

Galada Finance Limited

Ref: No. GFL/SECIL/2016-2017 No: L65191TN1906FL0013826
Dated: 30 September, 2017

The Deputy Gen. Manager
Department of Corporate Services
BSE Ltd.
P.J. Tower, Dalal Street,
Mumbai.

Dear Sir,

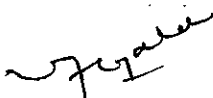
Annual Report for the year 2015-2016

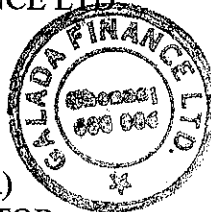
Please find herewith Annual report for the year 2016-2017 for your reference and records

We request you to take note of the above and acknowledge receipt of this letter.

Thanking you,

Yours faithfully,
For GALADA FINANCE LTD


(J. ASHOK GALADA)
MANAGING DIRECTOR
DIN No. 00042295



THIRTY FIRST ANNUAL REPORT 2016-17

GALADA FINANCE LIMITED

BOARD OF DIRECTORS

| | |
|----------------------|-------------------|
| Justice P Bhaskaran | Chairman |
| Mr J Ashok Galada | Managing Director |
| Mr Naveen Galada | Director |
| Mr K Ramu | Director |
| Mr S Venkatakrishnan | Director |
| Mrs.R.S. Indira | Director |

COMPANY SECRETARY

Ms Alpa Jain Company Secretary

BANKERS

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

AUDITORS

M/s. Chandarana & Sanklecha,
Chartered Accountants,
II Floor, 137, Nainiappa Naicken Street,
CHENNAI 600 003

REGISTERED AND CORPORATE OFFICE

"Shanti Sadan" Old No.4 (New No. 7)
Shaffee Mohammed Road, Thousand Lights
CHENNAI 600 006
Tel : 28294830, 43099009, 28294831
Telefax : 28294830
E-mail : galadafinancelimited@yahoo.co.in
Website : www.galadafinance.in

REGISTRARS AND SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Ltd,
'Subramanian Building',
No.1, Club House Road,
Chennai 600 002
Phone : 28460390-28460394 Fax : 28460129
E-mail : cameo@cameoindia.com
Website: www.cameoindia.com

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NOTICE OF THE 31ST ANNUAL GENERAL MEETING TO THE MEMBERS

Notice is hereby given that the Thirty First Annual General Meeting of the members of Galada Finance Limited will be held on Saturday, 23rd day of September, 2017 at 04.00 p.m. at the registered office of the Company situated at "SHANTHI SADAN", O.No.4, N.No.7, Shaffee Mohammed Road, Thousand Lights, Chennai 600 006, to transact the following businesses:

Ordinary Business

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. J. Ashok Galada (DIN: 00042295), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment and whose office shall be subject to retire by rotation as per the Companies Act, 2013.
3. To appoint Auditors in place of retiring auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made there under, Miss Diyali B. Chartered Accountant, (Membership No. 242354,) having address @ A9, Maruti Apartments, #87, Dr, Alagappa Road, Puraswalkam, Chennai 600 084, be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of this Annual General Meeting to be ratified by members at every AGM, at such remuneration to be recommended by the Audit Committee of the Board of Directors and finalized by the Board of Directors in consultation with the Statutory Auditors.

SPECIAL BUSINESS

4. To consider re-appointment of Mr. J. ASHOK GALADA (DIN : 00042295) as Managing Director for a further period of 5 (five) years and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and



the relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the re-appointment of Mr. J. Ashok Galada (DIN: 00042295) as Managing Director of the Company, for a period of 5 (Five) years with effect from 01 April 2017, on the remuneration of Rs. 1,25,000 per month and other terms and conditions as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. J. Ashok Galada (DIN: 00042295), subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT in case of inadequacy of profit, Mr. J. Ashok Galada (DIN: 00042295) shall be entitled for the minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

For and on behalf of the Board of Directors

JUSTICE P. BHASKARAN
DIN: 00126136

Date: 29-07-2017
Place: Chennai

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume Shri J. Ashok Galada (DIN 00042295) proposed to be re-appointed such as nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under the Listing Regulations with the Stock Exchanges is given below

| PARTICULARS | DETAILS |
|--|---|
| Name of the Director | Shri J. Ashok Galada |
| Date of Birth | 13.06.1952 |
| Date of Appointment | 25.03.1986 |
| Qualification | B.Com, |
| Experience in specific functional areas | Having experience in finance business for more than 4 decades |
| List of Companies in which outside Directorships held | 1. GALADA HOUSING LIMITED 2. GALADA TRADES LIMITED 3. FINANCE COMPANIES ASSOCIATION (INDIA) LTD |
| Chairman/ Member of the Committee of the board of Directors of the Company COMMITTEE | MEMBER OF STAKE HOLDERS RELATIONSHIP |
| Chairman/ Member of the Committee of the other Companies in which he is a Director. | NIL |

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

GALADA FINANCE LIMITED

6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Register of Members and Transfer Books of the Company will be closed from Sunday, 17th September, 2017 to Saturday, 23rd September 2017, both days inclusive.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any. The Company or its Registrars and Transfer Agents, Cameo Corporate Services Limited ("Cameo") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Cameo.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Cameo.
11. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. To support the 'Green Initiative', Members who have not registered their e-mail addresses so far are requested to register the same.
13. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The procedure and instructions for e-voting are as follows:

The voting period begins on 20th September 2017 9.00 hours and ends on 21st September 2017 17.00 hours. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 16th September 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- a. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details o Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (v) 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.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (vii) 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.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (x) If a Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a compliance user should be 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.
- (xii) 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.
- (xiii) Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to Scrutiniser email id csnagarajan@gmail.com or csnaga2@gmail.com with copy to Cameo email id Investor@cameoindia.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- (xiv) Kindly note that the members can opt only one mode for voting i.e. either by polling paper or e-voting. If you are opting for e-voting, then you will not be allowed to vote at the AGM.

C. Other Instructions:

- i. The e-voting period commences on 20th September 2017 9.00 hours and ends on 21st September 2017 17.00 hours. During this period, Members of the Company, holding shares

either in physical form or in dematerialized form, as on 16th September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 16th September, 2017.
- iii. Shri V. Nagarajan, proprietor M/s V. Nagarajan & Co., Company Secretaries in practice (Membership No. 5626), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.galadafinance.in and on the website of CSDL within three days of the passing of the resolutions at the AGM of the Company on 23rd September 2017 and communicated to the Stock Exchange, where the shares of the Company are listed.
- vii. Shareholders who have availed remote evoting facility will not be allowed to cast their vote at the AGM.
- viii. The voting at the AGM shall take place by means of polling paper as per the provisions of the Companies Act, 2013 and shareholders attending the meeting who have not cast their vote by remote evoting shall be able to exercise their right at the meeting.



**STATEMENT ANNEXED TO NOTICE
(PURSUANT TO PROVISION OF SEC. 102 (1) OF THE
COMPANIES ACT, 2013)**

Explanatory statement for item no.4

Mr. J Ashok Galada (DIN: 00042295) was reappointed as a Managing Director of the Company vide a Special resolution passed in the Twenty Eighth Annual General Meeting held on 27th September, 2014 for a period of 3 years ending on 31st March 2017. He was re-appointed as the Managing Director in the Board Meeting held on 28th January 2017 subject to the approval of the members for a period of five years ending on 31st March 2022.

Mr. J. Ashok Galada, 65 years, graduated with a B. Com. degree from A.M. Jain College, Chennai in 1972. He has over 40 years of experience in the financial sector. He has been associated with the Company since its incorporation on 25th March 1986 and currently bears overall responsibility for managing the affairs of the Company.

With more than four decades of experience, he has successfully concluded complex commercial transactions on behalf of the Company, thereby leading the Company to attain the desired scale, size and profitability.

In the capacity of Managing Director, Mr. J. Ashok Galada is entrusted with substantial powers of management and is responsible for meeting the growth targets of the Company. Mr. J. Ashok Galada was instrumental in spearhead the growth mantle of the Company.

Mr. J. Ashok Galada is a member of the Shareholders'/ Investor Grievance Committee of the Company.

His tenure as a Managing Director ceased on March 31, 2017 and based on the recommendation received from the Nomination and Remuneration Committee and in view of the contributions made by him, it is proposed to reappoint Mr. J. Ashok Galada as a Managing Director of the Company for a further period of five years commencing from April 01, 2017 on the remuneration set-out below:

A. Basic salary:

With authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company, subject however to a ceiling of Rs. 1,25,000 (Rupees One lakhs Twenty Five Thousand only) per month.

If re-appointed, Mr. J. Ashok Galada will hold office for a term of 5 years, which will end at the close of the financial year 2021 - 2022. Mr. J. Ashok Galada satisfies the conditions set out in Section 196(3) and Part 1 of Schedule V of the Companies Act, 2013.

Mr. J. Ashok Galada has given his consent to act as a Managing Director of the Company. Further as per the declarations received by the Company, Mr. J. Ashok Galada is not disqualified under Section 164 of the Companies Act, 2013.

Mr. J. Ashok Galada holds 141,850 equity shares of Rs. 10 each in the Company as on 31st March 2017. He is not related to any of the Directors of the Company except Mr. Naveen Galada. The directorships held by Mr. J. Ashok Galada are within the limits prescribed under Section 165 of the Companies Act, 2013. In terms of Regulation 17 of SEBI LODR, 2015 Mr. J. Ashok Galada holds directorships and committee memberships in the other companies as given in the notes to the notice above.

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

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

The financial results for the year ended 31st March 2017 are given below

| Description | For the year ended 31 st March 2017 | For the year ended 31 st March 2016 |
|--|---|---|
| Total Income | 17,614,874 | 15,423,465 |
| Total Expenditure | 14,548,894 | 12,256,837 |
| Profit before tax | 3,065,980 | 3,166,628 |
| Tax | 701,500 | 871,000 |
| Profit after tax | 2,364,480 | 2,295,628 |
| Add : Opening Balance | 14,320,158 | 12,484,530 |
| Less : Transfer to Statutory Reserve | 4,73,000 | 4,60,000 |
| Closing Balance to be carried to Balance Sheet | 16,211,638 | 14,320,158 |
| EPS | 0.79 | 0.77 |

b) Dividend

Your directors wish to retain the profit for the growth and development of the Company. Hence no dividend is recommended for the financial year ending 31st March 2017.

c) Reserves

During the year an amount of Rs.473,000/- (Rupees Four Lakhs Seventh Three Thousand only) is transferred to Statutory Reserve as per Section 45-IC of the Reserve Bank of India Act, 1934.

d) Brief description of the Company's working during the year/State of Company's affairs

During the year under report, the Company extended hire purchase finance to the tune of Rs. 521.73 lakhs and financing under other credit facility of Rs. 158.55 lakhs.

The total income of the Company is at Rs.176.15 lakhs during the year under review as against Rs.154.23 lakhs in the previous financial year; and the profit before tax during the year under review is at Rs. 30.65 lakhs as compared to Rs.31.67 lakhs in the previous financial year; and that profit after tax during the year under review is at Rs. 23.64 lakhs as compared to Rs.22.96 lakhs in the previous financial year.

| | | |
|-----|--|-----------------------------|
| (a) | accepted during the year including renewal of interest accrued on renewal of existing deposits; | Rs.6,32,000/- (See Note) |
| (b) | remained unpaid or unclaimed as at the end of the year; | Nil |
| (c) | whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved | |
| | (i) at the beginning of the year; | Nil |
| | (ii) maximum during the year; | Nil |
| | (iii) at the end of the year; | Nil |
| (d) | The details of deposits which are not in compliance with the requirements of Chapter V of the Act; | Nil |

Note :

Of the above Rs. 5.32 lakhs repaid as directed by RBI, Rs.1 lakh exempted deposit renewed by director retained.

n) Statutory Auditors

Pursuant to the new requirement of Section 139 (2) of the Companies Act, 2013 M/s Chandarana & Sanklecha, Statutory Auditors (Firm Registration No. 000557S) retire by rotation at the ensuing annual general meeting of the company it was decided to appoint Miss Diyali B. Chartered Accountant (Membership No.242354) who has confirmed her eligibility under Section 141(3) of the Companies Act 2013 and the Rules framed there under for appointment as Auditors of the Company. As required Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Listing Agreement) The proposed auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accounts of India. As required by Section 139 (1) of the Companies Act, 2013 the appointment of Statutory Auditors is placed before the members for approval.

o) Auditors' Report

The Board of Directors wish to state that the Auditors' Report on the Audited Financial Statement of the Company for the year ended 31st March 2017 do not contain any qualification, reservation or adverse remark, so need not require any explanation or comment

p) Share Capital

I. Issue of equity shares with differential rights

The Board of Directors wish to inform that there are no instance during the financial year for issue of equity shares with differential rights as such the requirement for providing details as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014 does not arise.

II. Issue of sweat equity shares

The Board of Directors wish to inform that there are no instance during the financial year for issue of sweat equity shares as such the requirement for providing details as provided in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014 does not arise.

III. Issue of employee stock options

The Board of Directors wish to inform that there are no instance during the financial year for issue of employee stock options as such the requirement for providing details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014 does not arise.

q) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Board of Directors wish to inform that there are no instance during the financial year where the company had made provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as such the requirement for providing details as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 does not arise

r) Extract of the annual return

The extract of the annual return for the financial year ended on 31st March 2017 as required by Section 92 (3) of the Companies Act, 2013 is provided as Annexure "A"

s) Information as per Section 134(3)(m) of the Companies Act, 2013

The company has no activity relating to consumption of energy or technology absorption. The company does not have any foreign exchange earnings and outgo during the year.

t) Corporate Social Responsibility (CSR)

The Corporate Social Responsibility (CSR) which is applicable to every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year is Not applicable and as such instances of disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 does not arise.

u) Directors:

At the forthcoming AGM, Shri J. Ashok Galada, Managing Director is being re-appointed for a period of two years w.e.f. 1st April 2017 and Mr Naveen Galada, Director is liable to retire by rotation and being eligible has offered himself for re-appointment

Your Directors recommend the re-appointment of the Managing Director and director retiring by rotation to the members.

v) Declaration from Independent Director(s)

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

w) Formal Annual Evaluation The Board periodically evaluates its own performance and that of its committees and individual directors. .

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

Your company has always believed in providing a safe and harassment free work place for every individual working in the company's premises through various interventions and practices. The company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The company does not have a formal Anti Sexual Harassment policy in line with the requirements of the The Sexual Harassment of Workmen at th the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal complaints committee has been set up to redress complaints contractual, temporary and trainees are covered under the policy.

The following is the summary of sexual harassment complaints received and disposed off during the 2016-17:

No. Of complaints received : NIL

No. Of complaints disposed off : NIL

y) Meetings of the Board of Directors

Composition and category of Board of Directors

The Board of Directors of the company comprises of Executive, Non-Executive and Independent Directors. In all there are six Directors, Two Executive and four Independent Directors.

| Name of the Director | Designation | Category |
|-----------------------------------|-------------------|--|
| Mr. J. Ashok Galada | Managing Director | Promoter and Executive Director |
| Mr. Naveen Galada | Director | |
| Justice P Bhaskaran | Chairman | Independent and Non-Executive Director |
| Mr S Venkatakrishnan | | |
| Mr K Ramu | | Independent and Non-Executive Director |
| Mrs. Indira Srinivasan Royakottam | Director | |

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

z) Audit Committee

The Audit Committee comprised of the following directors for the year ended 31st March 2017.

| Name of members | Status in Committee | Nature of Directorship |
|---------------------|---------------------|---|
| Justice P Bhaskaran | Chairman | Independent and Non- executive Director |
| S. Venkatakrishnan | Member | |
| K. Ramu | Member | |

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

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

x) Details of establishment of vigil mechanism for directors and employees

The Company has a Vigil Mechanism named "Whistle Blower Policy" to deal with genuine concerns raised by the Directors/employees, if any. The details of the Whistle Blower Policy is explained in


GALADA FINANCE LIMITED

the Corporate Governance Report and also posted on the Company's website www.galadafinance.in

ab) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprised of the following directors for the year ended 31st March 2017

| Name of members | Status in Committee | Nature of Directorship |
|----------------------|---------------------|---|
| K. Ramu | Chairman | Independent and Non- executive Director |
| Justice P. Bhaskaran | Member | |
| S. Venkatakrisnan | Member | |

ac) Particulars of loans, guarantees or investments under section 186

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

ad) Particulars of contracts or arrangements with related parties:

All related party transaction that was entered into during the financial year was on an arm's length basis in the ordinary course of business. There are no 'material' contracts or arrangements or transactions which were not at arm's length basis and therefore disclosure in form AOC -2 is not required.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseeable and repetitive nature. For the transactions entered into pursuant to the omnibus approval so granted, a statement giving details of all related party transactions is placed before the Audit Committee and the board of Directors for their approval on a quarterly basis.

ae) Managerial Remuneration:

Disclosure of remuneration under section 197 (12) of the companies act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided at Annexure "B"

af) Secretarial Audit Report

The Board of Directors of the company had appointed Mr. V. Nagarajan of M/s V. Nagarajan & Co., Company Secretaries in Practice (Membership No. FCS 5626/CP 3288), having address at No. 29 Kavarai Street, West Mambalam, Chennai 600 033 who has conducted the Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit report issued by him is attached to this report as Annexure – "C" . As there are no qualifications, reservation or adverse remark or disclaimer made by the Company secretary in whole time practice in the secretarial audit report, the need for providing explanation or comments on the same by the Board of Directors does not arise

ag) Corporate Governance Certificate

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

ah) Corporate Governance Report

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

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

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid SEBI (LODR), 2015, is attached to the Report on corporate governance.

ai) Management's Discussion and Analysis Report

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

aj) Risk management policy

A Risk Management Policy for the Company has been adopted by the Board. The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed by the Board through appropriate structures that are in place.

ak) Directors' Responsibility Statement

The terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

al) Acknowledgements

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and employees.

For and on behalf of the Board of Directors

Date: 29.07.2017
Place: Chennai

Justice P Bhaskaran
Chairman
DIN:00126136



ANNEXURE 'A' TO THE DIRECTORS' REPORT

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31ST March 2017**

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

I. REGISTRATION AND OTHER DETAILS

| | |
|--|---|
| CIN | L65191TN1986PLC012826 |
| Registration Date | 25th March, 1986 |
| Name of the Company | Galada Finance Limited |
| Address of the Registered office and contact details | "Shanti Sadan" O.No.4, N.No.7 Shaffee Mohammed Road Thousand Lights, Chennai 600 006 Ph. No. 044 - 28294830 ; 044 - 43099009 email : galadafinancelimited@yahoo.co.in Website : www.galadafinance.in |
| Category / Sub-Category of the Company | Company limited by shares |
| Whether listed company | Yes |
| Name Address and Contact details of Registrar and Transfer Agent, if any | M/s Cameo Corporate Services Limited Subramanian Buildings, 5th Floor No.1, Club House Road, Chennai 600 002 Phone No. 044 - 28460390 to 28460394 Fax no. 044- 28460129 e-mail : investor@cameoindia.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

NIL / NOT APPLICABLE

| IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) | | | |
|--|--|------------------------|---------------------|
| (i) Category-wise Share Holding | | | |
| Name of the Company | | GALADA FINANCE LIMITED | |
| Face Value | | 10 /- | |
| Paid up Shares as on 01-Apr-2016 | | 3000000 | |
| Paid up Shares as on 31-Mar-2017 | | 3000000 | |
| For the Period From | | 01-Apr 2016 | To : 31-Mar 2017 |



GALADA FINANCE LIMITED

| Cate- gory code | Category of Shareholder | No. of shares held at the beginning of the year | | | No. of shares held at the end of the year | | | % Change during the year | |
|-----------------------|---|---|----------|---------|---|---------|----------|--------------------------------|-------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | | Total |
| A. | SHAREHOLDING OF PROMOTER AND PROMOTER GROUP | | | | | | | | |
| 1. | INDIAN | | | | | | | | |
| a. | INDIVIDUALS/HINDU UNDIVIDED FAMILY | 817079 | 0 | 817079 | 27.24 | 817079 | 0 | 817079 | 27.24 |
| b. | CENTRAL GOVERNMENT/STATE GOVERNMENT(S) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c. | BODIES CORPORATE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d. | FINANCIAL INSTITUTIONS/BANKS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e. | ANY OTHER - BODIES CORPORATES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| | SUB - TOTAL (A)(1) | 563700 | | 563700 | 18.79 | 563724 | | 563724 | 18.79 |
| 2. | FOREIGN | 1380779 | 0 | 1380779 | 46.03 | 1380803 | 0 | 1380803 | 46.03 |
| a. | INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b. | BODIES CORPORATE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c. | INSTITUTIONS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e. | ANY OTHER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| | SUB - TOTAL (A)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| | TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2) | 1380779 | 0 | 1380779 | 46.03 | 1380803 | 0 | 1380803 | 46.03 |
| B. | PUBLIC SHAREHOLDING | | | | | | | | |
| 1. | INSTITUTIONS | | | | | | | | |
| a. | MUTUAL FUNDS/UTI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| b. | FINANCIAL INSTITUTIONS/BANKS | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| c. | CENTRAL GOVERNMENT/STATE GOVERNMENT(S) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| d. | VENTURE CAPITAL FUNDS | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| e. | INSURANCE COMPANIES | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |
| f. | FOREIGN INSTITUTIONAL INVESTORS | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 |



| Category code | Category of Shareholder | No. of shares held at the beginning of the year | | | No. of shares held at the end of the year | | | % Change during the year | | |
|---------------|---|---|---------------|----------------|---|----------------|---------------|--------------------------|---------------|-------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | | Total | % of Total Shares |
| g. | FOREIGN VENTURECAPITAL INVESTORS | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i. | ANY OTHER | | | | | | | | | |
| | SUB - TOTAL (B)(1) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2. | NON-INSTITUTIONS | | | | | | | | | |
| a. | BODIES CORPORATE | 241273 | 7100 | 248373 | 8.28 | 360323 | 7100 | 367423 | 12.25 | 3.97 |
| b. | INDIVIDUALS - | | | | | | | | | |
| | I INDIVIDUAL SHARE HOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH | 159612 | 205500 | 365112 | 12.17 | 152014 | 199550 | 351564 | 11.72 | -0.45 |
| | II INDIVIDUAL SHARE HOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH | 462306 | 439200 | 901236 | 30.04 | 453159 | 434550 | 887709 | 29.53 | -0.45 |
| c. | QUALIFIED FOREIGN INVESTOR | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d. | ANY OTHER | | | | | | | | | |
| | CLEARING MEMBERS | 100 | 0 | 100 | 0.00 | 0 | 0 | 0 | 0.00 | -0.01 |
| | HINDU UNDIVIDED FAMILIES | 104400 | 0 | 104400 | 3.48 | 6900 | 0 | 6900 | 0.23 | -3.25 |
| | NON RESIDENT INDIANS | 0 | 0 | 0 | 0.00 | 5601 | 0 | 5601 | 0.19 | 0.19 |
| | SUB - TOTAL (B)(2) | 967421 | 651800 | 1619221 | 53.97 | 977971 | 641200 | 1619197 | 53.97 | -0.00 |
| | TOTAL PUBLIC SHAREHOLDING(B) = (B)(1)+(B)(2) | 967421 | 651800 | 1619221 | 53.97 | 977971 | 641200 | 1619197 | 53.97 | -0.00 |
| | TOTAL (A)+(B) | 2348200 | 651800 | 3000000 | 100.00 | 2358800 | 641200 | 3000000 | 100.00 | 0.00 |
| C. | SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED | | | | | | | | | |
| | Promoter and Promoter Group | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Public | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | TOTAL CUSTODIAN (C) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | GRAND TOTAL (A)+(B)+(C) | 2348200 | 651800 | 3000000 | 100.00 | 2358800 | 641200 | 3000000 | 100.00 | 0.00 |



GALADA FINANCE LIMITED

ii) Shareholding of promoters

Name of the Company : GALADA FINANCE LIMITED

| Sl No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year | Pledged Shares at beginning of the Year | Pledged Shares at end of the Year |
|-------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|---|-----------------------------------|
| | | No of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | No of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | | | |
| 1 | JASHOK KUMAR GALADA | 174500 | 5.8166 | 0.0000 | 174500 | 5.8166 | 0.0000 | 0 | 0 | |
| 2 | SHANTHI DEVI GALADA JT1 : VINITHA GALADA | 195750 | 6.5250 | 0.0000 | 195750 | 6.5250 | 0.0000 | 0 | 0 | |
| 3 | JASHOK GALADA | 141850 | 4.7283 | 0.0000 | 141850 | 4.7283 | 0.0000 | 0 | 0 | |
| 4 | NAVEEN GALADA | 90512 | 3.0170 | 0.0000 | 90512 | 3.0170 | 0.0004 | 0 | 0 | |
| 5 | SHANTHI DEVI GALADA | 24500 | 0.8166 | 0.0000 | 24500 | 0.8166 | 0.0000 | 0 | 0 | |
| 6 | NAVEEN GALADA | 111967 | 3.7322 | 0.0000 | 111967 | 3.7322 | 0.0000 | 0 | 0 | |
| 7 | GALADA HOUSING LIMITED | 364600 | 12.1533 | 0.0000 | 364600 | 12.1533 | 0.0000 | 0 | 0 | |
| 8 | VINITHA GALADA | 47500 | 1.5833 | 0.0000 | 47500 | 1.5833 | 0.0000 | 0 | 0 | |
| 9 | SUNITA GALADA | 30000 | 1.0000 | 0.0000 | 30000 | 1.0000 | 0.0000 | 0 | 0 | |
| 10 | GALADA TRADES LIMITED | 199100 | 1.0000 | 0.0000 | 199124 | 1.0000 | 0.0000 | 0 | 0 | |
| 11 | HARSHIKA GALADA | 500 | 0.0166 | 0.0000 | 500 | 0.0166 | 0.0000 | 0 | 0 | |

(iii) Change In Promoters' Shareholding (please specify, if there is no change)
Name of the Company : GALADA FINANCE LIMITED

| Sl No | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-------|--|---|----------------------------------|---|----------------------------------|
| | | No of shares | % of total shares of the company | No of shares | % of total shares of the company |
| 1. | J ASHOK KUMAR GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 174500 | 5.8166 | 174500 | 5.8166 |
| | At the end of the Year 31-Mar-2017 | 174500 | 5.8166 | 174500 | 5.8166 |
| 2 | SHANTHI DEVI GALADAJT1 : VINITHA GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 195750 | 6.5250 | 195750 | 6.5250 |
| | At the end of the Year 31-Mar-2017 | 195750 | 6.5250 | 195750 | 6.5250 |
| 3 | J ASHOK GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 141850 | 4.7283 | 141850 | 4.7283 |
| | At the end of the Year 31-Mar-2017 | 141850 | 4.7283 | 141850 | 4.7283 |
| 4 | NAVEEN GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 90512 | 3.0170 | 90512 | 3.0170 |
| | At the end of the Year 31-Mar-2017 | 90512 | 3.0170 | 90512 | 3.0170 |
| 5 | SHANTHI DEVI GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 24500 | 0.8166 | 24500 | 0.8166 |
| | At the end of the Year 31-Mar-2017 | 24500 | 0.8166 | 24500 | 0.8166 |
| 6 | NAVEEN GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 111967 | 3.7322 | 111967 | 3.7322 |
| | At the end of the Year 31-Mar-2017 | 111967 | 3.7322 | 111967 | 3.7322 |
| 7 | GALADA HOUSING LIMITED | | | | |
| | At the beginning of the year 01-Apr-2016 | 364600 | 12.1533 | 364600 | 12.1533 |
| | At the end of the Year 31-Mar-2017 | 364600 | 12.1533 | 364600 | 12.1533 |
| 8 | VINITHA GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 47500 | 1.5833 | 47500 | 1.5833 |
| | At the end of the Year 31-Mar-2017 | 47500 | 1.5833 | 47500 | 1.5833 |
| 9 | SUNITA GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 30000 | 1.0000 | 30000 | 1.0000 |
| | At the end of the Year 31-Mar-2017 | 30000 | 1.0000 | 30000 | 1.0000 |
| 10 | GALADA TRADES LIMITED | | | | |
| | At the beginning of the year 01-Apr-2016 | 199100 | 6.6366 | 199100 | 6.6366 |
| | PURCHASE 03-Feb-2017 | | | 24 | 0.0008 |
| | At the end of the Year 31-Mar-2017 | 199100 | 1.0000 | 199124 | 6.6374 |



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

Name of the Company : GALADA FINANCE LIMITED

| Sl No | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-------|--|---|----------------------------------|---|----------------------------------|
| | | No of shares | % of total shares of the company | No of shares | % of total shares of the company |
| 1 | PRITHVI SOFTECH LIMITED. | | | | |
| | At the beginning of the year 01-Apr-2016 | 225000 | 7.5000 | 225000 | 7.5000 |
| | At the end of the Year 31-Mar-2017 | 225000 | 7.5000 | 225000 | 7.5000 |
| 2 | PREETI BALA JAIN | | | | |
| | At the beginning of the year 01-Apr-2016 | 79400 | 2.6466 | 79400 | 2.6466 |
| | At the end of the Year 31-Mar-2017 | 79400 | 2.6466 | 79400 | 2.6466 |
| 3 | URMILA KANWAR KANKARIYA. | | | | |
| | At the beginning of the year 01-Apr-2016 | 44600 | 1.4866 | 44600 | 1.4866 |
| | Purchase 08-Apr-2016 | 5000 | 0.1666 | 49600 | 1.6533 |
| | Purchase 29-Jul 2016 | 8500 | 0.2833 | 58100 | 1.9366 |
| | At the end of the Year 31-Mar-2017 | 58100 | 1.9366 | 58100 | 1.9366 |
| 4 | SAYAR DEVI | | | | |
| | At the beginning of the year 01-Apr-2016 | 44400 | 1.4800 | 44400 | 1.4800 |
| | Purchase 08-Apr-2016 | 5000 | 1.6666 | 49400 | 1.6466 |
| | Purchase 22-Apr-2016 | 5000 | 1.6666 | 54400 | 1.8133 |
| | Purchase 13-May-2016 | 5000 | 1.6666 | 59400 | 1.9800 |
| | Purchase 10-Jun-2016 | 6000 | 0.2000 | 65400 | 2.1800 |
| | At the end of the Year 31-Mar-2017 | 74400 | 2.4800 | 74400 | 2.4800 |
| 5 | AMITA JAIN | | | | |
| | At the beginning of the year 01-Apr-2016 | 43950 | 1.4650 | 43950 | 1.4650 |
| | At the end of the Year 31-Mar-2017 | 43950 | 1.4650 | 43950 | 1.4650 |
| 6 | SANDEEP J OSWAL | | | | |
| | At the beginning of the year 01-Apr-2016 | 42100 | 1.4033 | 42100 | 1.4033 |
| | At the end of the Year 31-Mar-2017 | 42100 | 1.4033 | 42100 | 1.4033 |
| 7 | AMRIT LAL JAIN | | | | |
| | At the beginning of the year 01-Apr-2016 | 41759 | 1.3919 | 41759 | 1.3919 |
| | At the end of the Year 31-Mar-2017 | 41759 | 1.3919 | 41759 | 1.3919 |
| | HAVING SAME PAN NO. | | | | |
| 7 | AMRIT LAL JAIN | | | | |
| | At the beginning of the year 01-Apr-2016 | 50 | 0.0016 | 50 | 0.0016 |
| | At the end of the Year 31-Mar-2017 | 50 | 0.0016 | 50 | 0.0016 |

| Sl No | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-------|---|---|--|---|--|
| | | No of shares | % of total shares of the company | No of shares | % of total shares of the company |
| 8 | P GAJENDRA KUMAR JAIN At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017 HAVING SAME PAN NO | 40800 40800 | 1.3600 1.3600 | 40800 40800 | 1.3600 1.3600 |
| 8 | GAJENDRA KUMAR JAIN P At the beginning of the year 01-Apr-2015 At the end of the Year 31-Mar-2016 | 8000 8000 | 0.2666 0.2666 | 8000 8000 | 0.2666 0.2666 |
| 9 | PREETI DEVI P JAIN At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017 | 40000 40000 | 1.3333 1.3333 | 40000 40000 | 1.3333 1.3333 |
| 10 | MUKESH KUMAR CHAUDHARI At the beginning of the year 01-Apr-2016 Sale 07-Oct-2016 Sale 24-Feb-2017 Sale 03-Mar-2017 At the end of the Year 31-Mar-2017 | 40000 -100 -24900 15000 0 | 1.3333 0.0033 0.8300 0.5000 0.0000 | 40000 39900 15000 0 0 | 1.3333 1.3300 0.5000 0.0000 0.0000 |
| | NEW TOP 10 AS ON (31-Mar-2017) | | | | |
| 11 | JASU DEVI At the beginning of the year 01-Apr-2016 Purchase 06-May-2016 Purchase 13-May-2016 Purchase 20-May-2016 Purchase 10-Jun-2016 Purchase 17-Jun-2016 Purchase 15-Jul-2016 Purchase 14-Oct-2016 Purchase 31-Mar-2017 At the end of the Year 31-Mar-2017 | 8451 500 25 24025 4739 25 20050 12575 25 70415 | 0.2817 0.0166 0.0008 0.8008 0.1579 0.0008 0.6683 0.4191 0.0008 2.3471 | 8451 8951 8976 33001 37740 37765 57815 70390 70415 70415 | 0.2817 0.2983 0.2992 1.1000 1.2580 1.2588 1.9271 2.3463 2.3471 2.3471 |
| 12 | RAJ FINLEASE LIMITED At the beginning of the year 01-Apr-2016 Purchase 10-Mar-2017 Purchase 17-Mar-2017 At the end of the Year 31-Mar-2017 | 0 38000 7000 45000 | 0.0000 1.2666 0.2333 1.5000 | 0 38000 45000 45000 | 0.0000 1.2666 1.5000 1.5000 |
| 13 | PITAMBAR COMMERCIALS LIMITED At the beginning of the year 01-Apr-2016 Purchase 17-Mar-2017 At the end of the Year 31-Mar-2017 | 0 45000 45000 | 0.0000 1.5000 1.5000 | 0 45000 45000 | 0.0000 1.5000 1.5000 |


GALADA FINANCE LIMITED
(v) Shareholding of Directors and Key Managerial Personnel:
Name of the Company : GALADA FINANCE LIMITED

| Sl No | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-------|--|---|----------------------------------|---|----------------------------------|
| | | No of shares | % of total shares of the company | No of shares | % of total shares of the company |
| 1 | J ASHOK GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 141850 | 4.7283 | 141850 | 4.7283 |
| | At the end of the Year 31-Mar-2017 | 141850 | 4.7283 | 141850 | 4.7283 |
| 2 | NAVEEN GALADA | | | | |
| | At the beginning of the year 01-Apr-2016 | 90512 | 3.0170 | 90512 | 3.0170 |
| | At the end of the Year 31-Mar-2017 | 90512 | 3.0170 | 90512 | 3.0170 |
| 3 | K R MANIMEGHALA | | | | |
| | At the beginning of the year 01-Apr-2016 | 50 | 0.0333 | 50 | 0.0333 |
| | At the end of the Year 31-Mar-2017 | 50 | 0.0333 | 50 | 0.0333 |
| 4 | BHASKARAN P | | | | |
| | At the beginning of the year 01-Apr-2016 | 1000 | 0.0300 | 1000 | 0.0300 |
| | At the end of the Year 31-Mar-2017 | 1000 | 0.0300 | 1000 | 0.0300 |
| 5 | BHASKARAN P | | | | |
| | At the beginning of the year 01-Apr-2016 | 900 | 0.0300 | 900 | 0.0300 |
| | At the end of the Year 31-Mar-2017 | 900 | 0.0300 | 900 | 0.0300 |
| 6 | VENKATAKRISHNAN S | | | | |
| | At the beginning of the year 01-Apr-2016 | 500 | 0.0166 | 500 | 0.0166 |
| | At the end of the Year 31-Mar-2017 | 500 | 0.0166 | 500 | 0.0166 |
| 7 | RAMU K | | | | |
| | At the beginning of the year 01-Apr-2016 | NIL | NIL | NIL | NIL |
| | At the end of the Year 31-Mar-2017 | NIL | NIL | NIL | NIL |
| 8 | INDIRAR S | | | | |
| | At the beginning of the year 01-Apr-2016 | NIL | NIL | NIL | NIL |
| | At the end of the Year 31-Mar-2017 | NIL | NIL | NIL | NIL |
| 9 | ALPA JAIN P | | | | |
| | At the beginning of the year 01-Apr-2016 | NIL | NIL | NIL | NIL |
| | At the end of the Year 31-Mar-2017 | NIL | NIL | NIL | NIL |

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Sl No | Name of the Share holder | Secured Loans excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|------------------------------|----------------------------------|-----------------|----------------|--------------------|
| Indebtedness at the beginning of the financial year | | | | | |
| 1. | Principal Amount | 22754205 | — | 7085000 | 29839205 |
| 2. | Interest due but not paid | — | — | — | — |
| 3. | Interest accrued but not due | — | — | 742526 | 742526 |
| | Total (1+2+3) | 22754205 | — | 7827526 | 30581731 |
| Change in Indebtedness during the financial year | | | | | |
| | Addition | 2786656 | — | 529471 | 3316127 |
| | Reduction | — | — | 1135000 | 1135000 |
| | Net Change | 2786656 | — | -605529 | 2181127 |
| Indebtedness at the end of the financial year | | | | | |
| 1. | Principal Amount | 25540861 | — | 5950000 | 31490861 |
| 2. | Interest due but not paid | — | — | — | — |
| 3. | Interest accrued but not due | — | — | 1271997 | 1271997 |
| | Total (1+2+3) | 25540861 | — | 7221997 | 32762858 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl No | Particulars of Remuneration | Name of MD/WTD/ Manager /CS | | | Total Amount |
|-------|--|---|-----|---------|------------------|
| | | Mr. J. Ashok Galada, MD | WTD | Manager | |
| 1 | Gross salary | | | | |
| | a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 15,00,000 | Nil | Nil | 15,00,000 |
| | b. Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| | c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| 2 | Stock Option | Nil | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil | Nil |
| 4 | Commission - as % of profit | Nil | Nil | Nil | Nil |
| | - Others, specify... | Nil | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil | Nil |
| | Total-(A) | 15,00,000 | | | 15,00,000 |
| | Ceiling as per the Act | Salary paid is within the limits of the Act | | | |

B. Remuneration to other directors:

| SI No | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-------|---|--|--------------------------|--------------|-----------------|--------------|
| | | Justice P. Bhaskaran | Shri S. Venkata krishnan | Shri K. Ramu | Smt R.S. Indira | |
| 1 | Independent Directors | | | | | |
| | a. Fee for attending board / committee meetings | 9000 | 9000 | 9000 | 5000 | 32000 |
| | b. Commission | Nil | Nil | Nil | Nil | Nil |
| | c. Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total (1) | 9000 | 9000 | 9000 | 5000 | 32000 |
| 2 | Other Non-Executive Directors | Nil | Nil | Nil | Nil | Nil |
| | a. Fee for attending board / committee meetings | Nil | Nil | Nil | Nil | Nil |
| | b. Commission | Nil | Nil | Nil | Nil | Nil |
| | c. Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total-(2) | Nil | Nil | Nil | Nil | Nil |
| | Total-B (1+2) | 9000 | 9000 | 9000 | 5000 | 32000 |
| | Total Managerial Remuneration | - | - | - | - | - |
| | Overall Ceiling as per the Act | Not applicable as no remuneration paid | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SI No | Particulars of Remuneration | Name of CEO/ CS /CFO | | | Total Amount |
|-------|--|----------------------|-------------------|-----------------------------|---------------|
| | | CEO | Ms. Alpa Jain, CS | Mrs. K.R. Mari meghala, CFO | |
| 1 | Gross salary | - | | | |
| | a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 204000 | 482950 | 686950 |
| | b. Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | Nil | Nil | Nil |
| | c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | Nil | Nil | Nil |
| 2 | Stock Option | - | Nil | Nil | Nil |
| 3 | Sweat Equity | - | Nil | Nil | Nil |
| 4 | Commission - as % of profit | - | Nil | Nil | Nil |
| | - Others, specify... | - | Nil | Nil | Nil |
| 5 | Others, please specify | - | Nil | Nil | Nil |
| | Total-(A) | - | 204000 | 482950 | 686950 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

ANNEXURE 'B' TO THE DIRECTORS' REPORT

**Disclosure of remuneration under section 197 (12)
of the companies act, 2013 read with rule 5 (1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| Nature of Disclosure | Name of the Director / Designation | Ratio of Remuneration to Median Remuneration of employees | % Increase in remuneration in the financial year 2016-2017 |
|--|--|---|--|
| a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Percentage increase in remuneration of each Director, in the financial year | Mr. Ashok J. Galada Managing Director | 5.3:1 | 0.00% |
| b) Percentage increase in remuneration of CFO, CS in the financial year | Mrs. K.R.Manimeghala Chief Financial Officer | 1.7:1 | 10% |
| | Ms. Alpa Jain Company Secretary | 0.72:1 | 0.00% |
| c) Percentage increase in median remuneration of employees in the financial year | 11.92% increase in remuneration considering employees who were in employment for the whole of FY2016-2017 and FY 2015-2016 | | |
| d) Number of permanent employees on the rolls of company (as of 31 March, 2017) : (i) Directors : 1 (ii) Employees : 5 | | | |
| e) Explanation on the relationship between average increase in remuneration and company performance | The average increase in remuneration is 24% for employees who were in the employment for whole of FY 2016-2017 and FY 2015-2016. The improvement in company's performance on key parameters (as compared to previous year) was as follows: Operating Income : + 5.79% Profit Before Tax : - 3.18% Profit After Tax : + 3.00% | | |

| Nature of Disclosure | Name of the Director / Designation | Ratio of Remuneration to Median Remuneration of employees | % increase in remuneration in the financial year 2015-2016 |
|--|--|---|--|
| f) Comparison of the remuneration of the KMP against performance of the company | Aggregate KMP remuneration as a % of PBT for FY 2016-2017 was 71%. | | |
| g) Variations in the market capitalisation of the company, price earning ratio as at the closing date of the current financial year and previous financial year & percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies | <p>Market capitalisation has increased from Rs.4.76 crores as of FY 2015-16 to Rs. 4.50 crores as of FY 2016-17.</p> <p>Over the same period, the price earnings ratio moved down to 18.99 to 20.58.</p> <p>The stock price of the company as of FY 2016-17 has decreased by 6% to Rs. 15.00 per share in comparison to Rs 15.85 per share in FY 2015-2016.</p> | | |
| h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | <p>For employees other than managerial personnel who were in employment for the whole of FY2016-17 and FY 2015-16, the average increase in salary is 3%. The average increase of salaries for managerial personnel (MD) is 0.00 %.</p> <p>The remuneration is in line with the remuneration policy of the company and any increase is approved by the appropriate authority.</p> | | |

ANNEXURE 'C' TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members,
M/s. Galada Finance Limited,
"Shanthi Sadan", Old No.4,
New No. 7, Shaffee Mohammed Road,
Thousand Lights,
CHENNAI 600 006

Dear Sirs,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GALADA FINANCE LIMITED (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit period).

ANNEXURE 'C' TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members,
M/s. Galada Finance Limited,
"Shanthi Sadan", Old No.4,
New No. 7, Shaffee Mohammed Road,
Thousand Lights,
CHENNAI 600 006

Dear Sirs,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GALADA FINANCE LIMITED (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit period).



GALADA FINANCE LIMITED

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (Not Applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014 (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Revised Listing Agreement entered into by the Company with Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that having regard to the compliance prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company.

- 1) Reserve Bank of India Act, 1934, Rules, Regulations, Guidelines and Directions issued by the Reserve Bank of India as specifically applicable to the Company.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

Place : Chennai
Date : 29.07.2017

V. NAGARAJAN
PRACTISING COMPANY SECRETARY
FCS No. 5626 CP No. 3288



ANNEXURE – D

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Auditors' Certificate on compliance of conditions of Corporate Governance under Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement).

TO THE MEMBERS OF GALADA FINANCE LIMITED

We have examined the compliance of conditions of Corporate Governance by Galada Finance Limited for the year ended on 31st March 2017 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement of the Company with Stock Exchange).

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

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement).

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

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

For Chandarana & Sanklecha
Chartered Accountants
Firm Registration No. 000557S

Bharat Raj Sanklecha
Proprietor
Membership No. 027539

Place : Chennai
Date : 29.07.2017

ANNEXURE – E

REPORT ON CORPORATE GOVERNANCE

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

CORPORATE GOVERNANCE PHILOSOPHY

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

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

BOARD OF DIRECTORS

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

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

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

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

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



GALADA FINANCE LIMITED

employees / customers and vendors in their dealings with the company. In order to ensure that the mechanism is effective and as prescribed, direct access to the chairman of the audit committee is provided to the complainant.

Composition

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

In all there are six Directors, Two Executive and four Independent Director.

| Name of the Director | Designation | Category |
|---|-------------------------------|--|
| Mr. J. Ashok Galada Mr. Naveen Galada | Managing Director Director | Promoter and Executive Director |
| Justice P Bhaskaran | Chairman | Independent and Non-Executive Director |
| Mr S Venkatakrishnan Mr.K Ramu Mrs. Indira Srinivasan Royakottam | Director | Independent and Non- Executive Director |

The details of directors as at 31 March, 2017 including the details of their other board directorship and committee membership reckoned in line with Listing Regulations and the Act as well as their shareholdings is given below:

| Name of Director | No. of Directorship excluding directorship in our Company) | No. of shares held in the company | No. of board committee membership including GFL** (Out of which as chairman) |
|------------------------------|---|-----------------------------------|--|
| J. Ashok Galada | 03 | 141850 | Nil |
| Justice P Bhaskaran | Nil | 1900 | Nil |
| S. Venkatakrishnan | 18 | 500 | Nil |
| K. Ramu | Nil | Nil | Nil |
| Naveen Galada | 02 | 90512 | Nil |
| Indira Srinivasan Royakottam | Nil | Nil | Nil |

None of the directors holds director ship in any foreign company nor holds any alternative directorship.

None of the directors hold membership in more than ten committees / chairmanship in more than 5 committees.

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

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

The independent directors of the company provide an annual certificate of independence in accordance with Listing Regulations and the Act to the company which is taken on record by the board. All the board members including independent directors have the opportunity and access to interact with the management.

Separate meeting of independent directors

During the year under review, in line with SEBI (LODR), 2015 and the Act, the independent directors had a separate meeting on 28th January, 2017 without the presence of the management team and the non-independent directors of the company.

Board Meetings

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

During the year, the Board of Directors met 5 (five) times on 28.05.2016, 13.08.2016, 24.09.2016, 12.11.2016 and 28.01.2017 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose.

COMMITTEES OF THE BOARD

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

There are four committees constituted by the board – audit committee, stakeholders relationship committee, nomination and remuneration committee and risk management committee.

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

AUDIT COMMITTEE

Terms of Reference

The committee acts as a link between the board, the statutory auditors and the internal auditors. The role of the audit committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements, adequacy of internal financial control and



risk management systems, findings of internal audits / investigations, whistle blower protection, monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on an arm's length basis, scrutiny of interest free corporate loans and investments, besides recommending the appointment / removal of statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process.

Composition & Meetings

The committee comprises of three non-executive independent directors. As at 31st March, 2017, the committee comprised of the following members:

| Name of members | Status in Committee | Nature of Directorship |
|---------------------|---------------------|--|
| Justice P Bhaskaran | Chairman | Independent and Non-executive Director |
| S. Venkatakrisnan | Member | |
| K. Ramu | Member | |

During the year, the committee met four times on 28.05.2016, 13.08.2016, 12.11.2016 and 28.01.2017. All members of audit committee have knowledge of financial management, audit and accounts.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

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

Composition & Meetings

As at 31st March, 2017, the committee comprised of the following members:

| Name of members | Status in Committee | Nature of Directorship |
|----------------------|---------------------|--|
| K. Ramu | Chairman | Independent and Non-executive Director |
| Justice P. Bhaskaran | Member | |
| S. Venkatakrisnan | Member | |

All the members of this committee comprise of independent directors. There was one meeting of the Committee held on 28.01.2017 during 2016-17.

REMUNERATION OF DIRECTORS

Remuneration Policy

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

The managing director is the only executive director on the board who is entitled to receive remuneration. The non-executive directors are not entitled to any remuneration. The compensation to the managing director is within the scale approved by the shareholders. The elements of compensation comprise a fixed component and a performance incentive. The compensation is determined based on the level of responsibility and scales prevailing in the industry. The managing director is not paid sitting fees for any board / committee meetings attended by him.

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

Criteria for Board Nomination

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

Performance Evaluation

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

Remuneration of managing director:

Details of the remuneration of the managing director for the year ended 31 March, 2017 are as follows:

| Name of the Managing Director | Salary | Allowance | Incentive* | Perquisites & Contributions | Total |
|-------------------------------|---------------|-----------|------------|-----------------------------|---------------|
| Ashok J Galada | Rs. 15,00,000 | Nil | Nil | Nil | Rs. 15,00,000 |



GALADA FINANCE LIMITED

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

| Name of the Director | Sitting fees | Commission on profits | Salary & Allowances | Contribution | Perquisites | Total |
|----------------------|--------------|-----------------------|---------------------|--------------|-------------|--------|
| Justice P Bhaskaran | 9000 | N.A | N.A | N.A | N.A | 9,000/ |
| S. Venkatakrishnan | 9000 | N.A | N.A | N.A | N.A | 9,000/ |
| K. Ramu | 9000 | N.A | N.A | N.A | N.A | 9,000/ |
| Naveen Galada | Nil | Nil | Nil | Nil | Nil | Nil |
| R. S. Indira | 5000 | N.A | N.A | N.A | N.A | 5,000/ |

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The role of the committee includes formulation of shareholders' servicing plans and policies, consideration of valid share transfer requests, share transmissions, issue of duplicate share certificates, issue of share certificates for split, dematerialization, consolidation of shares, etc. The committee also monitors and reviews the mechanism of share transfers, dematerialization of shares and payment of dividends.

It further looks into the redressing of shareholders' grievances like non-receipt of balance sheet, non-receipt of declared dividends and determining, monitoring and reviewing the standards for resolution of shareholders' grievances.

Composition & Meetings

As at 31st March, 2017, the committee comprised of the following members:

| Name of member | Status in Committee | Nature of Directorship |
|--------------------|---------------------|---------------------------------|
| S. Venkatakrishnan | Chairman | Independent and Non-Executive |
| J. Ashok Galada | Member | Promoter and Executive Director |
| Naveen Galada | Member | Promoter and Executive Director |

There was no instance of meeting of the committee during 2016-17.

The company has not received any grievances/complaints from the investors during the financial year 2016-2017.

RISK MANAGEMENT COMMITTEE

Terms of Reference

The role of the committee includes review of the risk management policy developed by the management, review of the risk management framework document and implementation of the

actions planned in and periodical review of the process for systematic identification and assessment of the business risks.

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

Composition & Meetings

The committee comprises three non-executive directors independent directors. As at 31st March, 2017, the committee comprised of the following members:

| Name of members | Status in Committee | Nature of Directorship |
|---------------------|---------------------|--|
| Justice P Bhaskaran | Chairman | Independent and Non-executive Director |
| S. Venkatakrisnan | Member | |
| K. Ramu | Member | |

During the year, the committee held 1 (one) meeting 28.01.2017.

ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

| Name of the Director | Board | Audit Committee | Stakeholders Relationship Committee | Nomination & Remuneration Committee | Risk management committee | Attendance at last AGM |
|------------------------------|-------|-----------------|-------------------------------------|-------------------------------------|---------------------------|------------------------|
| Justice P Bhaskaran | 5 | 4 | | 1 | 1 | Yes |
| S. Venkatakrisnan | 5 | 4 | N.A. | 1 | 1 | Yes |
| K. Ramu | 5 | 4 | | 1 | 1 | No |
| J. Ashok Galada | 5 | | N.A. | | | Yes |
| Naveen Galada | 5 | | N.A. | | | Yes |
| Indira Srinivasan Royakottam | 4 | | | | | Yes |

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

GENERAL BODY MEETINGS

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



| Year | Date and time | Venue |
|---------|--------------------------|---|
| 2013-14 | 27.09.2014 at 04.00 p.m. | At the registered office of the Company |
| 2014-15 | 28.09.2015 at 04.00 p.m. | At the registered office of the Company |
| 2015-16 | 24.09.2016 at 04.00 p.m. | At the registered office of the Company |

DETAILS OF SPECIAL RESOLUTIONS PASSED

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

| F.Y / Date of AGM | Details |
|--------------------|--|
| 2013-14/27.09.2014 | 1. Alteration of Articles of Association 2. Related Party Transaction |
| 2014-15/28.09.2015 | Nil |
| 2015-16/24.09.2016 | Nil |

Extra-ordinary general Meeting

No extra-ordinary general meeting was held during the financial year ended 31st March 2017.

POSTAL BALLOT

No Postal Ballot was conducted during the financial year ended 31st March 2017

COMPLIANCE REPORT

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

SECRETARIAL AUDIT

The company conducts a secretarial audit by an independent practicing company secretary. For the year ended 31st March, 2017 Mr. V. Nagarajan of M/s V. Nagarajan & Co., Company Secretaries Practice (Membership No. FCS 5626/CP 3288) have conducted the Secretarial Audit of the Company and the certificate was placed before the board and attached to this report.

RECONCILIATION OF SHARE CAPITAL AUDIT

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

CODE OF CONDUCT

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

PREVENTION OF INSIDER TRADING CODE

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

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

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

CEO/CFO CERTIFICATION

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

DISCLOSURES**Related party transactions**

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

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

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

Whistle blower mechanism

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

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

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

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



There are no audit qualifications in the company's financial statements or qualification or adverse remark by the company secretary in practice in his secretarial audit report for the Financial Year ended 31st March, 2017.

MEANS OF COMMUNICATION

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

MANAGEMENT DISCUSSION & ANALYSIS

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

GENERAL SHAREHOLDER INFORMATION

REGISTERED OFFICE

Galada Finance Limited

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

Shaffee Mohamed Road,

Thousand Lights, Chennai 600 006

Phone : 28294830, 43099009, 28294831 Fax: 28294830

ANNUAL GENERAL MEETING

Date: 23rd September 2017

Time: 04.00 p.m.

Venue: Registered office of the company

FINANCIAL YEAR

1st April to 31st March

DATES OF BOOK CLOSURE

17th September 2017 to 23rd September 2017 (Both days inclusive)

LISTING ON STOCK EXCHANGES

Equity shares:

The Bombay Stock Exchange Limited, Mumbai

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

SHARE PRICE DATA

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



GALADA FINANCE LIMITED

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

"Cameo Corporate Services Limited", Subramanian Buildings, No.1, Club House Road, Chennai 600 002,

Phone No.044-28460390-94, Fax No.28460129,

Email: cameo@cameoindia.com

is the Registrar and Share Transfer Agent (RTA) for handling the physical and electronic registration work. The shareholders are requested to address their share related requests / queries to the RTA.

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity shares of the Company are made available for dematerialization under depository system operated by the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The Shares of your Company are under compulsory DEMAT settlement mode and can be traded only in the DEMAT form. Shares dematerialized up to March 31, 2017 are under

| Sl No. | Particulars of Capital Structure | No. of shares | % of Total issued capital |
|--------|---|---------------|---------------------------|
| 1. | Listed Capital(Exchange wise) as per Company's Record | 30,00,000 | 100.00% |
| 2. | Held in dematerialized Form in CDSL | 576,763 | 19.23% |
| 3. | Held in dematerialized Form in NSDL | 17,82,037 | 59.40% |
| 4. | Physical | 6,41,200 | 21.37% |

SHARE TRANSFER SYSTEM

The shares of the Company are traded on the Stock Exchanges through the Depository System. The DEMAT ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE 243E01010

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

Green initiative in corporate governance

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

Details of complaints received and redressed

During the year, no investor service complaints were received.

Designated email address for investors services

In terms of Listing Regulations, the designated email address for investor complaints is galadafinancelimited@yahoo.co.in.

Payment of unclaimed / unpaid dividend

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

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

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

*indicative dates. Actual dates may vary.

Distribution of Shareholding as on 31 March, 2017

| Share holding of Nominal value of | | Shareholders | | Share Amount | |
|-----------------------------------|--------------------|--------------|-----------------|--------------------|-----------------|
| Rs. | Rs. | Number | % to total | (in Rs.) | % to total |
| Upto | 5,000 | 379 | 63.3779 | 9,51,460 | 3.1715 |
| | 5,001 - 10,000 | 112 | 18.7291 | 9,52,950 | 3.1765 |
| | 10,001 - 20,000 | 26 | 4.3478 | 3,95,420 | 1.3181 |
| | 20,001 - 30,000 | 19 | 3.1773 | 4,83,990 | 1.6133 |
| | 30,001 - 40,000 | 10 | 1.6722 | 3,62,000 | 1.2067 |
| | 40,001 - 50,000 | 05 | 0.8361 | 2,39,500 | 0.7983 |
| | 50,001 - 1,00,000 | 07 | 1.1706 | 4,81,300 | 1.6043 |
| | 1,00,001 AND ABOVE | 40 | 6.6890 | 2,61,33,380 | 87.1113 |
| | TOTAL | 598 | 100.0000 | 3,00,00,000 | 100.0000 |


GALADA FINANCE LIMITED
SHAREHOLDING PATTERN

| Category | No. of shares | Percentage of shareholding |
|---|------------------|----------------------------|
| A. PROMOTER'S HOLDING | | |
| 1. Promoters* | | |
| - Indian promoters – Individual/HUF | 817,079 | 27.24% |
| - Indian promoters – Bodies Corporate | 563,724 | 18.79% |
| - Foreign promoters | Nil | Nil |
| 2. Persons acting in concert# | Nil | Nil |
| Sub-total | 13,80,803 | 46.03% |
| B. NON-PROMOTERS HOLDING | | |
| 3. Institutional Investors | | |
| a. Mutual Funds | Nil | Nil |
| b. Banks, Financial Institutions, Insurance companies (Central/ State Government Institutions/ Non-Government Institutions) | Nil | Nil |
| c. Foreign Institutional Investors | Nil | Nil |
| 4. Others | Nil | Nil |
| a. Private Corporate Bodies | 3,67,423 | 12.25% |
| b. Indian Public | 12,39,273 | 41.30% |
| c. NRIs/OGBs | Nil | Nil |
| d. Any other NRI | 5,601 | 0.19% |
| Hindu Undivided Families | 6,900 | 0.23% |
| Sub total | 16,19,221 | 53.97% |
| GRAND TOTAL | 30,00,000 | 100.00% |

OUTSTANDING GDRs/ADRs ETC.

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



LOCATION

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

ADDRESS FOR COMMUNICATION

Registrars and Share Transfer Agents

M/s. Cameo Corporate Services Ltd.
'Subramanian Building', No.1
Club House Road, Chennai - 600 002
Phone : 28460390; Fax : 28460129; Grams : Cameo;
E-mail : cameo@cameoindia.com; Website : www.cameoindia.com

Registered and Corporate Office of the Company

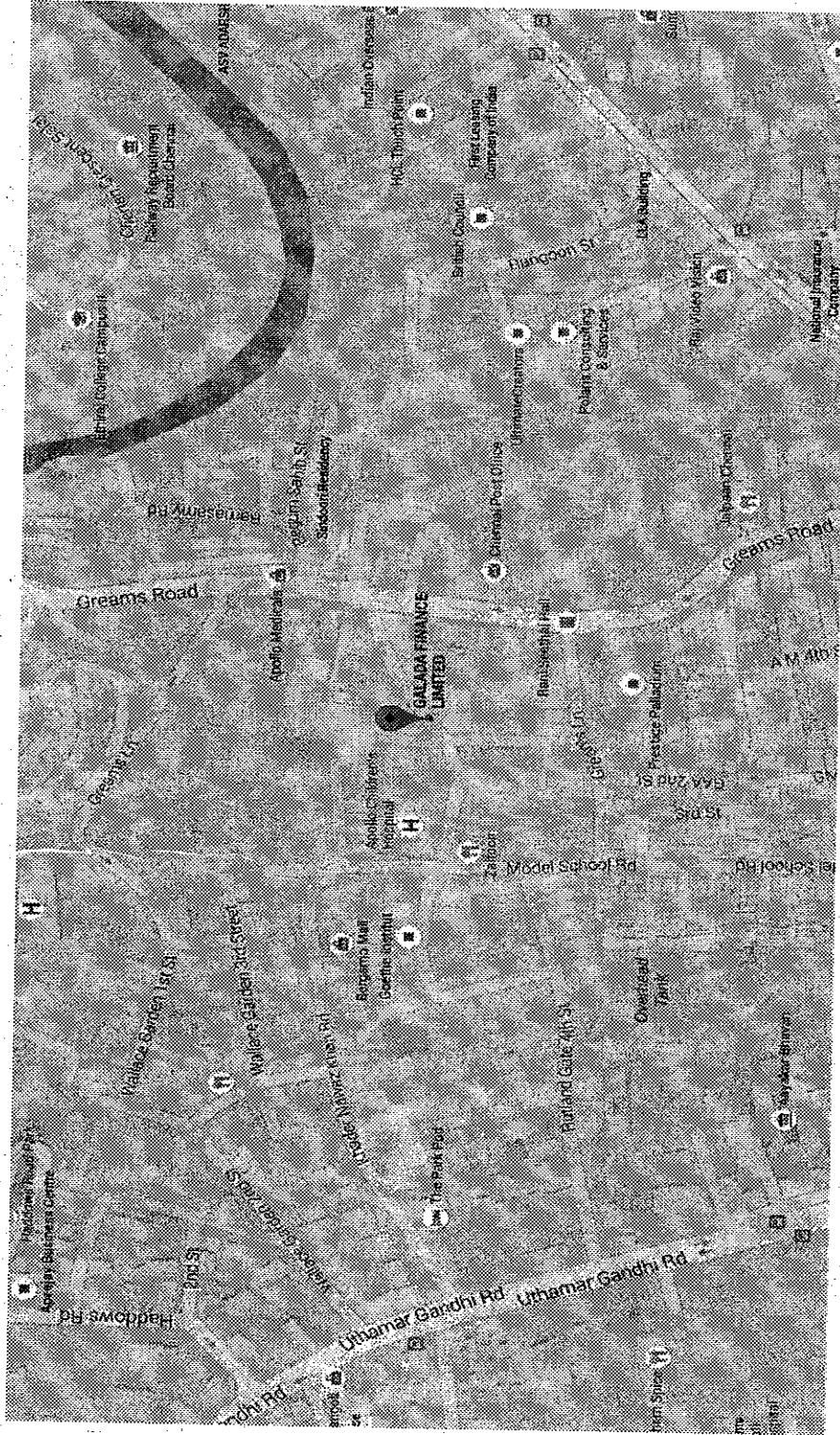
Galada Finance Limited
"Shanti Sadan", Old No.4, New No.7
Shaffee Mohamed Road,
Thousand Lights, Chennai 600 006
Phone : 28294830, 43099009, 28294831 Fax: 28294830

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

For and on behalf of the Board of Directors

Date: 29.07.2017
Place: Chennai

Justice P. Bhaskaran
Chairman
DIN: 00126136



Map data © 2015 Google 100 m

GALADA FINANCE LIMITED
 "Shanti Sadan"
 Old No.4 (New No. 7),
 Shafiee Mohammed Road,
 Thousand Lights, CHENANI 600 006

GALADA FINANCE LIMITED
 galadafinance.in Tel : 28294830



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

The Board of Directors

GALADA FINANCE LIMITED

We hereby certify that for the financial year ended 31st March 2017, on the basis of the review of financial statements and the cash flow statement and to the best of our knowledge and belief that :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. these are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016 - 17 which are fraudulent, illegal or violative of the Company's Code of Conduct;
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that

- a) there have been no significant changes in internal control over financial reporting during the year 2016-17;
- b) there have been no significant changes in accounting policies during the year 2016-17; and
- c) there have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

(J ASHOK GALADA)
Managing Director

(K R MANIMEGHALA)
Chief Financial Officer

Place : Chennai

Date : 29th July, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management has taken up detailed discussion of the risk factors related to our Company in specific and industry in general and attempts to lay down the impact of the same on the company's performance. Please find reproduced hereunder a summary of Management's Discussion and the Analysis Report which is only an illustrative list and not to be construed as an exhaustive one.

INTERNAL RISK FACTORS

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

We believe that promoting and positioning our brand is necessary for achieving recognition of our services. Brand promotion activities may not yield increased revenues and even if they do, increased revenues may not offset the expenses we incur in brand building. If we fail to promote our brand, our business, financial condition and result of operation could be affected.
- 2. Our business is vulnerable to interest rate risk. Changes in interest rate may affect our income from operation and adversely affect our financial performance and profitability.**

In our NBFC business, we are exposed to the risk of higher interest rates. If the yield on our Company's interest-earning assets does not increase at the same time or to the same extent as our cost of funds, or our cost of funds does not decline at the same time or to the same extent as the yield on its interest earning assets, our net interest income and net interest margin would be adversely impacted. This could have a material adverse effect on the financial performance.
- 3. Our Company may experience delays in enforcing the collateral when borrowers default on their obligations, which will result in failure to recover the expected value of collateral and affect our financial performance.**

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

The Company believes that human resource is most important element for success of any organization. The company takes every step to promote feeling of belongingness among its employees and maintains a separate Human Resource department to care of concerns and well being of employees. The staff turnover in the company is considerably less as compared to the industry. In any case, skilled and/or trained manpower is available in the market. It has a strong Culture & Corporate Core Values.
- 5. The changes in the regulations that govern our Company could cause the business to suffer.**

NBFCs in India are regulated by the RBI. Any changes in the regulatory framework will affect the profitability of our business and our future financial performance.
- 6. We may require additional funds to satisfy our capital needs, which we may not able to procure.**

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

7. Our business is dependent on the financial performance of the market and financial policy of the Government; it also depends upon the RBI point of view of the interest rates for public and business class at large.
8. Our business is subject to regulation by several authorities, which could have an adverse effect on our business and our results of operations. We are outsourcing entire Financial and Corporate Advisory. We are being in the field of professional services unable to market our products in an aggressive fashion.

EXTERNAL RISK FACTORS:

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

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

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

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant. The leadership of India has changed many times since 1996. The current central government is headed by the Indian National Congress and is a coalition of several political parties. Although the current government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization could change, and specific laws and policies affecting industry, foreign investment and other matters affecting investment in securities could change as well.

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

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

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

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

GALADA FINANCE LIMITED

incidents could also create perception in the minds of investors that, investment in Indian Companies involve a higher degree of risk.

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

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

6. Factors affecting Indian economy in general

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

Risk Relating to our Industry:

● **Risk of Bad Debts (Non-Performing Assets)**

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

● **Interest Rates**

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

● **Risk of Competition**

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

● **Global Economic Uncertainties**

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

Declaration on Code of Conduct

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

Place : Chennai
Date : 29.07.2017

J. Ashok Galada
Managing Director cum CEO

GF GALADA FINANCE LIMITED



INDEPENDENT AUDITOR'S REPORT

To the Members of
Galada Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Galada Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 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 Company'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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company'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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss Account, of the profit of the Company for the year ended on that date and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The company did not have any long-term contracts, including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 21)

For Chandarana & Sanklecha.,
Chartered Accountants
Firm Regd. No : 000557S

Bharat Raj Sanklecha
Proprietor
Membership No. 027539

Place : Chennai
Date : 30th May 2017



GALADA FINANCE LIMITED

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of Galada Finance Limited on the accounts of the Company for the year ended 31st March, 2017.

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

1. a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
2. The Company is a Non-Banking Financial Company (NBFC) engaged in the business of Financing. Hence this clause 2 of the Order is not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, paragraph 3(iii) (a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
4. Based on information and explanation given to us the Company has not granted/made loan investments, guarantees and securities within the provision of Section 185 and 186 of the Companies Act.
5. During the year the company has not accepted any deposits from public. In respect of deposits accepted in the previous years, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the company.
7. (a) The company is regular in depositing with appropriate authorities, undisputed statutory dues, including Provident Fund, Employees' State Insurance, income-tax, sales-tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

and

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they become payable.

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

| Name of the Statute | Nature of dues | Amount in (Rs) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|-----------------------|----------------|------------------------------------|--------------------------------|
| Income Tax | Income Tax & Interest | 2,62,650 | A.Y-2012-13 | CIT Appeal |
| Income Tax | Income Tax & Interest | 3,48,040 | A.Y-2013-14 | CIT Appeal |

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

For Chandarana & Sanklecha.,
Chartered Accountants
Firm Regd. No : 000557S

Bharat Raj Sanklecha
Proprietor
Membership No. 027539

Place : Chennai
Date : 30th May 2017

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Galada Finance Limited on the financial statements for the year ended March 31, 2017)

Report on the Internal Financial Controls over Financial Reporting under clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of Galada Finance Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Chandarana & Sanklecha.,
Chartered Accountants
Firm Regd. No : 000557S

Bharat Raj Sanklecha
Proprietor
Membership No. 027539

Place : Chennai
Date : 30th May 2017



GALADA FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2017

CIN : L65191TN1986PLC01

| Particulars | Note No. | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|--|----------------|---|---|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | 2 | 30,000,000 | 30,000,000 |
| (b) Reserves and surplus | 3 | 30,772,377 | 28,407,899 |
| | | <u>60,772,377</u> | <u>58,407,899</u> |
| (2) Share application money pending allotment | | | |
| (3) Non-current liabilities | | | |
| (a) Long-term borrowings | 4 | 3,471,801 | 5,850,000 |
| (b) Deferred tax liabilities (net) | | | 41,000 |
| (c) Other Long Term liabilities | 5 | 194,065 | 667,980 |
| | | <u>3,665,866</u> | <u>6,558,980</u> |
| (4) Current liabilities | | | |
| (a) Short-term borrowings | 6 | 28,019,060 | 23,989,205 |
| (b) Other current liabilities | 7 | 19,900,993 | 12,883,838 |
| (c) Short-term provisions | 8 | 3,452,000 | 2,628,000 |
| | | <u>51,372,053</u> | <u>39,501,043</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>115,810,296</u> | <u>104,467,920</u> |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 9 | 5,706,452 | 3,423,828 |
| (b) Non-current investments | 10 | 17,793,421 | 16,164,727 |
| (c) Deferred Tax Asset | | 164,500 | - |
| (d) Long-term loans and advances | 11 | 421,517 | 421,517 |
| | | <u>24,085,890</u> | <u>20,010,072</u> |
| (2) Current assets | | | |
| (a) Cash and cash equivalents | 12 | 534,856 | 834,622 |
| (b) Short-term loans and advances | 13 | 91,189,550 | 83,623,226 |
| | | <u>91,724,406</u> | <u>84,457,848</u> |
| TOTAL ASSETS | | <u>115,810,296</u> | <u>104,467,920</u> |
| Notes to the Accounts | 1 to 25 | | |

As per our report of even date attached

For **CHANDARANA AND SANKLECHA**
Chartered Accountants
Firm No. 000557S

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimegha
Chief Financial
Officer

Place : Chennai
Date : 30.05.2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | Note No. | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|--|----------|---|---|
| REVENUE | | | |
| I. Revenue from operations | 14 | 14,758,830 | 13,951,125 |
| II. Other Income | 15 | 2,856,044 | 1,472,340 |
| III. Total Revenue (I+II) | | <u>17,614,874</u> | <u>15,423,465</u> |
| EXPENSES | | | |
| Employee Benefits Expenses | 16 | 3,015,393 | 2,890,049 |
| Finance Costs | 17 | 4,586,294 | 4,011,953 |
| Depreciation and amortisation expenses | | 1,595,751 | 950,587 |
| Other Expenses | 18 | 4,527,456 | 3,971,248 |
| Provision For NPA | | 824,000 | 433,000 |
| IV. Total Expenses | | <u>14,548,894</u> | <u>12,256,837</u> |
| V. Profit before Tax (III-IV) | | 3,065,980 | 3,166,628 |
| VI. Tax Expense | | | |
| (1) Current Tax | | 907,000 | 915,000 |
| (2) Deferred Tax | | (205,500) | (44,000) |
| VII. Profit after Tax (V-VI) | | 2,364,480 | 2,295,628 |
| Earning per share-Basic & Diluted | | 0.79 | 0.77 |
| Notes to the Accounts | 1 to 25 | | |

For **CHANDARANA AND SANKLECHA**
Chartered Accountants
Firm No. 000557S

As per our report of even date attached

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimeghala
Chief Financial
Officer

Place : Chennai
Date : 30.05.2017

GALADA FINANCE LIMITED

Notes forming part of the financial statements

Note 1 - Significant Accounting Policies

a) Basis of preparation of Financial Statements

The Financial Statements of the Company has been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act") as applicable & the Regulations as applicable to the Non Banking Finance Companies, issued by the RBI.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs, if any, in bringing the assets to its working condition for its intended use.

d) Depreciation

(i) Depreciation is provided for on Written Down Value method based on useful life of the assets as specified in Part C of Schedule II of the Companies Act, 2013

(ii) In respect of addition of assets during the year, depreciation have been provided as per Part C of Schedule II of Companies Act, 2013

e) Revenue Recognition

i) The company accounts for income and expenditure on accrual basis except otherwise stated.

ii) Finance Charges in respect of Hire Purchase, Vehicle loan & Hypothecation transactions are apportioned over the period of agreement by Internal Rate of Return basis.

iii) The company has followed the Prudential Norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

iv) Interest on overdue lease rentals, loans and hire purchase instalments accounted for on receipt basis.

f) Investments:

Investments in Shares and Debentures are stated at cost. However, any decline in the value of such investments which in the opinion of the management, is not temporary, is provided for.

g) Taxation

Provision for taxation comprises of the current tax provision, and the net change in the deferred tax asset or liability during the year Provision for deferred tax is made on the timing differences arising

between the taxable income and accounting income computed using the tax rates and laws that has been enacted or substantively enacted as of the balance sheet date.

h) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

i) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognized in the financial statements.

j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Earning per share, both basic and diluted, are calculated in accordance with the Accounting Standard - 20 issued by the Institute of Chartered Accountants of India.

k) Disclosure requirement regarding Micro, Small & Medium Scale Enterprises

The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure, if any, relating to amount unpaid at the year end together with interest paid/ payable as required under the said Act have not been given.

Note 2 Share capital

| Particulars | As at 31 st March, 2017 | | As at 31 st March, 2016 | |
|---|------------------------------------|-------------------|------------------------------------|-------------------|
| | Number of shares | Amount | Number of shares | Amount |
| (a) Authorised Equity shares of Rs.10 each with voting rights | 4,000,000 | 40,000,000 | 4,000,000 | 40,000,000 |
| (b) Issued Equity shares of Rs.10 each with voting rights | 3,000,000 | 30,000,000 | 3,000,000 | 30,000,000 |
| (c) Subscribed and fully Paid up Equity shares of Rs.10 each with voting rights | 3,000,000 | 30,000,000 | 3,000,000 | 30,000,000 |
| Total | 3,000,000 | 30,000,000 | 3,000,000 | 30,000,000 |


GALADA FINANCE LIMITED
Note 2.1

The number of shares outstanding at the beginning and at the end of the reporting period are the same.

Note 2.2

Details of shareholders holding more than 5 % shares of the company

| Name of the Shareholder | No. of shares held as on 31st March 2017 | % of Holding | No. of shares held as on 31st March 2016 | % of Holding |
|-------------------------|--|--------------|--|--------------|
| Galada Trades Ltd | 199,124 | 6.64 | 199,100 | 6.64 |
| Galada Housing Ltd | 364,600 | 12.15 | 364,600 | 12.15 |
| Ashok Kumar Galada HUF | 174,500 | 5.82 | 174,500 | 5.82 |
| Shanthi Galada | 195,750 | 6.53 | 195,750 | 6.53 |
| Prithvi Softech Limited | 225,000 | 7.50 | 225,000 | 7.50 |

Note 3 Reserves and surplus

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|---|---|---|
| (a) Statutory reserve | | |
| (As per Section 45-IC of the Reserve Bank of India Act, 1934) | | |
| Opening balance | 8,023,000 | 7,563,000 |
| Add: Transferred from surplus in Statement of Profit and Loss Statement | 473,000 | 460,000 |
| Closing balance | 8,496,000 | 8,023,000 |
| (b) General reserve brought forward | 6,064,739 | 6,064,739 |
| Addition during the year | - | - |
| Closing balance | 6,064,739 | 6,064,739 |
| (c) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 14,320,158 | 12,484,530 |
| Add: Profit / (Loss) for the year | 2,364,480 | 2,295,628 |
| Less: Transferred to Statutory Reserve | 473,000 | 460,000 |
| Closing balance | 16,211,638 | 14,320,158 |
| Total | 30,772,377 | 28,407,897 |

Note 4 Long-term borrowings

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|--|--|--|
| Secured Loan -Volkswagan Finance P LTd (Secured against Audi Car) | 2,357,801 | - |
| Unsecured loan - Fixed Deposits | 1,114,000 | 5,850,000 |
| Total | 3,471,801 | 5,850,000 |

Note 4.1 Fixed Deposits from Directors

31st March 2016 1,950,000

31st March 2017 100,000

Note 5 Other Long term liabilities

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|------------------------------|--|--|
| Interest accrued but not due | 194,065 | 667,980 |
| Total | 194,065 | 667,980 |

Note 5.1 Interest accrued on deposit from Directors

31st March 2016 295,077

31st March 2017 NIL

Note 6 Short-term borrowings

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|---|--|--|
| Secured loan from Indian Bank (Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.) | 20,375,300 | 20,051,526 |
| Secured loan from others (Secured by pledge of shares) | 2,165,429 | 2,702,679 |
| Unsecured loan - Fixed Deposits | 4,836,000 | 1,235,000 |
| Secured Loan - From Volkswagon Finance P.Ltd (Secured against Audi Car) | 642,331 | - |
| Term Loan - From others (Secured by Hypothication of Agreement of Debtors) | - | - |
| Total | 28,019,060 | 23,989,205 |


GALADA FINANCE LIMITED
Note 6.1 Fixed Deposits from Directors

 31st March 2016 - 100,000

 31st March 2017 - 1,850,000

Note 7 Other current liabilities

| | As at 31 st March, 2017 In Rs. | As at 31 st March, 2016 in Rs. |
|-------------------------------|--|--|
| Unmatured hire charges | 14,483,739 | 10,689,321 |
| Advance interest | 3,445,461 | 1,568,760 |
| Advances & deposits | 200,551 | 53,000 |
| Sundry creditors for others | 506,590 | 289,018 |
| Sundry creditors for expenses | 186,720 | 209,193 |
| Interest accrued but not due | 1,077,932 | 74,546 |
| Total | 19,900,993 | 12,883,838 |

Note 7.1 Interest accrued on deposit from Directors

 31st March 2017 - 517,601

 31st March 2016 - NIL

Note 8 Short-term provisions

| | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|--------------------------------------|--|--|
| Provision for bad and doubtful debts | - | - |
| i) On NPA | 3,227,308 | 2,447,280 |
| ii) On Standard Assets | 224,692 | 180,720 |
| Total | 3,452,000 | 2,628,000 |



Note 9 Fixed assets

| DESCRIPTION | Gross block at cost | | | | Depreciation | | | | Net Block | |
|----------------------------|-----------------------------|------------------|------------------|------------------------------|-----------------------------|------------------|------------------|------------------------------|------------------------------|-----------------------------|
| | Balance as at 1 April, 2016 | Additions | Disposals | Balance as at 31 March, 2017 | Balance as at 1 April, 2016 | Additions | Deductions | Balance as at 31 March, 2017 | Balance as at 31 March, 2017 | Balance as at 1 April, 2016 |
| | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. | In Rs. |
| Tangible Assets | | | | | | | | | | |
| (a) Freehold Land | 467,390 | - | - | 467,390 | - | - | - | 467,390 | 467,390 | 467,390 |
| (b) Plant and Machinery | 866,084 | 33,149 | - | 899,233 | 783,553 | 33,657 | - | 821,210 | 82,023 | 82,531 |
| (c) Furniture and Fixtures | 1,475,929 | 1,696 | - | 1,477,625 | 1,390,922 | 5,179 | - | 1,396,101 | 81,524 | 85,007 |
| (d) Vehicles | 3,888,239 | 4,279,621 | 1,800,695 | 6,367,165 | 2,153,091 | 1,316,557 | 1,303,986 | 4,201,503 | 1,735,148 | 1,735,148 |
| (e) Office equipment | 1,014,803 | 60,618 | - | 1,075,421 | 943,711 | 34,161 | - | 977,872 | 97,649 | 71,092 |
| Assets on Lease | | | | | | | | | | |
| (a) Furniture and Fixtures | 619,875 | - | - | 619,875 | 557,632 | 24,283 | - | 581,915 | 37,960 | 62,243 |
| (c) Equipment | 2,961,601 | - | - | 2,961,601 | 2,041,184 | 181,914 | - | 2,223,098 | 738,503 | 920,417 |
| Total | 11,293,921 | 4,375,084 | 1,800,695 | 13,868,310 | 7,870,093 | 1,595,751 | 1,303,986 | 8,161,358 | 5,706,452 | 3,423,828 |
| Previous year | 10,198,882 | 1,118,280 | 23,241 | 11,293,321 | 6,941,935 | 950,587 | 22,429 | 7,870,093 | 3,423,828 | 3,256,947 |

NOTE 10 NON-CURRENT INVESTMENTS

| Particulars | | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--|---------------------|-------------------------|---------------|-------------------------|---------------|
| Investment in Equity Instruments: Fully paid | Face value (In Rs.) | Holding (no. of shares) | Cost (In Rs.) | Holding (no. of shares) | Cost (In Rs.) |
| Other Companies | | | | | |
| Quoted | | | | | |
| AUTOMOTIVE AXLEX LTD | 10 | - | - | 150 | 102,855 |
| ALKEM LAB LTD | 2 | - | - | 100 | 152,379 |
| ASHOK LEYLAND | | 300 | 31,110 | | |
| AUROBINDO PHARMA | | 150 | 111,855 | | |
| AXIS BANK LTD | | 300 | 136,530 | | |
| BALLAPUR INDUSTRIES | 2 | 4,000 | 80,675 | 4,000 | 80,675 |
| BANK OF MAHARASHTRA | 10 | 2,000 | 116,156 | 2,000 | 116,156 |
| BHARATI AIRTEL LTD | 5 | 150 | 64,875 | 150 | 64,875 |
| BHARAT FORGE LTD | | 200 | 211,780 | | |
| BHEL | 10 | 2,100 | 384,080 | 1,100 | 334,825 |
| BOMBAY DYEING | 2 | 1,500 | 97,050 | 1,500 | 176,530 |
| BPCL | | 100 | 50,508 | | |
| BRITANNIA INDUSTRIES LTD | 2 | - | - | 300 | 1,008,840 |
| BSE LIMITED | | 200 | 205,260 | | |
| COAL INDIA | 10 | 910 | 292,811 | 910 | 292,811 |
| CREDIT ANALYSIS & RESEARCH LTD | 10 | | | 50 | 76,675 |
| CROMPTON GREAVES LTD | 2 | | | 300 | 52,800 |
| CROMPTON GREAVES CONSUMER LTD | 2 | | | 300 | - |
| DCB BANK | 10 | | | 230 | 28,026 |
| DLF LIMITED | 2 | 2,000 | 725,406 | 1,000 | 577,256 |
| DISMAN PHARMA & CHEM | 2 | | | 200 | 72,634 |
| DOLPIN OFFSHORE | 10 | | | 350 | 43,113 |
| ESCORTS LTD | 10 | | | 300 | 35,685 |
| ELGI EQUIPMENT | 1 | | | 500 | 73,100 |
| FEDDERS LLOYD | 10 | 1,700 | 171,403 | 1,100 | 125,803 |
| FEDERAL BANK LTD | 2 | | | 1,000 | 114,975 |
| FEDERAL BANK LTD(Bonus) | 2 | | | 1,000 | - |
| GANGOTHRI TEXTILES | 5 | | | 500 | 11,900 |
| GAS AUTHORITY OF INDIA LTD | 10 | | | 450 | 182,610 |
| GATI LTD | 2 | 500 | 148,500 | 500 | 148,500 |
| GNFC | 10 | | | 489 | 45,320 |
| GRAUER & WEIL (I) LTD | 1 | | | 2,000 | 61,650 |
| GRUH FINANCE LTD | 2 | | | 600 | 161,640 |


GALADA FINANCE LIMITED

| Particulars | | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--|---------------------|-------------------------|---------------|-------------------------|---------------|
| Investment in Equity Instruments: Fully paid | Face value (In Rs.) | Holding (no. of shares) | Cost (In Rs.) | Holding (no. of shares) | Cost (In Rs.) |
| GUJARAT GAS COMPANY | 2 | | | 210 | 166,614 |
| GUJARAT INDUSTRIES POWER CO LTD | 10 | | | 1,000 | 91,729 |
| GVK POWER | 1 | 19,000 | 460,550 | 9,000 | 358,300 |
| GSFC | 2 | | | 500 | 38,150 |
| HDFC BANK LTD | 2 | | | 209 | 212,420 |
| HINDALCO INDUSTRIES LTD | 1 | 100 | 19,070 | 300 | 52,140 |
| HINDUSTAN OIL EXPLORATION COMPANY LTD | 10 | | | 6,000 | 309,084 |
| HINDUSTAN ORGANIC CHEMICAL LTD | 10 | | | 2,000 | 43,150 |
| IFCI LIMITED | 10 | 93,000 | 4,085,123 | 31,000 | 2,223,623 |
| INDIA BULLS REAL ESTATE | 2 | 4,000 | 564,565 | 2,500 | 438,665 |
| INDIA CEMENT | 10 | | | 3,300 | 528,191 |
| IPCA LAB | 2 | 300 | 253,506 | 300 | 253,506 |
| J.M.SHARE & STOCK BROKERS | 1 | | | 2,000 | 84,590 |
| JAIN STUDIO LIMITED | 10 | 7,420 | 309,903 | 7,420 | 309,903 |
| JHAGADIA COPPER LTD | 10 | 1,000 | 24,000 | 1,000 | 24,000 |
| JYOTHI LABORATORIES LTD | 1 | | | - | - |
| KARNATAKA BANK LTD | 10 | 300 | 38,610 | 300 | 45,870 |
| KESORAM INDUSTRIES LTD | 10 | 3,100 | 917,807 | 2,100 | 775,707 |
| KINETIC ENGINEERING LTD | 10 | 258 | 141,135 | 258 | 141,135 |
| KOHINOOR FOODS LTD | 10 | | | 2,000 | 115,060 |
| KPIT TECHNOLOGIES LTD | 2 | 300 | 57,550 | 300 | 57,550 |
| L&T FINANCE HOLDING LTD | 10 | | | 500 | 40,850 |
| LIC HOUSING FINANCE LTD | 2 | | | 500 | 246,550 |
| MARKSANS PHARMA LTD | 1 | 500 | 53,650 | 500 | 53,650 |
| MARUTI SUZUKI INDIA LTD | | 300 | 1,796,010 | | |
| MBL INFRA STRUCTURE LTD | 10 | 5,100 | 366,070 | 600 | 135,180 |
| MEOSIS INDUSTRIES LIMITED | 10 | 600 | 25,650 | 600 | 25,650 |
| MERCATORS LINES LIMITED | 1 | 3,000 | 187,800 | 1,000 | 94,500 |
| MERCK LTD | | 131 | 144,270 | | |
| MOSER BAER | 10 | 5,250 | 317,425 | 5,250 | 317,425 |
| MOTHERSUMI | 1 | | | 450 | 139,860 |
| MTNL LTD | 10 | 1,000 | 176,824 | 1,000 | 176,824 |
| NHPC | 10 | 1,000 | 36,900 | 1,000 | 36,900 |
| NET WORK 18 FINCOP LTD | 5 | 1,500.0 | 76,775 | 1,000 | 56,900 |
| OIL INDIA LTD | 10 | 2,600 | 1,049,500 | 1,450 | 847,300 |
| ONGC LTD | 5 | 2,325 | 537,650 | 550 | 230,700 |


GALADA FINANCE LIMITED

| Particulars | | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--|---------------------|-------------------------|-------------------|-------------------------|-------------------|
| Investment in Equity Instruments: Fully paid | Face value (In Rs.) | Holding (no. of shares) | Cost (In Rs.) | Holding (no. of shares) | Cost (In Rs.) |
| ORIENT HOTEL | 1 | | | 1,610 | 39,676 |
| POWER FINANCE CORPORATION LTD | 10 | 2,000 | 309,950 | 1,000 | 309,950 |
| POWER GRID CORPN | 10 | 500 | 102,050 | 500 | 63,450 |
| POWER TRADING CORPORATION | 10 | | | 2,000 | 175,900 |
| PTC INDIA FINANCIAL SERVICES LTD | 10 | 2,500 | 126,700 | 1,500 | 88,350 |
| PUNJ LYODS | 2 | 3,300 | 337,764 | 500 | 263,500 |
| RELIANCE POWER LTD | 10 | 1,900 | 401,460 | 1,400 | 375,410 |
| SADBHAV ENGINEERS | 1 | | | - | - |
| SESA STERLITE LTD | 1 | 600 | 177,345 | 600 | 177,345 |
| SHREE RAM URBAN INFRASTRUCTURE LTD | 10 | 500 | 219,998 | 500 | 219,998 |
| STATE BANK OF BIKNER & JAIPUR | 10 | | | 500 | 279,475 |
| STATE BANK OF INDIA LTD | 1 | | | 700 | 145,500 |
| SUN PHARMACEUTICALS INDIA LTD | 1 | | | 200 | 167,915 |
| SUNDARAM FASTENERS LTD | 1 | | | 680 | 109,892 |
| SAVERA INDUSTRIES LTD | 10 | 1,204 | 80,198 | 1,204 | 80,198 |
| SIEMENS LTD | 2 | 100 | 145,440 | 100 | 145,440 |
| STRIDES SHASUN LTD | | 150 | 172,015 | | |
| TATA COMMUNICATION | | 300 | 226,890 | | |
| TATA INVEST | 10 | 401 | 263,497 | 1,001 | 536,928 |
| TATA METALIK | 10 | | | 700 | 104,230 |
| TATA MOTORS LIMITED | | 1,200 | 577,080 | | |
| TATA SPONGE IRON LTD | | 230 | 163,576 | | |
| TATA STEEL LTD | 10 | 200 | 93,040 | 500 | 281,825 |
| TECH MAHINDRA | 10 | 600 | 352,820 | 400 | 261,060 |
| TELE DATA INFO | 2 | 1,000 | 71,990 | 1,000 | 71,990 |
| TELEDATA MARINE SOLUTION | 2 | 500 | - | 500 | - |
| TELEDATA TECHNOLOGY SOLUTION | 2 | 500 | - | 500 | - |
| TD POWER SYSTEM LTD | 10 | 1,200 | 332,324 | 900 | 280,695 |
| UCO BANK LTD | 10 | 500 | 57,150 | 500 | 57,150 |
| ULTRATECH CEMENT LTD | 10 | | | 1 | 1,749 |
| UNITECH | 2 | 1,500 | 190,875 | 1,500 | 190,875 |
| WOCKHARDT LTD | 5 | 50 | 96,795 | 50 | 96,795 |
| | | | 18,967,299 | | 17,338,605 |
| Unquoted | | | | | |
| BIHAR ALLOYS | 10 | 200 | 2,000 | 2,000 | 2,000 |
| GUPTA CARPET | 10 | 360 | 11,425 | 360 | 11,425 |

| Particulars | | As at 31 March, 2017 | | As at 31 March, 2016 | |
|--|---------------------|-------------------------|-------------------|-------------------------|-------------------|
| Investment in Equity Instruments: Fully paid | Face value (In Rs.) | Holding (no. of shares) | Cost (In Rs.) | Holding (no. of shares) | Cost (In Rs.) |
| KAYPEE MANTEX | 10 | 100 | 1,000 | 100 | 1,000 |
| KOCHAR OIL MILL LTD | 10 | 100 | 1,200 | 100 | 1,200 |
| S.N.S.LEASING | 10 | 100 | 650 | 100 | 650 |
| TUNGABADRABULP BOARD STD | 10 | 150 | 750 | 150 | 750 |
| W.I.E.ENGINEERNG | 10 | 100 | 2,500 | 100 | 2,500 |
| ZEN GLOBAL FINANCE | 10 | 5,000 | 75,000 | 5,000 | 75,000 |
| | | | 94,525 | | 94,525 |
| | | | 19,061,824 | | 17,433,130 |
| Less: Aggregate Provision for diminution in value of investments | | | 2,668,403 | | 2,668,403 |
| | | | 16,393,421 | | 14,764,727 |
| Investment in Govt. Securities | | | | | |
| 9.38% West Bengal SDL | 100 | | 200,000 | | 200,000 |
| 8.26% UP SDL | 100 | | 100,000 | | 100,000 |
| 8.47% UP SDL | 100 | | 300,000 | | 300,000 |
| 8.32% TN SDL | 100 | | 190,000 | | 190,000 |
| 8.26% GOI Bond | 100 | | 150,000 | | 150,000 |
| 7.99% MAHA SDL | 100 | | 100,000 | | 100,000 |
| 9.01% J & K SDL | 100 | | 200,000 | | 200,000 |
| 8.19% GOI Bond | 100 | | 60,000 | | 60,000 |
| 8.79% MAHA SDL | 100 | | 100,000 | | 100,000 |
| | | | 1,400,000 | | 1,400,000 |

| | | |
|---|-------------------|-------------------|
| Total Non-Current Investments | 17,793,421 | 16,164,727 |
| Aggregate Cost of Quoted Shares | 18,978,724 | 17,350,030 |
| Aggregate market value of listed and quoted investments | 13,200,515 | 9,172,900 |
| Aggregate Cost of unquoted Shares | 83,100 | 83,100 |

Note 11 Long-term loans and advances

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-----------------------------------|---|---|
| Unsecured, considered good | | |
| Advances & Deposits | 421,517 | 421,517 |
| Total | 421,517 | 421,517 |


GALADA FINANCE LIMITED
Note 12 Cash and cash equivalents

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|---|--|--|
| (a) Cash on hand | 494,487 | 755,357 |
| (b) Balances with banks in current accounts | 40,369 | 79,265 |
| Total | 534,856 | 834,622 |

Note 13 Short-term loans and advances

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-----------------------------------|--|--|
| Secured, considered good | | |
| Hypothecation Loans | 1,406,336 | 1,406,336 |
| Vehicle loans | 15,593,715 | 10,973,365 |
| Stock on hire | 65,561,084 | 61,504,173 |
| Unsecured, considered good | | |
| Equipment lease rent receivable | - | 240,000 |
| Advances & Deposits | 201,511 | 1,726,656 |
| Vehicles in hand | 2,891,350 | 2,464,002 |
| Loans | 4,744,058 | 4,585,360 |
| Interest Accrued but not due | 31,372 | 31,372 |
| Dividend Receivable | 10,000 | |
| Other loans & advances | | |
| Income Tax (Net of provision) | 750,124 | 691,962 |
| Total | 91,189,550 | 83,623,226 |

Note 14 Revenue from operations

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|---|--|--|
| Income from Financing Operations | | |
| Interest Receipts | 5,376,891 | 4,134,956 |
| Hire Purchase Profit | 9,375,759 | 9,189,269 |
| Document Charges Receipts | 6,180 | 26,900 |
| Lease Rentals | - | 600,000 |
| Total | 14,758,830 | 13,951,125 |

Note 15 Other Income

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-----------------------------|--|--|
| Dividend Receipts | 171,388 | 257,293 |
| Interest on Govt Securities | 120,342 | 120,342 |
| Profit on sale of Assets | 200,291 | 0 |
| Profit on sale of Shares | 2,332,293 | 1,059,322 |
| Miscellaneous Income | 31,730 | 35,383 |
| Total | 2,856,044 | 1,472,340 |

Note 16 Employee Benefits

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-------------------------|--|--|
| Salary & Bonus | 1,429,479 | 973,162 |
| Managerial Remuneration | 1,500,000 | 1,500,000 |
| Gratuity | - | 336,121 |
| Staff Welfare Expenses | 85,914 | 80,766 |
| Total | 3,015,393 | 2,890,049 |

Note 17 Finance Costs

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-------------------------|--|--|
| Interest Expense | | |
| Loan from Bank | 2,473,596 | 2,260,380 |
| Fixed Deposits | 972,330 | 930,674 |
| Other Interest | 1,116,377 | 726,676 |
| | <u>4,562,303</u> | <u>3,917,730</u> |
| Loan Processing Fees | 643 | 67,850 |
| Bank Charges | 23,348 | 26,373 |
| Total | 4,586,294 | 4,011,953 |


GALADA FINANCE LIMITED
Note 18 Other Expenses

| Particulars | As at 31 st March, 2017 in Rs. | As at 31 st March, 2016 in Rs. |
|-------------------------------|--|--|
| Advertisement Expenses | 44,947 | 67,397 |
| Audit Fees | 86,000 | 86,000 |
| Bad Debts | 1,235,568 | 617,765 |
| Business Promotion Expenses | 44,034 | 91,330 |
| Commission & Brokerage | - | 14,808 |
| Communication Expenses | 123,396 | 110,660 |
| Consultancy Fees | - | 100,000 |
| Custodial charges | 40,000 | 40,000 |
| Demat Charges | 2,185 | - |
| Directors Sitting Fees | 32,000 | 28,000 |
| Electricity Expenses | 72,373 | 55,006 |
| Insurance Charges | 159,646 | 77,908 |
| Legal & Professional Fees | 551,479 | 526,058 |
| Listing Fees | 200,000 | 200,000 |
| Loss on Sale of Assets | - | 512 |
| Miscellaneous Expenses | 330,820 | 276,078 |
| Office Expenses | 241,508 | 368,607 |
| Office Rent | 480,000 | 480,000 |
| Parking Charges | - | 4,500 |
| Printing and Stationery | 53,575 | 92,099 |
| Rates and taxes | 4,190 | 208,556 |
| Repairs & Maintenance Charges | 70,014 | 92,195 |
| Service Tax Paid | 199,614 | - |
| STT | 84,221 | 15,531 |
| Travelling and Conveyance | 103,702 | 195,259 |
| Vehicle Maintenance | 368,184 | 222,979 |
| Total | 4,527,456 | 3,971,248 |

NOTE 19 - General - Payments to Auditors

| Particulars | 2016 - 2017 | 2015 - 2016 |
|----------------------------|---------------|---------------|
| | RS. | RS. |
| For Statutory Audit | 45,000 | 45,000 |
| For Tax Audit | 10,000 | 10,000 |
| For Taxation | 10,000 | 10,000 |
| For Other Services | 11,000 | 11,000 |
| For Out of pocket expenses | 10,000 | 10,000 |
| Total | 86,000 | 86,000 |

NOTE 20 - Finance Charges

| Particulars | 2016 - 2017 | 2015 - 2016 |
|----------------|------------------|------------------|
| On Fixed Loans | 972,330 | 1,135,712 |
| On Other Loans | 3,589,973 | 2,782,018 |
| Total | 4,562,303 | 3,917,730 |

NOTE 21

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segment as per accounting standard 17 (Segment Reporting) issued by the Institute of Chartered Accountants of India.

NOTE 22 - Payment to Directors

| Particulars | 2016 - 2017 | 2015 - 2016 |
|------------------------------|-------------|-------------|
| A. Interest on Fixed Deposit | 295,904 | 251,215 |
| B. Sitting Fees | 32,000 | 28,000 |
| C. Salary & Allowance | 1,500,000 | 1,500,000 |

NOTE 23 - Related Party Disclosures
Related Parties
a. Key Management Personnel :

Mr. J Ashok Galada, Managing Director

Mr. Naveen Galada, Director

Ms. Alpa Jain, Company Secretary

Mrs. K.R.Manimeghala, Chief Financial Officer

B Transaction with Related Parties

| Name of the Party | Relationship between the party | Nature of Transaction | Volume of transaction | Amount Payable |
|---------------------|--------------------------------|----------------------------|-----------------------|----------------|
| Alpa Jain | Company Secretary | Professional Fees | 204,000 | - |
| K.R.Manimeghala | Chief Financial Officer | Salary, Bonus & Conveyance | 482,950 | - |
| Shanthi Devi Galada | Managing Director's Wife | Rent | 480,000 | - |
| J Ashok Galada | Managing Director | Salary | 1,500,000 | - |

NOTE 24

In accordance with the Accounting Standard 22(Accounting for taxes on income) issued by the Institute of Chartered Accountants of India, the deferred tax liability / assets as the case may be as at 31st March, 2017 has been changed to / reversed back in the Profit & Loss Account. In Current year provision has been reversed on account of timing difference of depreciation on assets.



GALADA FINANCE LIMITED

NOTE 25 - Earning Per Share

| Particulars | 2016 - 2017 | 2015 - 2016 |
|-------------------------------------|-------------|-------------|
| Profit after Tax | 2,364,480 | 2,295,628 |
| No of Shares outstanding | 3,000,000 | 3,000,000 |
| Earning Per Share - Basic & Diluted | 0.79 | 0.77 |

NOTE 26 - Disclosure on Specified Bank Notes :

The details of Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December 2016 vide Notification No : G.S.R 308 (E) dated 30th March 2017 is given below :

| Particular | SBNs* | Other Denomination (Rs.) | Total (Rs.) |
|---|---------|--------------------------|-------------|
| Closing cash in hand as on 08th November 2016 | 951,000 | 58,269 | 1,009,269 |
| (+) Permitted Receipts | - | 297,877 | 297,877 |
| (-) Permitted Payments | - | 119,982 | 119,982 |
| (-) Amount deposited in Banks | 951,000 | - | 951,000 |
| Closing cash in hand as on 30th December 2016 | - | 236,164 | 236,164 |

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

As per our report of even date attached

For **CHANDARANA AND SANKLECHA**

Chartered Accountants

Firm No. 000557S

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimeghala
Chief Financial
Officer

Place : Chennai
Date : 30.05.2017

NOTE 20 - Finance Charges

| Particulars | 2016 - 2017 | 2015 - 2016 |
|----------------|------------------|------------------|
| On Fixed Loans | 972,330 | 1,135,712 |
| On Other Loans | 3,589,973 | 2,782,018 |
| Total | 4,562,303 | 3,917,730 |

NOTE 21

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segment as per accounting standard 17 (Segment Reporting) issued by the Institute of Chartered Accountants of India.

NOTE 22 - Payment to Directors

| Particulars | 2016 - 2017 | 2015 - 2016 |
|------------------------------|-------------|-------------|
| A. Interest on Fixed Deposit | 295,904 | 251,215 |
| B. Sitting Fees | 32,000 | 28,000 |
| C. Salary & Allowance | 1,500,000 | 1,500,000 |

NOTE 23 - Related Party Disclosures
Related Parties
a. Key Management Personnel :

- Mr. J Ashok Galada, Managing Director
- Mr. Naveen Galada, Director
- Ms. Alpa Jain, Company Secretary
- Mrs. K.R.Manimeghala, Chief Financial Officer

B Transaction with Related Parties

| Name of the Party | Relationship between the party | Nature of Transaction | Volume of transaction | Amount Payable |
|---------------------|--------------------------------|----------------------------|-----------------------|----------------|
| Alpa Jain | Company Secretary | Professional Fees | 204,000 | - |
| K.R.Manimeghala | Chief Financial Officer | Salary, Bonus & Conveyance | 482,950 | - |
| Shanthi Devi Galada | Managing Director's Wife | Rent | 480,000 | - |
| J Ashok Galada | Managing Director | Salary | 1,500,000 | - |

NOTE 24

In accordance with the Accounting Standard 22(Accounting for taxes on income) issued by the Institute of Chartered Accountants of India, the deferred tax liability / assets as the case may be as at 31st March, 2017 has been changed to / reversed back in the Profit & Loss Account. In Current year provision has been reversed on account of timing difference of depreciation on assets.


GALADA FINANCE LIMITED
NOTE 25 - Earning Per Share

| Particulars | 2016 - 2017 | 2015 - 2016 |
|-------------------------------------|-------------|-------------|
| Profit after Tax | 2,364,480 | 2,295,628 |
| No of Shares outstanding | 3,000,000 | 3,000,000 |
| Earning Per Share - Basic & Diluted | 0.79 | 0.77 |

NOTE 26 - Disclosure on Specified Bank Notes :

The details of Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December 2016 vide Notification No : G.S.R 308 (E) dated 30th March 2017 is given below :

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| (+) Permitted Receipts | - | 297,877 | 297,877 |
| (-) Permitted Payments | - | 119,982 | 119,982 |
| (-) Amount deposited in Banks | 951,000 | - | 951,000 |
| Closing cash in hand as on 30th December 2016 | - | 236,164 | 236,164 |

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

As per our report of even date attached

For **CHANDARANA AND SANKLECHA**

Chartered Accountants

Firm No. 000557S

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimeghala
Chief Financial
Officer

Place : Chennai
Date : 30.05.2017

**SCHEDULE TO THE
BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY**

(as required in terms of Paragraph 9BB of
Non-Banking Financial Companies Prudential Norms(Reserve Bank) Directions, 1998

| Particulars | | (Rs. in Lakhs) | |
|--------------------------|---|---------------------------|------------------------|
| Liabilities side: | | | |
| (1) | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid | Amount outstanding | Amount Over due |
| | (a) Debentures : Secured | - | - |
| | : Unsecured (other than falling within the meaning of public deposit*) | - | - |
| | (b) Deferred Credits | - | |
| | (c) Term Loans | - | |
| | (d) Inter-corporate loans and borrowing | - | |
| | (e) Commercial Paper | - | |
| | (f) Public Deposits * | 71 | |
| | (g) Other Loans (specify nature) | | |
| | From Banks | 204 | |
| | From Others | 55 | |
| (2) | Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): | | |
| | (a) In the form of Unsecured debentures | - | |
| | (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | |
| | (c) Other public deposits | 71 | |
| Asset Side: | | Amount outstanding | |
| (3) | Break-up of Loans and Advances including bills receivable [other than those included in (4) below] : | | |
| | (a) Secured | 120 | |
| | (b) Unsecured | 44 | |
| (4) | Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities | | |
| | (i) Lease assets including lease rental under sundry debtors : | | |



GALADA FINANCE LIMITED

| | | | |
|-----------|---|-----|--|
| | (a) Financial lease (NET) | 8 | |
| | (b) Operating lease | 0 | |
| | (ii) Stock on hire including hire charges under sundry debtors : | | |
| | (a) Asset on hire (NET) | 492 | |
| | (b) Repossessed Assets | 29 | |
| | (iii) Hypothecation loans counting towards EL/HP activities | | |
| | (a) Loans where assets have been repossessed | - | |
| | (b) Loans other than (a) above (NET) | 5 | |
| (5) | Break-up of Investments: | | |
| | Current Investments: | | |
| | 1. Quoted : | | |
| | (i) Shares : (a) Equity | - | |
| | (b) Preference | - | |
| | (ii) Debentures and Bonds | - | |
| | (iii) Units of mutual funds | - | |
| | (iv) Government Securities | - | |
| | (v) Others (please specify) | - | |
| | 2. Unquoted : | | |
| | (i) Shares : (a) Equity | - | |
| | (b) Preference | - | |
| | (ii) Debentures and Bonds | - | |
| | (iii) Units of mutual funds | - | |
| | (iv) Government Securities | - | |
| | (v) Others (please specify) | - | |
| | Long Term Investments: | | |
| 1. | Quoted : | | |
| | (i) Shares : (a) Equity | 163 | |
| | (b) Preference | - | |
| | (ii) Debentures and Bonds | - | |
| | (iii) Units of mutual funds | - | |
| | (iv) Government Securities | 14 | |
| | (v) Others (please specify) Bank FD | 0 | |
| 2. | Unquoted : | | |
| | (i) Shares : (a) Equity | 1 | |
| | (b) Preference | - | |
| | (ii) Debentures and Bonds | - | |
| | (iii) Units of mutual funds | - | |
| | (iv) Government Securities | - | |
| | (v) Others (please specify) | - | |

(6) Borrower group-wise classification of all leased assets, stock on hire and loans and advances : Please see Notes 2 below

| Category | | Amount net of provisions | | |
|--------------------------------------|---------------------------------|--------------------------|-----------|-------|
| | | Secured | Unsecured | Total |
| 1. Related Parties ** | | | | |
| | (a) Subsidiaries | - | - | - |
| | (b) Companies in the same group | - | - | - |
| | (c) Other related parties | - | - | - |
| 2. Other than related parties | | 617 | 44 | 661 |
| Total | | 617 | 44 | 661 |

(7) Investor group-wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted): Please see Notes 3 below

| Category | | Market Value / Break Up or fair value or NAV | | Book Value (Net of Provisions) |
|--------------------------------------|---------------------------------|--|---|--------------------------------|
| | | | | |
| 1. Related Parties ** | | | | |
| | (a) Subsidiaries | - | - | - |
| | (b) Companies in the same group | - | - | - |
| | (c) Other related parties | - | - | - |
| 2. Other than related parties | | 146 | | 178 |
| Total | | 146 | | 178 |

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

(8) Other Information

| Particulars | | Amount |
|-------------|--|--------|
| (i) | Gross Non-Performing Assets (Agreement balance) | |
| | (a) Related parties | |
| | (b) Other than related parties | 82 |
| (ii) | Net Non-Performing Assets (Agreement balance less advance hire charges/advance interest & provision) | |
| | (a) Related parties | |
| | (b) Other than related parties | 36 |
| (iii) | Assets acquired in satisfaction of debt | - |

As per our report of even date attached

For **CHANDARANA AND SANKLECHA**

Chartered Accountants

Firm No. 000557S

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimeghala
Chief Financial
Officer

Place : Chennai

Date : 30.05.2017

CASH FLOW STATEMENT AS AT 31ST MARCH 2016

| Particulars | As on 31.03.2017 Rs. In Lakhs | As on 31.03.2016 Rs. In Lakhs |
|---|-------------------------------------|-------------------------------------|
| Cash flow from operating activities | | |
| Net profit before Tax and Extra ordinary items | 30.66 | 31.67 |
| Add: Non operating expenses / Non cash flow items | | |
| Adjustment for depreciation | 15.96 | 9.51 |
| Interest & Financial Charges | 45.62 | 39.18 |
| Provision For NPA | 8.24 | 4.33 |
| Loss on Sale of Shares | - | - |
| Loss on Sale of Assets | - | 0.01 |
| | 69.82 | 53.02 |
| Less : Non operating incomes | | |
| Profit on Sale of Shares | 23.32 | 10.59 |
| Profit on sale of fixed Assets | 2.00 | - |
| Interest on Government Securities. | 1.20 | 1.20 |
| Dividend Receipts | 1.71 | 2.57 |
| | 28.23 | 14.36 |
| Operating profit before working capital changes | 72.25 | 70.33 |
| Add/(Less) : Adjustments for working capital changes | | |
| Increase / (Decrease) in Current Liabilities | 3.43 | 2.69 |
| Decrease / (Increase) in stock on Hire | (2.63) | (38.44) |
| (Increase) / Decrease in advance & deposits | (15.75) | (56.47) |
| | (14.95) | (92.22) |
| Cash Generated from Operations | 57.30 | (21.89) |
| Less : Interest Paid | (40.33) | (36.08) |
| Income Tax paid | (9.65) | (9.34) |
| Net Cash from Operating activities (A) | 7.32 | (67.31) |
| Cash flow from investing activities | | |
| Sale / (Purchase) of Fixed Assets (Net) | (36.78) | (11.18) |
| Purchase of Investments (Net) | 7.03 | 4.43 |
| Net Cash used in Investing Activities (B) | (29.75) | (6.76) |

| Particulars | As on 31.03.2017 Rs. In Lakhs | As on 31.03.2016 Rs. In Lakhs |
|---|-------------------------------------|-------------------------------------|
| Cash Flow from Financing Activities | | |
| Repayment of Long term Borrowing & Debts (Net of repayments) | (23.78) | 3.84 |
| Short Term Borrowings (Net of repayments) | 40.30 | 68.02 |
| Interest on Government Securities. | 1.20 | 1.20 |
| Dividend Receipts | 1.71 | 2.57 |
| Dividend Paid | - | - |
| Net Cash Flow from financing activities (C) | 19.43 | 75.63 |
| Net increase in cash and cash equivalents (A+B+C) | (3.00) | 1.56 |
| Cash and equivalents as at 31st March 2015 | 8.35 | 6.79 |
| Cash and equivalents as at 31st March 2016 | 5.35 | 8.35 |
| Increase / Decrease in cash equivalents | (3.00) | 1.56 |
| | 0.00 | (0.00) |

For and on behalf of the Board of Directors

J. Ashok Galada
Managing Director
DIN : 00042295

Naveen Galada
Director
DIN: 00043054

Alpa Jain
Company
Secretary

K.R.Manimeghala
Chief Financial
Officer

Place : Chennai
Date : 30.05.2017



AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of Galada Finance Limited derived from the audited Financial Statements for the year ended 31st March 2017. The statement has been prepared by the Company in accordance with requirements of Clause 32 of the listing agreement with the stock exchange. Previous year's figures have been re-grouped wherever found necessary.

For CHANDARANA AND SANKLECHA
Chartered Accountants
Firm No. 000557S

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

Place : Chennai
Date : 30.05.2017



GALADA FINANCE LIMITED

FORM NO. MGT-11

Proxy Form

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65191TN1986PLC012826
Name of the Company : Galada Finance Limited
Registered office : "SHANTHI SADAN",
Old No. 4, (New No. 7), Shafee Mohammed Road,
Thousand Lights, Chennai - 600 006

| |
|-------------------------|
| Name of the member(s) : |
| Registered Address : |
| E-mail id : |
| Folio No. / Client Id : |
| DP ID : |

I/We, being the member (s) of.....shares of the above named company, hereby appoint

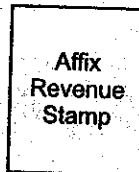
1. Name:
Address:
E-mail Id:
Signature:....., or failing him
2. Name:
Address:
E-mail Id:
Signature:....., or failing him
3. Name:
Address:
E-mail Id:
Signature:....., or failing him

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the Saturday 23rd September 2017 at 4.00 p.m. at the registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed thisday of 20.....

Signature of Shareholder

Signature of Proxy holder(s)





Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Attendance Slip

Please Fill the Attendance Slip and Hand it over at the entrance of the Meeting Venue

Joint shareholders may obtain Attendance Slip on request.

DP ID:

Reg. Folio No.

Client ID:

No. of shares held :

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the **Thirtieth Annual General Meeting** of the Company held on Saturday 2nd September 2016 at 4.00 p.m. at the registered office of the Company.

Signature of the member / proxy

Signature of the member / proxy

NOTE : NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING