expenses	118.26	115.21
Other expenses	17.78	38.08
Loss before depreciation & tax	94.40	112.45
Depreciation	0.41	0.31
Loss before tax	94.81	112.76
Tax (of previous years)	00	0.03
Loss after depreciation & tax	94.81	112.79
Balance carried over to balance sheet	2234.73	2139.92





REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-15

1. PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is one of the most important management tasks and it has established a management control system for improving management soundness and efficiency in order to fulfill its basic management philosophy. The corporate governance philosophy of Gujarat State Financial Corporation aims at establishing transparency, accountability and integrity so as to be recognized by its customers, shareholders, business partners and society.

2. BOARD OF DIRECTORS

Composition of Board

The composition of the Board is governed by the provisions of Section 10 of the State Financial Corporations Act, 1951. As at March 31, 2015, the Board of Directors consisted of four Directors viz., two nominees of Govt. of Gujarat, one nominee of Small Industries Development Bank of India and the Managing Director appointed by Govt. of Gujarat. Shri DJ Pandian, IAS, Director nominated by the Government of Gujarat, has been appointed as Chairman by Small Industries Development Bank of India.

Details of Board meetings, attendance of each Director at the Board meetings and the last AGM, number of other Directorships etc., are as under :

Sr. No.	Name of Director	No. of meetings			Other Directorship
		Held during the tenure	Attended	Attendance at last AGM	
1	Shri DJ Pandian, IAS (Nomination as Director by Government of Gujarat from 7.3.2014 & as Chairman by SIDBI from 3.11.2014)*	4	2	Not present	07
2	Shri Arvind Agarwal, IAS Managing Director (From 7.5.2007 onwards)	4	4	Present	01
3	Shri Balbir Singh# (From 5.8.2013 to 28.12.2014)	3	2	Present	1
4	Shri Ajit Nath Jha (From 29.12.2014 onwards)	1	1	Not applicable	Nil
5	Shri C. J. Macwan (From 4.3.2014 onwards)	4	2	Not present	04

* Resigned vide Note dated 1.11.2014. SIDBI, vide letter dated 3.11.2014, appointed Shri DJ Pandian, IAS as Chairman on the Board of the Corporation. As per Section



11 (1) of SFCs Act, 1951, a nominated director shall hold office during the pleasure of the authority nominating him. Section 14 of the said Act provides for resignation by elected directors only. Since there is no provision for accepting resignation by a Nominee Director, his resignation letter was forwarded to Government of Gujarat for suitable decision.

Ceased to be Director during the year.

Change in composition of Board of Directors :

During the year under reference, Small Industries Bank of India, vide letter dated 29.12.2014, withdrawn nomination of Shri Balbir Singh, Deputy General Manager and in his place Shri Ajit Nath Jha, Deputy General Manager, SIDBI, Ahmedabad was nominated.

Information about Director joined the Board during the year :

Name of Director	Shri Ajit Nath Jha
Date of birth	10.08.1971
Date of appointment	29.12.2014 (Nomination by Small Industries Development Bank of India)
Qualification	BE (Electronics & Communication), PGDBM (IIM, Calcutta)
Expertise in specific functional area	He has association with Small Industries Development Bank of India, an all India Financial Institution mainly to cater to the requirements of MSME sector, since last 20 years.
Directorship held in other companies/Corporations	Nil

Board Meetings

During the financial year, total four (4) Board meetings were held i.e. on 29th May, 2014, 5th August, 2014, 12th November, 2014 and 11th February, 2015 respectively.

3. AUDIT COMMITTEE

Terms of reference :

Terms of reference of the Audit Committee broadly covers mandatory requirements of Clause 49 of the Listing Agreement i.e, overseeing the financial reporting process, review of the financial statements, review of internal audit reports, recommending appointment and remuneration of statutory auditors to the Board of Directors etc.

Composition, names of members and Chairperson :

Details of composition of Audit Committee, names of members and meetings attended are as under :

Sr. No.	Name of Director	No. of meetings held during the tenure of Director	No. of meetings attended by the Director
1	Shri Balbir Singh, Chairman (upto 28.12.2014)	3	3
2	Shri Ajit Nath Jha, Chairman (From 29.12.2014)	1	1
3	Shri CJ Macwan, Member	3	2
4	Shri Arvind Agarwal, IAS Member	4	4



Secretary (Board) is acting as Secretary to Audit Committee.

During the year 2014-15, the Audit Committee met four times on 15.5.2014, 5.8.2014, 10.11.2014 and 11.2.2015.

4. NOMINATION AND REMUNERATION COMMITTEE :

Nomination & Remuneration Committee has not been constituted by the Corporation as none of the Directors is entitled to remuneration other than Managing Director. The Managing Director is holding additional charge and hence he is drawing salary from his parent department. Directors, other than Managing Director and other Directors who are employees of the State Government/RBI, are entitled to sitting fees as fixed by the Government of Gujarat and travel expenses on actual basis.

During the year under reference, no remuneration or sitting fee was paid to Directors.

Details of equity shares of the Corporation held by the Directors as on 31st March, 2015 :

None of the Directors is holding equity shares of the Corporation.

5. SHAREHOLDERS' GRIEVANCE COMMITTEE :

As on 31st March, 2015, Share Transfer Committee to deal with investors' grievances consisted of following members :

i	Shri R. K. Patel, Executive Officer (Planning)	Chairman
ii	Shri L. N. Parmar, Executive Officer (Accounts)	Member
iii	Shri Raveendran Nair, Secretary (Board)	Member & Convener

During the year under reference, Share Transfer Committee met on twenty times to approve share transfer requests and to attend to other shareholders/investor related matters. All meetings of the Committee were held in full quorum.

Details of approval given by the Committee, during the year under report, are as under :

Sr. No.	Particulars	No. of shares
1	Dematerialization	10,900
2	Transfer	2,600
3	Transmission	100
4	Rematerialization	10,500

In regard to observation contained in the certificate dated 25.5.2015 of compliance with the conditions of Corporate Governance issued by Practicing Company Secretary, keeping in



view the present constitution of Board of Directors and the frequency required for attending to shareholders/investors grievances, Board of Directors has constituted Share Transfer Committee consisting of officials. The Committee is effectively discharging its functions and reports action taken to Board. Thus, a Committee consisting of Board of Directors was not considered.

STATEMENT OF SHAREHOLDERS COMPLAINTS RECEIVED AND DISPOSED OFF :

No. of complaints at the beginning of the year	NIL
No. of complaints received during the year	9
No. of complaints resolved during the year	9
No. of complaints pending at the end of the year	NIL

Name and designation of Compliance Officer :

Shri Raveendran Nair, Secretary (Board)

6. GENERAL BODY MEETING :

i) Details of location and time where last three AGMs held are as under :

Year	Date	Time	Location of holding AGM
2011-12	08-11-2012	4.00 PM	Office of Chairman at Head Office at Udyog Bhavan, Block No. 10, 1st Floor, Sector-11, Gandhinagar
2012-13	13-12-2013	4.00 PM	-do-
2013-14	10-11-2014	4.00 PM	Conference Room of Udyog Bhavan Society, Udyog Bhavan, Block No. 19, 1st Floor, Sector 11, Gandhinagar

- ii) No special resolution was passed during the previous three AGMs.
- iii) During the last AGM, no special resolution was passed through postal ballot.
- iv) No special resolution is proposed to be conducted through postal ballot.

7. DISCLOSURES :

- i) No materially significant transaction has been entered with any of the related parties in conflict with the interest of the Corporation during the year under report.
- ii) Corporation has received notices from NSE and BSE for non-compliance with Clause 41 of the Listing Agreement regarding publication of financial results during the last three years. No penalty or strictures have been imposed on the Corporation by Stock Exchanges or SEBI or any statutory authority.



iii) Whistle Blower Policy :

Corporation has framed a Whistle Blower Policy to establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of its code of conduct. The Policy inter alia envisages direct access to Audit Committee of the Corporation and no personnel has been denied access to the Audit Committee. The Policy includes vigil mechanism and has been hoisted on the website www.gsfc.gujarat.gov.in.

iv) Code of conduct :

Corporation is governed by Code of Conduct framed for Board of Directors and Senior Management Personnel. The said Code of Conduct is available on Corporation's website www.gsfc.gujarat.gov.in. Directors and senior management personnel have affirmed their compliance with the Code for the year under report. A declaration to this effect signed by Managing Director forms part of this Report.

v) CEO/CFO Certification :

In terms of Clause 49 of the Listing Agreement, CEO/CFO certificate on the financial statements and internal controls relating to financial reporting forms part of this Report.

vi) Corporation has complied with mandatory requirements of Corporate Governance in such a way that it does not violate the provisions of SFCs Act, 1951 and the Regulations made thereunder.

8. MEANS OF COMMUNICATION :

i) Quarterly results

Published in newspapers in terms of Clause 41 of the Listing Agreement.

ii) Newspapers wherein results are normally published in

English and Gujarati editions of "The Economic Times", Ahmedabad.

iii) Any website, where displayed

The results are uploaded on the website www.gsfc.gujarat.gov.in

iv) Whether it also displays official news releases - Not applicable

v) The presentations made to institutional investors or to the analysts -

During the year, no presentation was made to institutional investors or to analysts.



9. GENERAL SHAREHOLDER INFORMATION

i)	AGM date, time and venue	Friday, 30 th October, 2015 at 4.00 p.m. in the office of the Chairman at Head Office at Udyog Bhavan, Block No. 10, 1 st Floor, Sector-11, Gandhinagar-382 010.																																							
ii)	Financial year	1 st April to 31 st March																																							
iii)	Date of Book closure	26-10-2015 to 30-10-2015 (both days inclusive)																																							
iv)	Dividend payment date	Not applicable																																							
v)	Listing on Stock-Exchanges	Corporation's shares are listed on BSE Ltd and the National Stock Exchange of India Ltd. Listing fee has been paid to BSE and NSE based on listed capital for the year 2015-16. However, in respect of payment of listing fee to NSE, the issue with regard to charging listing fee only on listed capital, as charged by BSE, is still pending for resolution.																																							
vi)	Stock Code	BSE Ltd - 532160 NSE Ltd - GUJSTATFIN ISIN - INE944A01011																																							
vii)	Market price data	<p>During year under report, no transaction has been reported at National Stock Exchange of India Ltd. Monthly high and low quotation of shares traded on BSE during Financial Year 2014-15 were as under :</p> <table border="1"> <thead> <tr> <th>Month</th> <th>High (₹)</th> <th>Low (₹)</th> </tr> </thead> <tbody> <tr> <td>April, 14</td> <td>1.90</td> <td>1.39</td> </tr> <tr> <td>May</td> <td>5.10</td> <td>1.99</td> </tr> <tr> <td>June</td> <td>9.09</td> <td>5.35</td> </tr> <tr> <td>July</td> <td>8.53</td> <td>4.98</td> </tr> <tr> <td>Aug.</td> <td>6.49</td> <td>4.74</td> </tr> <tr> <td>Sept.</td> <td>6.30</td> <td>4.75</td> </tr> <tr> <td>Oct.</td> <td>5.64</td> <td>4.24</td> </tr> <tr> <td>Nov.</td> <td>5.14</td> <td>3.95</td> </tr> <tr> <td>Dec.</td> <td>4.75</td> <td>3.51</td> </tr> <tr> <td>Jan. 2015</td> <td>4.10</td> <td>3.30</td> </tr> <tr> <td>Feb.</td> <td>4.59</td> <td>3.80</td> </tr> <tr> <td>March</td> <td>4.40</td> <td>3.23</td> </tr> </tbody> </table>	Month	High (₹)	Low (₹)	April, 14	1.90	1.39	May	5.10	1.99	June	9.09	5.35	July	8.53	4.98	Aug.	6.49	4.74	Sept.	6.30	4.75	Oct.	5.64	4.24	Nov.	5.14	3.95	Dec.	4.75	3.51	Jan. 2015	4.10	3.30	Feb.	4.59	3.80	March	4.40	3.23
Month	High (₹)	Low (₹)																																							
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Jan. 2015	4.10	3.30																																							
Feb.	4.59	3.80																																							
March	4.40	3.23																																							
viii)	Registrar & Transfer Agents	M/S. MCS Ltd., 101, Shatdal Complex, 1 st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009. Phone (079) 26582878/79/80 Fax (079) 26581296 E-mail id: mcsahmd@gmail.com																																							
ix)	Share Transfer System	Share Transfer Committee consisting of three officials has been constituted by the Board of Directors to approve transfer of shares and other related matters to ensure disposal expeditiously.																																							



10. Distribution of shareholding by size as on 31st March 2015

No. of shares held	No. of shares	No. of share-holders (Folios)	% of shareholders
Upto 500	1429167	6461	79.14
501-1000	763362	816	10.00
1001-2000	568095	340	4.16
2001-3000	342178	132	1.62
3001-4000	180100	49	0.60
4001-5000	575157	119	1.46
5001-10000	803221	103	1.26
10001-50000	2462320	113	1.38
50001-100000	938750	13	0.16
100001 and above	81051650	18	0.22
Total	89114000	8164	100.00

11. Distribution of shareholding by ownership as on 31st March, 2015 (Pursuant to Sections 4 and 4A of SFCs Act, 1951)

Sr. No.	Particulars of shareholding	No. of shares held (₹ 10/- each)	Percentage share
1	Government of Gujarat		
	“a” Class of shares	4,72,60,000	53.03
	“c” Class of shares	250	-
	“d” Class of shares	30,150	0.03
	Special Class of shares	18,00,000	2.02
2	Small Industries Development Bank of India		
	“b” Class of shares	2,46,20,000	27.63
	Special Class of shares	7,00,000	0.79
3	Scheduled Banks, Co. Op. Banks, Insurance Cos.		
	“c” Class of shares	4,00,000	0.45
4	Others (Public Shareholders)		
	“d” Class of shares	1,43,03,600	16.05
TOTAL		8,91,14,000	100.00



12. Dematerialization of shares and Liquidity

Out of the total equity capital, 1,43,03,600 Class “d” shares issued pursuant to Section 4(3)(d) of the SFCs Act, 1951, are allowed for dematerialization through NSDL and CDSL. As on 31.3.2015, 91,72,640 shares held in electronic mode consisting 64.13% of Class “d” shares.

13. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity :

Corporation has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Plant Location	Not applicable
Regional Offices at	Ahmedabad, Surat & Rajkot
Other office at	Mumbai
Address for Correspondence	The Compliance Officer Gujarat State Financial Corporation Secretarial Cell Udyog Bhavan, Block No.10, Sector-11, GANDHINAGAR-382 010. Ph. : 079-23256766 Fax : 079-23252204 E-mail : sec-cell-gsfc@gujarat.gov.in.





Kishor Dudhatra

Company Secretary
B.B.A., F.C.S.

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S).

To,

The Members of
Gujarat State Financial Corporation
Gandhinagar.

1. We have examined the compliance of conditions of Corporate Governance by Gujarat State Financial Corporation for the year ended 31st March, 2015, as stipulated in amended Clause 49 of the Listing Agreement of the said Corporation with the Stock Exchange.
2. 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 Corporation for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Corporation.
3. We further state that such compliance is neither an assurance as to future viability of the Corporation nor the efficiency or effectiveness with which the Management has conducted the affairs of Corporation.
4. We hereby report that :
 - (a) Clause 49 IV (G) (iii) {Shareholders Grievance Committee should consist of Board members and Chairman should be non executive director};
 - (c) Except above 4 (a) in our opinion and to the best of our information and according to the explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) have been complied with by the Corporation.
5. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances are pending for periods exceeding 15 days as against the Corporation as per the records maintained by Corporation which are presented to shareholders/investors.

Place : Ahmedabad

Date : 25-05-2015



Sd/-

Kishor Dudhatra

Practicing Company Secretary
FCS-7236 (C.P. 3959)

B-314, Gopal Palace, Opp. Ocean Park, Near Shiromani Complex, Shivranjani,
Nehrunagar Road, Ahmedabad-380 015.



GUJARAT STATE FINANCIAL CORPORATION

To,

**The Board of Directors,
Gujarat State Financial Corporation
GSFC.**

CEO & CFO Certificate under clause 49 of the Listing Agreement

This is to certify that

- (a) We have reviewed financial statements and the cash flow statement of Gujarat State Financial Corporation for the year 2014-15 and that to the best of our knowledge and belief :
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Corporation's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Corporation during the year which are fraudulent, illegal or violative of the Corporation's codes of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Corporation pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - (i) Significant changes in internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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 Corporation's internal control system over financial reporting.

Place : Gandhinagar
Date : 30-05-2015

Sd/-
(L. N. Parmar)
Executive Officer (A/cs.)

Sd/-
(Arvind Agarwal)
Managing Director



CODE OF CONDUCT DECLARATION

In accordance with Clause 49 sub-clause (II) (E) (ii) of the Listing Agreement with BSE Ltd and National Stock Exchange of India Ltd, I, Arvind Agarwal, IAS, in my capacity as Managing Director of the Corporation, hereby confirm that all Board members and the Senior Management personnel have affirmed their compliance with Corporation's Code of Conduct for the financial year 2014-15.

For Gujarat State Financial Corporation,

Place : Gandhinagar
Date : 30-05-2015

(Arvind Agarwal)
Managing Director





INDEPENDENT AUDITOR'S REPORT

To,
**The Members of
Gujarat State Financial Corporation**

Report on the Financial Statements :

We have audited the accompanying financial statements of GUJARAT STATE FINANCIAL CORPORATION ('the Corporation') which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements :

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Corporation in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in accordance with the State Financial Corporations Act, 1951 (the Act). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Corporation's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Corporation has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Corporation's Directors, as well as evaluating the overall presentation of the financial statements.



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

Basis for Qualified Opinion :

- a. The Corporation is required to prepare the financial statements as per the format prescribed in Regulation 55 of the GSFC General regulation.
- b. The balance of loan borrowed from Government of Gujarat is subject to confirmation and adjustment, if any, required upon such confirmation. Pending such confirmation, the effect thereof on interest and penal interest is not ascertainable.
- c. It is given to understand that the fixed assets records are under preparation and physical verification of fixed assets is in process. Pending such preparation of records and physical verification, the effect on fixed assets and depreciation is not ascertainable in respect of discrepancy, if any.
- d. Other Long Term Liabilities, Current Liabilities, Long Term Loans and Advances and Other Current Assets are subject to confirmation and adjustments, if any.
- e. The balances in parties' accounts in subsidiary ledgers with general ledgers of loans and advances are not reconciled. The effect thereof on loans and advances is not ascertainable.
- f. Party wise details of interest received from Long Term Loans and Advances and bad debt written off are not ascertainable from records.
- g. The Corporation has not accounted liability in respect of Gratuity and Leave encashment on the basis of actuarial valuation, which is contrary to the Accounting Standard (AS) – 15 "Employee Benefits" issued by ICAI. The effect thereof on loss and liabilities cannot be ascertained.
- h. The financial statements of the Corporation are prepared on a going concern basis, notwithstanding the fact that its net worth is completely eroded and defaulted in repayment obligations due to liquidity problems. This is not in accordance with Accounting Standard (AS)–1 "Disclosure of Accounting Policies". The effect of the same on the financial statements is not ascertainable.

Qualified Opinion :

In our opinion and to the best of our information and according to the explanation given to us, except for the possible effects of the matter described in Basis for Qualified Opinion paragraph, the aforesaid financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India of the state of affairs of the Corporation as at 31st March, 2015, and its loss and its cash flow for the year ended on that date.

Report on other Legal & Regulatory Requirements :

- a. We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- b. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of accounts as required by law have been kept by the Corporation so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. Due to the possible effect of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards issued by ICAI.

For Manubhai & Shah
Chartered Accountants
Firm Registration No. 106041W

Place : Ahmedabad
Date : 30-05-2015

K. B. Solanki
Partner
Membership No. 110299



GUJARAT STATE FINANCIAL CORPORATION
BALANCE SHEET AS AT 31st March 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	937,188,000	937,188,000
(b) Reserves and Surplus	2	- 19,613,632,125	- 18,665,539,968
		- 18,676,444,125	- 17,728,351,968
<u>(2) Non-Current Liabilities</u>	3		
(a) Long-Term Borrowings		6,616,842,633	6,616,913,633
(b) Other Non Current Liabilities		13,112,257,236	11,929,508,281
		19,729,099,869	18,546,421,914
<u>(3) Current Liabilities</u>	4		
Short-Term Borrowings Secured		-	-
Short-Term Borrowings Unsecured		-	-
Other Current Liabilities		28,335,876	79,800,832
		28,335,876	79,800,832
Total		1,080,991,620	897,870,778
II. ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>	5		
(i) Gross Block		124,735,191	140,836,730
(ii) Depreciation		- 88,283,295	- 112,645,937
(iii) Net Block		36,451,896	28,190,793
(iv) Capital Work in Progress		10,273,910	12,749,257
(b) Non-current investments	6	25,907,995	48,434,597
(c) Long term loans and advances	7	-	20,051,358
(d) Other Non-current assets	8	42,674,185	54,888,623
		115,307,986	164,314,628
<u>(2) Current Assets</u>			
Cash and cash equivalent	9	965,683,634	733,556,150
Total		1,080,991,620	897,870,778
NOTES TO ACCOUNTS	16		

NOTES REFERRED TO ABOVE AND NOTES ATTACHED THERETO FORM AN INTEGRAL PART OF FINANCIAL STATEMENTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For MANUBHAI & Shah - Chartered Accounts
ICAI Firm Reg. No. : 106041W

K. B. Solanki,
Partner
Membership No. : 110299

Sd/-
AJIT NATH JHA
Director

Sd/-
ARVIND AGARWAL, IAS
Managing Director

Sd/-
L. N. PARMAR
Executive Officer (A/cs)

Sd/-
RAVEENDRAN NAIR
Secretary (Board)

Place : Gandhinagar
Date : 30-05-2015



GUJARAT STATE FINANCIAL CORPORATION
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON
31ST MARCH, 2015

(Amount in ₹)

Sr. No.	Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I	Revenue from operations	10	79,743,054	180,258,011
II	Other Income	11	68,370,424	68,829,149
III	Total Revenue (I + II)		148,113,478	249,087,160
IV	Expenses:			
	Employee Benefit Expenses	12	51,027,950	45,317,385
	Financial Cost	13	1,182,590,879	1,152,114,672
	Depreciation	14	4,169,001	3,083,922
	Diminution in value of investment		7,989,102	-
	Other Administrative Expenses	15	118,755,384	147,067,444
	Total Expenses (IV)		1,364,532,316	1,347,583,423
V	Loss before exceptional items and tax (III - IV)		- 1,216,418,838	- 1,098,496,263
VI	Exceptional Items			
	Provision against NPA Written Back		88,502,220	159,048,860
	Excess Depreciation Written Back		-	57,507
	Sales Tax paid on HP & Lease Finance		-	- 188,175,263
	Profit on Sale of Investment		141,292,485	-
	Profit on Sale of Assets		38,53,19,76	-
			- 268,326,681	- 29,068,896
VII	Loss before tax (V + VI)		- 948,092,157	- 1,127,565,159
VIII	Tax expense:			
	Tax paid for the earlier years		-	314,250
IX	Loss after tax (VII-VIII)		- 948,092,157	- 1,127,879,409
X	Earning per equity share:			
	Basic & diluted		- 10.64	- 12.66
NOTES TO ACCOUNTS		16		

NOTES REFERRED TO ABOVE AND NOTES ATTACHED THERETO FORM AN INTEGRAL PART OF FINANCIAL STATEMENTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For MANUBHAI & Shah - Chartered Accounts
ICAI Firm Reg. No. : 106041W

K. B. Solanki,
Partner
Membership No. : 110299

Sd/-
AJIT NATH JHA
Director

Sd/-
ARVIND AGARWAL, IAS
Managing Director

Sd/-
L. N. PARMAR
Executive Officer (A/cs)

Sd/-
RAVEENDRAN NAIR
Secretary (Board)

Place : Gandhinagar
Date : 30-05-2015



GUJARAT STATE FINANCIAL CORPORATION
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

Sr. No.	Particulars	2014-2015	2013-2015
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Profit & Loss A/c	(948,092,157)	(1,127,565,159)
	Adjustments :		
	Depreciation	4,169,001	3,083,922
	OTS Scheme sacrifice income	(79,124,403)	(113,664,830)
	OTS Waiver	79,124,403	113,664,830
	Loss on sale of Fixed Assets	821,659	43,134
	Excess Depreciation Written Back	-	(57,507)
	Provision for NPA written back	(88,502,220)	(159,048,860)
	Diminution in Value of Investments	7,989,102	-
	Profit on sale of investments	(141,292,485)	-
	Profit on Sale of Assets	(38,531,976)	(79,386)
	Interest Income	(66,218,391)	(66,556,396)
		(321,565,310)	(222,615,093)
	Operating Profit before working capital	(1,269,657,467)	(1,350,180,252)
	Adjusted for :		
	i) Other Non - Current Receivables	32,265,796	(7,702,328)
	ii) Other Current & Non - Current Liabilities	1,131,212,999	1,194,435,456
		1,163,478,795	1,186,733,128
		(106,178,672)	(163,447,124)
	Less : Tax Paid	-	(314,250)
	NET CASH USED FROM OPERATING ACTIVITIES	(106,178,672)	(163,761,374)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(82,544,332)	(15,407,430)
	Sale of Fixed Assets	110,299,892	1,111,873
	Decrease of Investments	155,829,985	-
	Interest Income	66,218,391	66,556,396
	NET CASH USED FROM INVESTING ACTIVITIES	249,803,936	52,260,839
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Profit against Non Performing Assets	88,502,220	158,909,308
	NET CASH FLOW FROM FINANCING ACTIVITIES	88,502,220	158,909,308
	Net Increase in Cash & Cash Equivalents (a+b+c)	232,127,484	47,408,773
	Opening Balance of Cash & Cash Equivalents	733,556,150	686,147,377
	Closing Balance of Cash & Cash Equivalents	965,683,634	733,556,150

NOTES : THE ABOVE CASH FLOW STATEMENT HAS BEEN PREPARED UNDER THE INDIRECT METHOD AS SET OUT IN ACCOUNTING STANDARD-3 ISSUED BY ICAI.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED

For MANUBHAI & Shah - Chartered Accounts
 ICAI Firm Reg. No. : 106041W

K. B. Solanki,
 Partner
 Membership No. : 110299

Sd/-
 AJIT NATH JHA
 Director

Sd/-
 ARVIND AGARWAL, IAS
 Managing Director

Sd/-
 L. N. PARMAR
 Executive Officer (A/cs)

Sd/-
 RAVEENDRAN NAIR
 Secretary (Board)

Place : Gandhinagar
 Date : 30-05-2015



GUJARAT STATE FINANCIAL CORPORATION

Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 1 - Share Capital

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1.1	<u>AUTHORIZED CAPITAL</u> 10,00,00,000 Equity Shares of ₹ 10/- each	1,000,000,000	1,000,000,000
		1,000,000,000	1,000,000,000
1.2	<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u> A) 8,66,14,000 SHARES OF ₹ 10/- EACH (PREVIOUS YEAR 8,66,14,000 OF ₹ 10/- EACH) B) 25,00,000 SHARES OF ₹ 10/- EACH SPECIAL CAPITAL (PREVIOUS YEAR 25,00,000 OF ₹ 10/- EACH) ISSUED U/S 4-A OF THE SFC'S ACT, 1951 C) SHARE FORFEITED 92,09,600 EACH OF ₹ 10/- (ORIGINAL PAID UP VALUE ₹ 5/-)	866,140,000	866,140,000
		25,000,000	25,000,000
		46,048,000	46,048,000
	Total	937,188,000	937,188,000

1.3 SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHAE IN THE CORPORATION

Particulars	2014-15		2013-14	
	No. of Shares	% of Shares	No. of Shares	% of Shares
The Governor of Gujarat	49090400	55.08%	49090400	55.08%
Small Indl. Dev. Bank of India	25320000	28.42%	25320000	28.42%

Note : 2 - Reserves & Surplus

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
2.1	CAPITAL RESERVE - GAIN ON RESTRUCTURING OF PRINCIPAL DEBTS	1,828,727,185	1,828,727,185
2.2	SHARE PREMIUM	188,988,000	188,988,000
2.3	OTHERS		
a	SPECIAL RESERVE (U/S 36(1)(VIII) OF THE I.T. ACT 1961) BALANCE AS PER LAST BALANCE SHEET	643,416,722	643,416,722
b	BAD DEBTS RESERVE (U/S 36(1)(VII) OF THE INCOME TAX ACT) BALANCE AS PER LAST BALANCE SHEET	46,988,000	46,988,000
c	BAD DEBTS RESERVE : BALANCE AS PER LAST BALANCE SHEET	547,006	547,006
d	SPECIAL RESERVE (CREATED U/S. 35 A OF THE SFC'S ACT, 1951) (DIVIDEND FOREGONE BY GOVT. OF GUJARAT & IDBI) BALANCE AS PER LAST BALANCE SHEET	25,000,000	25,000,000
e	<u>SURPLUS</u> DEBIT BALANCE OF STATEMENT OF PROFIT & LOSS OP. DEBT BALANCE OF STATEMENT OF PROFIT & LOSS ADD : LOSS DURING THE YEAR CLOSING DEBIT BALANCE	- 21,399,206,881 - 948,092,157 - 22,347,299,038	- 20,271,327,472 - 1,127,879,409 - 21,399,206,881
	Total	- 19,613,632,125	- 18,665,539,968



Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 3 - Non-Current Liabilities

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
3.1	LONG TERM BORROWINGS (UNSECURED)		
	FROM STATE GOVT. FOR MARGIN LOAN TO BALISANA PROJECT	210,000	210,000
	FROM STATE GOVT. SALES TAX INT. FREE LOAN	17,686,346	17,686,346
	SALES TAX INT. FREE DEEMED LOAN (CONTRA)	314,932,320	314,932,320
	FROM STATE GOVT. FOR HERITAGE HOTEL FUND (INTEREST 5%)	10,000,000	10,000,000
	SOFT LOAN FROM GOVT. OF GUJARAT	6,213,680,000	6,213,680,000
	SIDBI LOAN	-	71,000
	LOAN IN LIEU OF SHARE CAPITAL FROM GOVT. OF GUJARAT (INTEREST 3.5% & 7.5%)	60,333,967	60,333,967
	Sub Total (a)	6,616,842,633	6,616,913,633
3.2	OTHER LONG TERM LIABILITIES		
	SECURITY DEPOSIT (HP/LEASE FINANCE)	821,406	821,406
	UNPAID GUARANTEE FEE	356,039,833	356,039,833
	INTEREST PAYABLE ON BORROWINGS AND UNPAID EXPENSES	12,729,217,507	11,546,016,449
	INTEREST PAYABLE ON SECURED DEPOSITS	57,491	57,491
	UNCLAIMED DIVIDEND	351,048	1,407,151
	SUBSIDY FROM GOVT. (AS AN AGENCY)	2,059,736,976	2,059,736,976
	LESS : DISBURSED UPTO END OF THE YEAR	- 2,042,711,180	- 2,042,711,180
	LOAN APPLICATION DEPOSITS & OTHER DEPOSITS	8,744,155	8,140,155
	Sub Total (b)	13,112,257,236	11,929,508,281
	Total [(a) + (b)]	19,729,099,869	18,546,421,914

3.3 Notes : (a) Soft loan received from Government of Gujarat (21 accounts) during the years from 2004-05 to 2011-12 are repayable in 10 years in quarterly installments from the date of disbursement carrying interest ranging from 12% to 15%.

(b) On account of weak financial condition and consistent operational losses, the Corporation has continuously defaulted in repayment of Government of Gujarat's long term loans/borrowings. In view of huge accumulated losses and inadequate resources, there is a mis-match in revenue and repayment of liabilities. Hence all loans and interest thereon are classified as Non-Current Liabilities.



Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 4 - Current Liabilities

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
4.1	SHORT TERM BORROWINGS		
	SECURED	-	-
	UNSECURED	-	-
		-	-
4.2	OTHER CURRENT LIABILITES		
a	TAX DEDUCTED AT SOURCE PAYABLE	94,194	116,248
b	SUNDRIES (OTHER LIABILITIES)	21,604,241	73,689,059
	ADD : STD NO LIEN A/C (CONTRA NOTE-8)	4,300,527	3,658,611
	(RAJOO COTEX LTD., NEETA U CHOKSHI NO LIEN)		
c	BALANCE AS PER LAST BALANCE SHEET	166,956,010	166,956,010
	LESS : DIVIDEND DEFICIT A/C	- 164,619,096	- 164,619,096
	SUB TOTAL (C)	2,336,914	2,336,914
	TOTAL	28,335,876	79,800,832

4.3 Secured borrowings are guaranteed by State Govt. U/S 7(1) of the SFCs Act 1951.

GUJARAT STATE FINANCIAL CORPORATION

Notes forming integral part of the Balance Sheet as at 31st March, 2015

NOTE : 5 - FIXED ASSETS & DEPRECIATION

(Amount in ₹)

Sr. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as on 01-04-2014	Addition during the year	Deduction during the year	Balance as on 31-03-2015	Balance as on 01-04-2014	Deduction during the year	Charged during the year	Balance as on 31-03-2015	WDV as on 31-03-2014	WDV as on 31-03-2015
1	Own Assets										
i	Furniture & Fixture	42,539,325	12,348,486	31,028,779	23,859,030	37,635,756	1,320,048	12,305,151	4,903,569	11,553,895	
ii	Office Equipments	24,704,633	1,459,115	-	26,163,748	23,430,112	410,046	23,840,158	1,274,523	2,323,593	
iii	Office Vehicles	6,526,446	-	-	6,526,446	3,159,623	505,023	3,664,647	3,366,821	2,861,800	
iv	Land & Buildings	44,479,186	14,713,375	13,728,492	45,464,067	25,945,550	1,796,719	25,861,290	18,533,634	19,602,777	
v	Computers	22,587,134	134,570	-	22,721,884	22,474,903	137,164	22,612,067	112,231	109,817	
	Total	140,836,724	28,655,726	44,757,271	124,735,175	112,645,944	4,169,001	88,283,295	28,190,778	36,451,882	
2	Lease Assets										
i	Machi / Equip.	15	-	-	15	-	-	-	-	15	
ii	Lease Adjustment										
	Total	15	-	-	15	-	-	-	15	15	
3	Capital work in Progress	12,749,257	24,535,298	27,010,645	10,273,910	-	-	-	12,749,257	10,273,910	
	Total	153,585,996	53,191,024	71,767,916	135,009,100	112,645,944	4,169,001	88,283,295	40,940,050	46,725,807	
	Previous Year	140,222,924	14,395,557	1,032,487	153,585,987	110,588,268	3,083,922	112,645,937	29,634,656	40,940,050	





GUJARAT STATE FINANCIAL CORPORATION

Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 6 - Non-current Investments

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
6.1	QUOTED EQUITY INSTRUMENTS :		
a	285440 (PREVIOUS YEAR 285440) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN IDBI BANK LTD.	23,192,000	23,192,000
b	0 (PREVIOUS YEAR 167800) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN INDUSIND BANK LTD.	-	7,551,000
c	1446470 (PREVIOUS YEAR 1446470) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN JAGADIA COPPER LTD.	14,464,700	14,464,700
d	0 (PREVIOUS YEAR 29595) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN JK PAPER LTD.	-	986,500
e	500 (PREVIOUS YEAR 100 SHARE OF ₹ 10/- EACH) EQUITY SHARES OF ₹ 2/- EACH FULLY PAIDUP IN CORPORATION BANK	8,000	8,000
f	409000 (PREVIOUS YEAR 409000) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN SNS TEXTILES LTD.	6,135,000	6,135,000
g	228000 (PREVIOUS YEAR 228000) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN SAR AUTO PRODUCTS LTD.	2,280,000	2,280,000
h	150000 (PREVIOUS YEAR 150000) EQUITY SHARES OF ₹ 10/- EACH FULLY PAIDUP IN OMKAR PHARMA LTD.	1,500,000	1,500,000
	TOTAL	47,579,700	56,117,200
6.2	UNQUOTED (NON-TRADE)		
a	SHARES ACQUIRED UNDER UNDERWRITING AGREEMENT U/S 25(1) (C) OF THE SFC'S ACT, 1951		
	PREFERENCE SHARE, FULLY PAID UP	740,500	740,500
	A EQUITY SHARES, FULLY PAID	11,484,000	11,484,000
	B EQUITY SHARES, PARTLY PAID	300,000	300,000
b	PREFERENCE SHARE ACQUIRED UNDER SPECIAL CAPITAL SCHEME (2000 Shares of ₹ 100/- each fully paid up)	200,000	200,000
c	1 (PREVIOUS YEAR 1) EQUITY SHARE OF G.S.F.C. STAFF CO. OP. CREDIT SOCIETY OF ₹ 10/-	10	10
d	1100 (PREVIOUS YEAR 1100) EQUITY SHARE OF ₹ 100/- OF GUJARAT INDUSTRIAL & TECHNICAL CONSULTANCY (GITCO)	110,000	110,000
e	1500 (PREVIOUS YEAR 1500) NCDS OF ₹ 1000/- EACH FULLY PAID UP IN MODERN DENIM LTD.	8,775,000	14,775,000
	LESS :		
	INVESTMENT DIMUNITION PROVIDED (As Per Contra)	- 43,281,215	- 35,292,113
	TOTAL	- 21,671,705	7,682,603
	TOTAL	25,907,995	48,434,597

6.3 During the year, settlement of NCD by receipt of Face Value was allowed and Corporation received ₹ 60.00 Lacs.

Aggregate cost of quoted securities	- ₹ 47,579,700/-
Market value of quoted securities	- ₹ 31,692,395/-
Aggregate cost of unquoted securities	- ₹ 21,609,510/-



Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 7 - Long Term Loans and Advances

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
	TRADE RECEIVABLES		
	PRINCIPAL AMOUNT (TERM LOAN, HIRE PURCHASE & LEASE FINANCE) (DETAILS AS PER NOTE-17 ANNEXED)	4,441,996,632	4,546,863,612
	LESS : 1 PROVISION FOR NPA	- 4,441,996,632	- 3,048,643,790
	2 PROVISION FOR ASCERTAINED BAD DEBTS	-	- 1,481,855,062
	ADD : INTEREST ACCRUED THEREON	-	3,686,598
	TOTAL	-	20,051,358

- 7.1 Note : (a) No loans and advances due to Directors or other officers of the Corporation in which they are partner or member.
 (b) Bifurcation of Trade Receivables is not attempted.
 (c) 100% of Trade Receivables are NPA since many years and hence sub-classification of such Trade Receivables is not made.

Note : 8 - Other Non-current Assets

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
a	LOANS & ADVANCES TO EMPLOYEES	3,864,681	4,251,0666
	ADD : INTEREST ACCRUED THEREON	20,337,025	23,535,986
b	CAPITAL SUBSIDY RECEIVABLE	580,971	580,971
c	SUNDRIES	19,001,849	18,471,803
	LESS : STD NO LIEN A/C (CONTRA NOTE.4)	- 4,300,527	3,658,611
d	TDS - FROM INVESTMENT INCOME	659,747	659,747
e	ADVANCE TAX	506,228	5,062,228
f	DEPOSIT FROM LOANEES	2,024,211	3,224,211
	Total	42,674,185	54,888,623



Notes forming integral part of the Balance Sheet as at 31st March, 2015

Note : 9 - Cash & Cash Equivalent

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
9.1	<u>CASH ON HAND</u>		
	CASH ON HAND AND AS IMPREST	170,127	143,922
9.2	<u>BANK BALANCE</u>		
	IN CURRENT ACCOUNTS	28,562,266	15,291,430
	<u>OTHERS (DEPOSITS WITH GSFS)</u>		
	LIQUID DEPOSIT WITH GSFS	19,015,011	16,414,283
	GSFS INTER CORPORATE DEPOSIT	917,936,230	701,706,515
	SUB TOTAL	965,513,507	733,412,228
	TOTAL	965,683,634	733,556,150

- 9.3 Note : (a) Cash received from the loanees after closing of the banking hours as on 31st March, 2015 has been shown as cash balance.
- (b) As per the policy in vogue, Corporation is regularly depositing funds with GSFS Ltd., a Government of Gujarat organisation, which is encashable on demand. Therefore, such deposits are treated as cash equivalents.

**Notes forming integral part of the Statement of Profit & Loss
as at 31st March, 2015**

Note : 10 - Revenue from Operations

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1	INTEREST ON TRADE RECEIVABLES	79,743,054	180,258,011
	TOTAL	79,743,054	180,258,011



Notes forming part of the Statement of Profit & Loss as at 31st March, 2015

Note : 11 - Other Income

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
a	COMMITMENT CHARGES	2,261	- 3,373
b	BAD DEBTS RECOVERED	1,071,944	-
c	DIVIDEND RECEIVED	666,021	1,726,532
d	INTEREST ON ICD & LQDS WITH GSFS	61,031,135	56,935,784
e	INTEREST ON LOANS TO EMPLOYEES	354,563	502,776
f	INTEREST ACCURED ON TERM DEPOSIT	4,832,693	9,117,836
g	MISCELLANEOUS INCOME	411,407	470,208
h	PROFIT ON SALE OF ASSETS	-	79,386
TOTAL		68,370,424	68,829,149

Note : 12 - Employee Benefit Expenses

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
a	SALARY BONUS & ALLOWANCES	41,555,758	31,228,491
b	CONTRIBUTION TO STAFF PROVIDENT FUND	5,010,584	7,243,337
c	GRATUITY	2,981,940	676,695
d	LEAVE ENCASHMENT	1,153,973	5,372,447
e	STAFF WELFARE EXPENSES	325,695	796,415
TOTAL		51,027,950	45,371,385

Note : 13 - Financial Cost

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
a	BANK CHARGES AND COMMISSION	26,825	34,583
b	INTEREST ON GOVT. LOAN	929,292,008	929,292,005
c	INTEREST ON HERITAGE HOTEL FUND LOAN	500,000	500,000
e	INTEREST ON LOAN TOWARDS SHARE CAPITAL	4,111,689	4,111,689
d	INTEREST ON DELAYED PAYMENT ON GOVT. LOANS	248,660,357	218,176,125
TOTAL		1,182,590,879	1,152,114,672



Notes forming part of the Statement of Profit & Loss as at 31st March, 2015

Note : 14 - Depreciation & Amortisation

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1	DEPRECIATION	4,169,001	3,083,922
	TOTAL	4,169,001	3,083,922

Note : 15 - Other Administrative Expenses

(Amount in ₹)

Sr. No.	Particulars	As at 31 st March 2015	As at 31 st March 2014
1	TRAVELLING & OTHER ALLOWANCES	1,106,140	709,060
2	RENT, RATES, TAXES, INSURANCE & TELEPHONE	3,461,404	3,994,733
3	POSTAGE, STAMP, TELEGRAMS	1,053,321	1,044,072
4	PRINTING, STATIONERY	2,421,316	1,681,917
5	PUBLICITY & ADVERTISEMENT	142,149	419,825
6	REPAIRS & RENEWALS	12,721,075	1,507,371
7	LEGAL CHARGES	529,726	77,686
8	VEHICLES MAINTENANCE EXPENSES	1,486,570	1,257,906
9	OTHER EXPENSES	13,798,710	12,770,722
10	BAD DEBT WRITTEN OFF	79,124,403	113,664,830
11	COMPUTERISATION EXPENSES	208,898	240,168
12	CONVEYANCE CHARGES	821,811	675,395
13	OUTSOURCING CHARGES TO iNDEXTb	205,631	544,381
14	LOSS ON SALE OF ASSETS	821,659	43,134
15	WEALTHTAX EXPENSE	3,670	-
16	SERVICE TAX	767,521	1,126,268
17	REVERSAL OF BAD DEBTS	-	5,079,234
18	CLAIMS PAID	-	2,099,000
	TOTAL	118,673,304	146,935,702

Note : 15.1 - Auditor's Remuneration

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1	STATUTORY AUDIT FEES	82,080	131,742
	TOTAL	82,080	131,742



NOTE : 16

NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS AND BALANCE SHEET AS AT 31-03-2015

A. ACCOUNTING POLICIES AND METHOD OF ACCOUNTING :

(01) The financial statements have been prepared on accrual basis, unless otherwise stated, as a going concern under historic cost convention, in accordance with the requirements of the State Financial Corporations Act, 1951 regulations framed there under and Generally Accepted Accounting Principles.

(02) REVENUE RECOGNITION :

- (a) The Corporation recognizes income by way of interest, penalty and other charges after realization of cheques as intimated by banks. Adequate provision is made in the year end in respect of income to be recognized on mercantile basis on all standard assets. The provisions are reversed on first day of the new financial year. Interest income includes penal interest received.
- (b) In view of the prudential norms prescribed by SIDBI, no income is recognized in respect of Non Performing Assets (NPA). Income on such assets shall be recognized as and when received. Provision for NPA has been made as per the norms prescribed by SIDBI. During the year, all assets have been classified as doubtful for more than three years or loss assets and 100% provision has been made.
- (c) Amount received from the loanees are credited in the books in the following order :
- [1] Penalty & other charges
 - [2] Interest
 - [3] Principal
- (d) Where the unit of the loanee is sold or collateral security is sold, the amount realized is first credited towards principal and if there is any surplus, it is credited towards other dues. However, where the amount realized in respect of the units which were written off in previous year/years and subsequently sold, the amount is credited to Bad Debts Recovery A/c under the group of "Other Income".
- (e) In case of loanees opted for OTS, amount received from the loanee is first apportioned as per normal practice as under :
- [1] Penalty & other charges
 - [2] Interest
 - [3] Principal

At the time of issuance of No Due Certificate, the effect of OTS scheme is given whereby amount credited to interest/penalty account during recovery period of OTS which otherwise was principal recovery as per OTS scheme is being given effect. The shortfall in principal account is compensated by crediting interest income and write off of the same amount.



(03) FIXED ASSETS :

Fixed assets including the assets given on lease are recorded at the cost of acquisition including incidental expenses in connection thereto. All fixed assets are stated at cost less depreciation and in case of leased assets, after taking into consideration the lease adjustments account.

All leased assets are shown at ₹ 1/- book value since lease terms of all the assets have expired.

(04) DEPRECIATION :

Depreciation of all assets is provided under Written Down Value Method in accordance with rates prescribed under Income Tax Act 1961 as under :

Furniture & Fixtures	:	10%
Office Equipments	:	15%
Motor cars	:	15%
Office Building	:	10%
Residential building	:	5%
Computers	:	60%

In case of additions to fixed assets, depreciation is provided for full year where additions are made on or before 30th September and at 50% of the rates for assets acquired after 30th September. In respect of sale/disposal of fixed assets, no depreciation is provided in the year of sale/disposal.

(05) EMPLOYEE BENEFITS :

- (a) Salaries and non monetary benefits are accrued in the year in which the services are rendered by the employees. Contributions to employee's provident fund are recognized as an expense and charged to Statement of Profit and Loss.
- (b) For gratuity and leave encashment liabilities, Corporation took policies with Life Insurance Corporation of India, which takes care of liabilities on both the counts. The entire premium paid to LIC is charged to Statement of Profit & Loss.

(06) INVESTMENTS :

Investment is classified as "Available for sale" for the purpose of valuation and provision for net diminution in value of investment is made as per the guidelines issued by SIDBI.

(07) BORROWING COST :

Borrowing cost is recognized as expense and charged to Statement of Profit & Loss.

(08) WRITE OFFS :

While writing off loans, the Corporation takes into consideration the following where

- A] Assets of the loanees are lost
- B] Loanees are not in existence
- C] To the extent of deficit on sale of loanee assets
- D] The units are closed and no recovery is forthcoming
- E] Waiver/sacrifice on account of One Time Settlement/any other settlement.



(09) TAXATION :

Deferred Tax Asset is not recognized in view of Corporation not being virtually certain of realizing adequate profits in the foreseeable future.

(10) IMPAIRMENT OF ASSETS :

A substantial portion of Corporation's assets comprise of 'financial assets' to which Accounting Standard-28 "Impairment of assets" is not applicable. In respect of assets to which Standard applies, in the opinion of the management, there are no indications, internal or external, which could have the effect of impairing the value of the assets to any material extent as at 31st March, 2015 requiring recognition in terms of the said standard.

(11) EVENTS OCCURRING AFTER THE BALANCE SHEET DATE :

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the report of the Board of Directors.

(12) PROVISION :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources even though the amount cannot be determined with certainty and represents only a best estimate in the light of available information. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS :

(01) All Government guaranteed bonds have been redeemed and proposal for vacation of guarantees are submitted to administrative department. Since there was no Government guaranteed bonds during the previous year, no guarantee fee is payable during the year under report. However, Corporation is in default of guarantee fee of ₹ 35,60,39,833/- (Previous year ₹ 35,60,39,833/-).

(02) While writing off principal amount as bad debts in certain cases, the value of securities available has not been ascertained and deducted from the principal amount. The sale proceeds of the securities will be accounted as bad debts recovered under the head "Other Income" as and when the amounts are realized.

During the year under review, the Corporation has recovered an amount of ₹ 10,71,944/- [Previous year (₹ 50,79,234-)] towards Bad Debts written off.

(03) CONTINGENT LIABILITIES :

Contingent liabilities are not recognized as there is no present obligation as a result of past events and it is probable that there will be an outflow of resources. However, contingent liabilities are disclosed as under :

(i) Claims in Civil suits against Corporation not acknowledged as debt estimated to ₹ 202.85 lacs (previous year ₹ 202.85 lacs).



- (ii) GIIC has claimed ₹ 33,75,000/- towards rent expenses payable in respect of share of Mumbai Office and Mumbai Guest House upto 31st March, 2004 whereas Corporation has made a claim of ₹ 51,70,056/- from GIIC on account of occupation of GSFC's office premises at Rajkot. Both the claims are yet to be resolved and hence neither income nor expense has been recognized in the accounts.
- (iii) Details of Income Tax disputes against which appeals have been preferred are given below. The quantum of disputed tax liability is not ascertainable.

(a) Appeals pending before CIT (Appeals)

Assessment Year	Particulars
2000-2001	Ascertained Bad Debts
2011-2012	Ascertained Bad Debts
2012-2013	Ascertained Bad Debts

(b) Appeals pending before Income Tax Appellate Tribunal:

Assessment Year	Particulars
2002-2003	Depreciation
2003-2004	Depreciation
2004-2005	Unearned interest
2006-2007	Ascertained Bad Debts

(c) Matters pending before Hon'ble High Court of Gujarat :

Assessment Year	Particulars
1998-1999	Interest Tax
1999-2000	Interest Tax
2000-2001	Interest Tax

(04) DETAILS OF PENDING RECONCILIATION :

- (i) In some of the cases, the balances as per the General Ledger are not tallied with the respective subsidiary ledgers. Some accounts also show odd balances.
- (ii) The outstanding balance of current liabilities/ non current liabilities including the other liabilities and other assets are subject to confirmation and adjustment, if any.
- (iii) Unpaid expenses of ₹ 91,58,513/- (Previous year ₹ 91,08,794/-) stands un-reconciled.
- (iv) The Staff Advance interest accumulation of ₹ 2,03,37,025/- is un-reconciled with individual ledger balances (Previous year ₹ 2,35,35,986/-).
- (v) The difference in Sales Tax deferment Deemed loan between Subsidiary Ledger and General Ledger stands un-reconciled.



- (05) The figures of previous year have been regrouped and rearranged wherever necessary to make them comparable with figures of the current year.
- (06) The Corporation has made provision as per the prudential norms prescribed by SIDBI on the principal outstanding and other expenses incurred and shown as receivables. The provision made is subject to the note no. B-4 regarding non reconciliation of general ledger balances as per the subsidiary ledger. During the year under reference, all loan accounts are treated as doubtful for more than three years or loss assets. Accordingly, 100% provision has been made. Corporation has written back provision of NPA to the extent of ₹ 8,85,02,220/- in the current year (Previous year ₹ 15,90,48,860/-).
- (07) Corporation's operations are solely in the Financial Service Industry including Investment Operation. As interest income accounts for nearly 95% of Corporation's total revenue, separate segment reporting as per Accounting Standard-17 is not considered necessary.
- (08) Board of Directors at its meeting held on 3.10.2012 decided to recommend to Government of Gujarat to make the loan of ₹ 621.37 crores as interest free from 1.7.2012. A proposal has been submitted to Government through Industries & Mines Department and decision is awaited. Till then, interest on Government loan is charged to Statement of Profit & Loss on simple interest basis from 1.7.2012.
- (09) Corporation has been making specific provision @ 100% of outstanding principal and other expenses on ascertained bad debts in earlier years. Due to clubbing of accounts, no separate provision for ascertained bad debts has been made.
- (10) Corporation sold out furniture and fixtures and realized an amount of ₹ 32,31,450/-. Since the assets sold out could not be identified from the Fixed Assets Register maintained, Capital Work-in-Progress of earlier years shown in the account has been appropriated and loss on sale of furniture of ₹ 8,21,659/- has been accounted for in the Statement of Profit and Loss.
- (11) Corporation has sold Baroda Office building and received sale consideration of ₹92.00 lakh and possession of the premises was handed over to the purchaser. Pending execution of sale deed, the amount is carried forward in the books and no depreciation is provided on the same during the year.
- (12) Financial Corporations are established to financing medium and small scale industries as Regional Development Banks for accelerating the industrial growth in States. SFCs are created in pursuance to Entry No. 43 of the Union List by Parliament as a special Act. GSFC, being body corporate established under SFCs Act, 1951, remedial measures available to companies under SICA like rehabilitation, revival, takeover of management etc., are not available to the Corporation. The Corporation has suffered immense losses till date. However, it is continuing its recovery functions. The Government has been moved to make the loan advanced to the Corporation interest-free, which is under consideration. In view of the above, it is the view of the Corporation that preparing accounts on "going concern" assumption is appropriate.





Disclosure requirement for SFC's (Financial Year 2014-15)

A. CAPITAL

- (a) Capital to Risk Assets Ratio (CRAR) - 2507.72%
- (b) The Amount of subordinated debt raised and outstanding as Tier-II Capital Nil
- (c) Risk weighted assets- separately for on and off balance sheet items
- (d) The share holding pattern as on the date of the Balance Sheet

The Shareholding pattern as on 31-03-2015 is under :

Sr. No.	Particulars of shareholding	No. of shares held (of ₹ 10 each)	Percentage of shareholding
1	Govt. of Gujarat*	49090400	55.09
2	SIDBI*	25320000	28.41
3	Banks & Insurance Co.	400000	0.45
4	Others	14303600	16.05
TOTAL		89114000	100

* Includes special class of shares of 18,00,000 & 7,00,000 held by Govt. of Gujarat & SIDBI respectively

B. Assets quality and credit concentration

- (e) Percentage of net NPA's to net loans and advances

	Amount (₹ in crore)	Percentage
Net NPA =	444.2	100
Net Loans & Advances =	0	0

- (f) Amount and percentage of net NPA's under the prescribed assets classification categories

	Amount (₹ in crore)	Percentage
Standard assets	0	0

- (g) Amount of provision made during the year towards standard asstes, NPA's Investment (other than those in the nature of an advance), Income tax

Sr. No.		Amount (₹ In Crore)	NPA Provision Required FY 13-14	NPA Provision Required FY 14-15	Difference
1	Standard Assets	0	0.004	0.000	- 0.004
2	NPAs		304.86	444.2	139.34
3	Income tax	NIL			



(h) Movement in net NPA's	Amount (₹ in crore)
Opening Balance of Net NPA's	454.68
Closing Balance of Net NPA's	444.2
Movement in Net NPA's	- 10.48

As the figure of recoveries in NPA's were not available, the addition in net NPA's has been netted by the amount of recoveries made during the year.

- (i) Credit Exposure as percentage to capital fund and as percentage to total assets in respect of

Credit exposure as a percentage of	Capital Funds (₹ in crore)	Total Assets%
The largest single borrower	10.00	2.25
The largest single group	5.42	1.19
The 10 largest single borrowers	28.63	6.3

Capital Funds :	Amount (₹ in crore)
Paid up Share Capital	89.11
Share Premium	18.90
Statutory & Free Reserves	254.47
Less :Deficit in P & L A/C	
Misc. Expense not written off	
Capital Fund	
Total Assets	
Total of Assets Side	2342.83
Less :Deficit In P & L A/C	2234.73
Dividend deficit A/C	16.46
Capital fund	91.64

- (j) Credit Exposure to the five largest industrial sector as percentage to total loan Assets Industry-wise gross sanction/disbursement/outstanding as on 31-03-15.

(Amount ₹ in crore)

Industry	Sanction FY 2014-15	Disb. FY 2014-15	Principal O/S as on 31-03-15	Ind. Wise O/S %
Chem & Chemical Prod.	0	0	73.66	16.58
Textile	0	0	59.28	13.35
Food Mfg.	0	0	35.51	7.99
Plastic Ind.	0	0	29.35	6.61
Services	0	0	4.37	0.98
Total	0	0	202.17	45.51

Total loan outstanding ₹ 444.20 crore as on 31-03-2015.



C. Liquidity

(k) Maturity pattern of assets and liabilities are as under :

(Amount ₹ in crore)

Items	Less than OR equal to 1 Year	More than 1 Year Upto 3 Years	More than 3 Years Upto 5 Years	More than 5 Years Upto 7 Years	More than 7 Years Upto 10 Years	More than 10 years	Total
Total Assets	361.60	0.00	0.00	0.00	0.00	0.00	361.60
Liabilites Foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liabilites	476.14	96.04	42.26	6.92	0.00	0.00	621.36

D. Operating results

(l) Interest income as a percentage to average working funds = 9.67%

Amount (₹ in crore)

Interest Income	7.97
Average working Capital Fund as on 31-03-2014	69.975
Balance of total Assets as on 31-03-2014	2229.66
Less : Deficit in P & L A/C	2139.92
Misc. Expense not written off as on 31-03-14	16.46
Working Capital fund as on 31-03-14 = (A)	73.28
Balance of Total Assets as on 31-03-15	2342.83
Less : Deficit in P & L A/C	2234.73
Misc. Expense not written off as on 31-03-15	16.46
Working Capital fund as on 31-03-15 =(B)	91.64
Average working Capital Fund = (A+B)/2	82.46

(m) Non-Interest income as a percentage to Average working funds = 8.29%

Amount (₹ in crore)

Non- interest Income	6.84
Average working capital fund	82.46

(n) Operating loss as percentage to average working funds = 114.47%

Amount (₹ in crore)

Total Loss	94.81
Operating loss	94.39
Average working Capital Fund	82.46



(o) Return on average

	Amount (₹ in crore)
Loss :	94.81
Total Average Assets	82.46
Balance of Total Assets as on 31-03-14	2229.66
Less :Deficit in P & L A/C	2139.92
Misc. Expense not written off as on 31-03-14	16.46
Assets as on 31-03-14 = (A)	73.28
Balance of Total Assets as on 31-03-14	2342.83
Less :Deficit in P & L A/C	2234.73
Misc. Expense not written off as on 31-03-15	16.46
Assets as on 31.03.15 =(B)	91.64
Average Assets = (A+B)/2	82.46

Amount (₹ in crore)

(p) Net loss per employee

No. of employees

1.17

81





GUJARAT STATE FINANCIAL CORPORATION

NOTE : 17

**NOTE SHOWING LOANS AND ADVANCES REFERRED TO IN NOTE NO. 7 OF
THE BALANCE SHEET AS ON 31-03-2015**

Sr. No.	Loan Description	Loan Outstanding
1	General Loan Stamp Duty A/C	68,01,226
2	General Loan Principal Advan	58,514
3	Principal Disbursement	25,45,30,495
4	General Loan Principal Advan	206,29,95,934
5	Elite Clients Chanel Scheme	1,15,94,927
6	Gen Loan Fwd Dst Principal	30,54,50,380
7	Gold Card Line Of Credi Sche	13,01,52,837
8	Job Trail Scheme	8,15,949
9	Principal Of Dp Loan	13,58,178
10	Handicapped Person'S Prin Ad	1,23,92,269
11	Rehebilation Of Bhukamp 2001	12,09,34,812
12	Line Of Credit For Finance	26,53,73,924
13	Principal Working Capital Lo	28,86,52,575
14	N.E.S.Loan Principal Advance	41,74,600
15	S.T.Int Free Principal Advan	46,89,401
16	Margin Loan To Balisana	3,64,336
17	T.L.Subs Nes Principal Advan	8,391
18	Spl Cap Corp Principal Advan	23,26,170
19	Spl Cap Nes Principal Advanc	85,775
20	Spl Cap Mini Principal Advan	1,100
21	S.T.Int Free Principal Advan	47,417
22	Transport Ln Principal Advan	45,10,335
23	Fishing Loan Principal Advan	1,32,042



Sr. No.	Loan Description	Loan Outstanding
24	Tran Stg Adv Principal Advan	6,31,921
25	Seed Capcorp Principal Advan	2,62,435
26	Seed Cap Nes Principal Advan	12,260
27	Principal Of Higher Purchase	38,51,16,598
28	Seed Money Principal Advance	93,485
29	Mod Schm Ahd Principal Advan	2,89,792
30	Equi.Fin.Ahd Principal Advan	4,96,96,815
31	Mini Loan Principal Advance	26,45,531
32	Loan For Rehbli Corpo	20,65,937
33	Riot Loan Principal Afvance	14,709
34	Spl Cap Tiny Principal Advan	27,700
35	Lease Assets A/C	9,03,68,061
36	Qua.Contl.Ahd Prin Advance	1,74,999
37	Haritage Hotel	37,76,180
38	Tm Scheme Prin Advance	41,49,619
39	Wes Ahd Prin Advance	49,83,883
40	Soft Haritage Scheme	15,22,823
41	Sw Term Loan Principal Ln.	1,59,54,611
42	Qf Term Loan Principal Ln.	37,27,441
43	Hi-Tech Agriculture Scheme	7,08,860
44	Earth Quack 2001 (Prin Adv)	1,48,11,756
45	Loan A/C Mahila Udyam Nidhi	27,25,071
46	Loan A/C Mahila Soft Seed Ca	10,33,868
47	Prin.Technology Upgrad Fund	1,22,68,274
48	Tiny Loan Principal Advance	1,18,99,883
49	Cyclone 1982 Principal Advan	8,06,300



Sr. No.	Loan Description	Loan Outstanding
50	Cyclone 1983 Principal Advan	4,04,775
51	Unbanked Srt Principal Advan	4,22,043
52	Bankable Ahd Principal Advan	19,04,824
53	National Equit SI Prin Adv	22,40,752
54	National Equit Wc Prin Adv	93,000
55	National Equit TI Prin Adv	48,00,448
56	Prof Loan Prin Advance	8,40,275
57	Mar Org Loan Prin Adv	1,15,20,598
58	Loan A/C Semfx General Loan	31,58,204
59	Loan A/C Smfx Gen Soft Seed	14,65,665
60	Loan A/C Semfex Transport Lo	22,31,877
61	Loan A/C Smfx Tran Soft Seed	4,52,328
62	Doctor Friends Scheme	73,84,521
63	National Eq.Docotr'S Friends	4,23,539
64	Loan A/C Nursing Home Sch	25,16,967
65	Int Free Deemed St Loan	31,49,16,415
GRAND TOTAL		4,441,996,632

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For MANUBHAI & Shah - Chartered Accounts
ICAI Firm Reg. No. : 106041W

K. B. Solanki,
Partner
Membership No. : 110299

Sd/-
AJIT NATH JHA
Director

Sd/-
ARVIND AGARWAL, IAS
Managing Director

Sd/-
L. N. PARMAR
Executive Officer (A/cs)

Sd/-
RAVEENDRAN NAIR
Secretary (Board)

Place : Gandhinagar
Date : 30-05-2015



GUJARAT STATE FINANCIAL CORPORATION
PERFORMANCE OF THE CORPORATION AT A GLANCE DURING THE LAST DECADE

Sr. No.	Particulars	Performance (₹ in crores)															
		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Since Inception					
1	2																
(A)	Assistance																
	1. Flow of Applications Term Loans	No.															61756.00
	2. Loan Sanctioned																5385.60
	a. Term Loan	No.															46646.00
	b. Lease Finance	No.															3732.10
	c. Short Term Finance	No.															41
	d. Line of Credit	No.															28.62
	e. Bill discounting	No.															299
	f. Working Capital Term Loan	No.															219.48
	g. N.H.F.D.C.	No.	538	113	16												11
	h. Fund Based Merchant Banking Activity	No.	2.00	0.35	0.04												80.00
	i. Small Scale Units (SSI)	No.															130
	j. Backward District	No.															227.96
	k. Backward Talukas	No.															225
	l. Rural Areas	No.															174.73
	m. Triple Area/Talukas Pockets	No.															1113
																	4.36
																	20
																	26.29
																	45170
																	3000.59
																	18168
																	1482.14
																	9759
																	1574.47
																	13599
																	1935.50
																	4479
																	652.30



Sr. No.	Particulars	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Since Inception
1	2	4	5	6	7	8	9	10	11	12	13	14
3.	Disbursement											
a.	Term Loan	₹										2748.92
b.	Lease Finance	₹										23.14
c.	Short Term Finance	₹										187.49
d.	Line of Credit	₹										65.79
e.	Bill discounting	₹										200.72
f.	Working Capital Term Loan	₹										154.42
g.	Fund Based Merchant Banking Activity	₹										11.52
h.	N.H.F.D.C.	₹	0.26									12.31
4.	Recovery											
a.	Term Loan	₹	156.23	91.92	70.22	27.22	29.72	28.45	26.14	21.58	12.51	3451.14
b.	Lease Finance	₹	0.04									14.64
c.	Short Term Finance	₹	2.25	0.54								208.16
d.	Line of Credit	₹		2.34	0.62	0.53	1.28					60.53
e.	Bill discounting	₹	1.00	0.70	0.88			0.02	3.01	3.29	0.24	207.68
f.	Working Capital Term Loan	₹	2.08	2.70	3.18	7.39	1.89	3.21	5.40	3.25	0.89	112.56
g.	Fund Based Merchant Banking Activity	₹						0.01				0.11
h.	N.H.F.D.C.	₹	0.31	0.24	0.23	0.08	0.02					1.79
5.	Loan Outstanding (at year end)	No.										
(B)	Working Results											
1.	Earning	₹	71.14	65.61	55.29	27.11	23.57	26.24	25.06	18.03	7.97	
a.	Interest	₹	3.02	2.29	3.17	9.34	7.59	3.15	6.35	6.88	6.84	
b.	Other Income											



Sr. No.	Particulars	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	2. Expenditure												
	a. Interest on bond, deposits & Other Borrowings	₹ 113.39	73.17	87.79	112.55	135.05	161.44	187.25	220.37	145.71	115.21	118.26	
	b. Financial Expenses & Commitment Charges	₹ 8.18	2.73	2.06	1.75	9.88	0.61	0.20	0.05	0.00	0.00	0.00	
	c. Personnel Expenses	₹ 20.35	11.99	7.83	6.10	22.15	2.82	8.94	12.44	4.33	4.53	5.10	
	d. Other expenses	₹ 34.19	39.25	14.75	26.53	33.80	13.93	20.60	32.36	27.37	14.71	11.88	
	e. Depreciation	₹ 0.93	0.54	0.46	0.40	0.35	0.28	0.23	0.17	0.20	0.31	0.42	
	f. Provision against NPA	₹ 25.85	89.74	229.21	29.69	14.30	5.75	3.90	4.45	0.00	0.00	(8.85)	
	3. Profit/(Loss) before tax	₹ -138.22	-12.01	-311.64	-109.13	-117.93	-129.38	-156.91	-208.68	-113.16	-112.76	-94.81	
	4. Profit/(Loss) after tax	₹ -138.22	-12.01	-311.64	-109.13	-117.93	-129.38	-156.91	-208.92	-113.16	-112.79	-94.81	
	(C) Capital & Resources (as at the end of)												
	1. Paid up capital	₹ 89.11	89.11	89.11	89.11	89.11	89.11	89.11	89.11	89.11	89.11	89.11	
	2. Share Forfeited	₹ 9.21	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	
	3. Reserves	₹ 85.89	249.95	249.95	265.29	273.36	273.36	273.36	(1640.60)	(1753.77)	(1866.55)	(1961.36)	
	4. Borrowings	₹ 1155.61	927.83	942.55	965.41	1000.92	676.86	665.09	661.69	661.69	661.69	661.69	
	a. Market Bonds	₹ 196.94	97.01	77.36	67.31	60.14	18.98	4.20	1.25	0.00	0.00	0.00	
	b. Govt. Loan	₹ 187.60	288.65	412.82	532.17	592.17	612.17	617.17	621.37	621.37	621.37	621.37	
	c. SIDBI Loan	₹ ----	----	----	----	----	----	----	----	----	----	----	
	d. Refinance	₹ 557.36	299.87	179.87	59.87	----	----	----	----	----	----	----	
	e. Fixed Deposits	₹ 0.13	0.13	----	----	----	----	----	----	----	----	----	
	f. Line of Credit from Banks	₹ 40.13	30.00	16.00	----	----	----	----	----	----	----	----	
	g. Priority Sector Bond	₹ 162.33	141.10	116.05	76.67	8.95	5.02	3.02	1.10	0.00	----	----	
	h. Loan from NHFDC	₹ 1.12	0.68	0.38	0.37	0.37	0.37	0.37	----	----	----	----	
	i. Short Term Loan GIDC	₹ 10	0.00	----	----	----	----	----	----	----	----	----	



HEAD OFFICE
GUJARAT STATE FINANCIAL CORPORATION
SECTOR-11, GH-4, UDYOG BHAVAN GANDHINAGAR – 382 010

TELE. NO. 23256761 to 66, 23256772-74, FAX NO. 23252204

E-mail : webmaster –gsfc@gujarat.gov.in, **Web site :** [http:// www.gsfc.gujarat.gov.in](http://www.gsfc.gujarat.gov.in)

REGIONAL & OTHER OFFICES

AHMEDABAD REGIONAL OFFICE CHILDREN'S HOSPITAL BUILDING OPP. ELLIS BRIDGE POLICE LINE, ELLIS BRIDGE, AHMEDABAD-380006. TELE. NO. (079) 26402372, 26464480 FAX NO. (079) 26463837	RAJKOT REGIONAL OFFICE RACE COURSE, RING ROAD, NEAR LIFE BUILDING, RAJKOT-360 001. TELE. NO. (0281) 2443664, 2442715 FAX NO. (0281) 2479292
SURAT REGIONAL OFFICE 2ND FLOOR, MIRAMBICA COMPLEX, OPP. GANDHI BAUG, CHOWK BAZAR, SURAT. TELE NO. (0261) 2460546/47 FAX NO. (0261) 2460543	MUMBAI OFFICE C/O. GIDC, GROUND FLOOR, SHAH HOUSE, OPP. KHAR POLICE STATION, 142, S. V. ROAD, KHAR (WEST), MUMBAI-400 052.

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GUJARAT STATE FINANCIAL CORPORATION

Head Office : UDYOG BHAVAN, 1st FLOOR, BLOCK NO. 10,
SECTOR-11, GH-4, GANDHINAGAR-382 010.

ATTENDANCE SLIP

Folio No.	
DP ID	
Client ID	
No. of shares	

I certify that I am a registered shareholder of the Corporation. I hereby record my presence at the FIFTY FIFTH ANNUAL GENERAL MEETING of the Corporation in the Office of the Chairman at Head Office at Udyog Bhavan, Block No. 10, 1st Floor, Sector-11, Gandhinagar-382 010 on Friday, the 30th October, 2015 at 4.00 p.m.

**Signature of the attending
Member/Proxy**

Note : A Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

GUJARAT STATE FINANCIAL CORPORATION

Head Office : UDYOG BHAVAN, 1st FLOOR, BLOCK NO. 10,
SECTOR-11, GH-4, GANDHINAGAR-382 010.

PROXY FORM

I/We _____ of _____ in the district of _____ being a Member/Members of the above named Corporation hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us and on my our behalf at the FIFTY FIFTH ANNUAL GENERAL MEETING of the Corporation in the Office of the Chairman at Head Office at Udyog Bhavan, Block No. 10, 1st Floor, Sector-11, Gandhinagar-382 010 on Friday, the 30th October, 2015 at 4.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2015.

Folio No.	
DP ID	
Client ID	
No. of shares	

Affix ₹ 1
Revenue
Stamp
Signature

1. This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Head Office of the Corporation at Gandhinagar not less than 7 clear days before the date of the meeting.
2. A Proxy need not be a member of the Corporation.

