

September 1st, 2023

Corporate Relationship Department

BSE Limited

Floor 25, P J Towers,

Dalal Street, Mumbai-400 001,

Maharashtra, India.

Scrip Code: 538788

Sub: Notice of 29th Annual General meeting ('AGM') and Annual Report of the Company for the Financial Year 2022-23.

Dear Sir / Madam,

Pursuant to Regulation 34 and 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Annual Report for financial year 2022-23 including the Notice of the 29th Annual General Meeting of the Company scheduled on Tuesday, 26th September, 2023 at 11.30 AM through electronic mode [Video Conferencing ("VC") or other audio visual means ("OAVM")], which is being sent through email, to the Members of the Company.

The said Annual Report for FY 2022-23 is also available on the website of the Company viz. www.giladafinance.com

This is for your information and records.

Thanking You,

Sincerely,

For Gilada Finance and Investments Limited

MOHITA
KUMARI
AGRAWAL
Digitally signed by
MOHITA KUMARI
AGRAWAL
Date: 2023.09.01
15:48:49 +05'30'

Mohita Agrawal

Company Secretary and Compliance officer

M.No.A34112





Reliable
Renewable
Responsible

GILADA FINANCE AND INVESTMENTS LIMITED

29th ANNUAL REPORT

2022-23

BOARD OF DIRECTORS



RAJGOPAL GILADA
MANAGING DIRECTOR



PALLAVI GILADA
(Chief Financial Officer)



SANGEETHA GILADA
(Chief Executive Officer)



BINDU GILADA
(Women Director)



SAMPATKUMAR GILADA
(Director)



K.V.PRABHAKAR
(Independent Director)



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



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

KEY MANAGERIAL PERSONS:

Rajgopal Shankarlal Gilada	Managing Director
Sangeeta Sampathkumar Gilada	Chief Executive Officer
Pallavi Vaibhav Gilada	Chief Financial Officer
Mohita Agrawal	Company Secretary & Compliance officer

REGISTERED AND ADMIN OFFICE

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

STATUTORY AUDITORS

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

REGISTRAR & TRANSFER AGENTS

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

Table of Contents

SECTION - 1 OVERVIEW

- ▲ CORPORATE INFORMATION
- ▲ OUR VISION, MISSION AND VALUES
- ▲ FINANCIAL HIGHLIGHTS
- ▲ OUR PRESENCE

SECTION 2 STATUTORY REPORTS

- ▲ NOTICE
- ▲ BOARD'S REPORT
- ▲ REPORT ON CORPORATE GOVERNANCE
- ▲ SECRETARIAL AUDIT REPORT
- ▲ MANAGEMENT DISCUSSION ANALYSIS

SECTION 3 FINANCIAL STATEMENTS

- ▲ INDEPENDENT AUDITORS REPORT
- ▲ BALANCE SHEET
- ▲ STATEMENT OF PROFIT AND LOSS
- ▲ CASH FLOW STATEMENT
- ▲ NOTES TO FINANCIAL STATEMENTS
- ▲ SIGNIFICANT ACCOUNTING POLICIES
- ▲ SCHEDULE TO THE BALANCE SHEET OF A NBFC

SECTION 4 OTHERS

- ▲ CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS
- ▲ CERTIFICATE ON CORPORATE GOVERNANCE

VISION

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

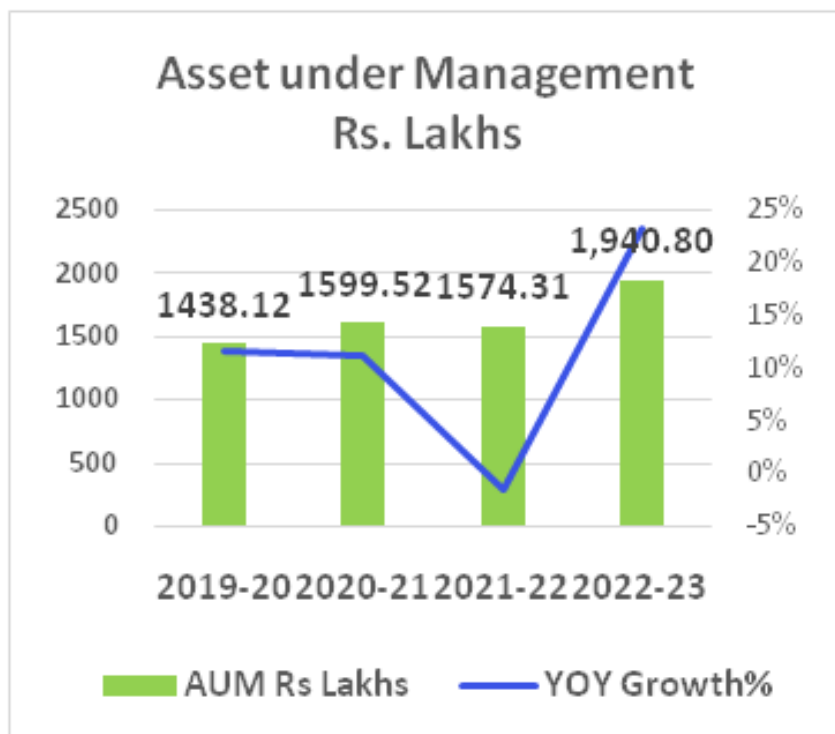
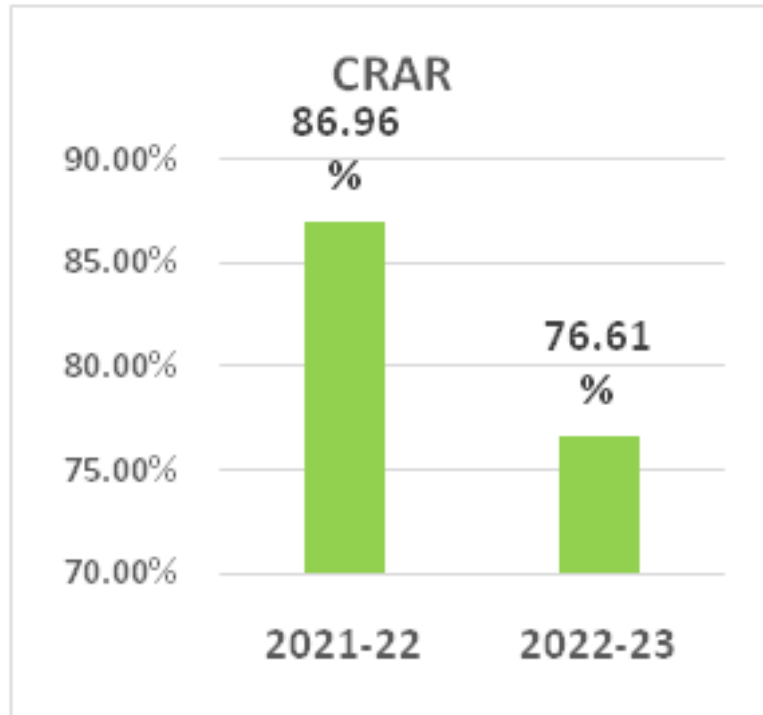
MISSION

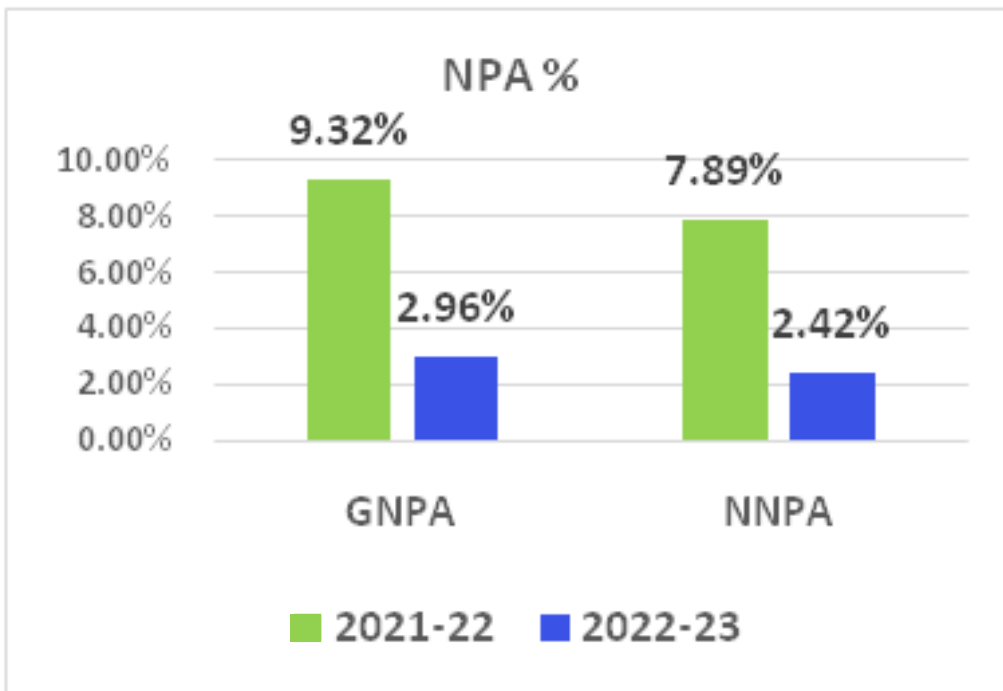
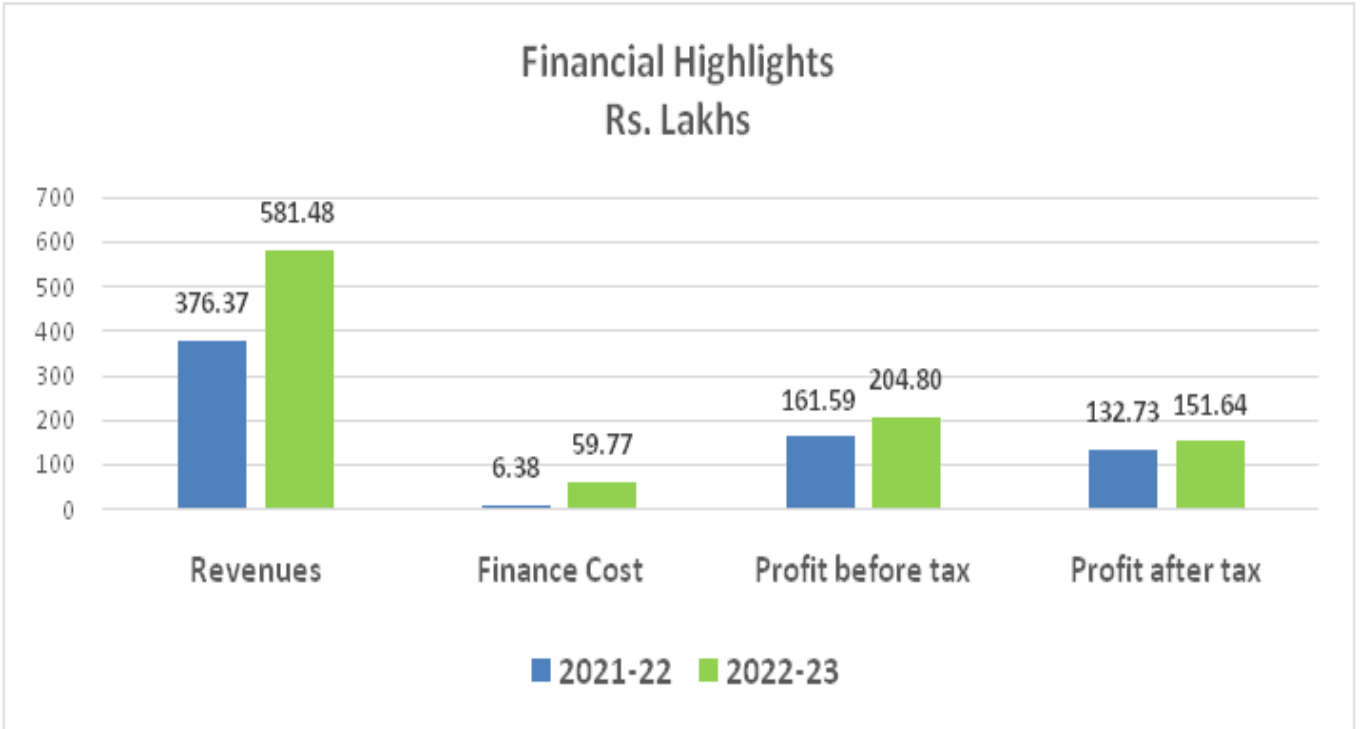
*To put all our values and
business acumen in all
business activities in
order to deliver growth to
all our stakeholders.*

Values

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

FINANCIAL HIGHLIGHTS DURING THE YEAR 2022-23





Our Presence

Gilada Finance and Investments Limited, Kalaburgi	shop No.18 Chamber complex,	Super Market	Kalaburgi
Gilada Finance & Investments Ltd, Bidar	behind central bus stand,	Opp. Tagareyard Venkatesh Nagar,	Bidar
Gilada Finance & Investments Ltd., Bangalore	105, R RTakt,	37 Boopasandra Main Road	Bangalore
Gilada Finance & Investments Ltd. Sindagi	Plot No. 02, Pandari Complex,	OppTahsildar Office, Shahpur Road,	Sindagi

NOTICE

**To,
The Shareholders,**

NOTICE is hereby given that the 29th Annual General Meeting (AGM) of the members of GILADA FINANCE AND INVESTMENTS LIMITED will be held on Tuesday, 26th September, 2023 at 11:30 AM IST, through electronic mode [Video Conferencing (“VC”) or other audio visual means (“OAVM”)] to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 – ADOPTION OF AUDITED FINANCIAL STATEMENTS.

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2023 including Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss for the period ended 31st March, 2023 and the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors (“the Board”) and Auditors thereon.

ITEM NO. 2 – APPOINTMENT OF MR. SAMPATHKUMAR GILADA (DIN: 02144736) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION.

To appoint a director in place of Mr. Sampathkumar Gilada (DIN: 02144736) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO. 3 – TO APPROVE THE OVERALL LIMIT OF MANAGERIAL REMUNERATION EXCEEDING ELEVEN PERCENT.

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

“RESOLVED THAT pursuant to the provisions of sections 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof (for the time being in force)and subject to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulation 2018 and approval of the members be and is hereby accorded to the payment of managerial remuneration exceeding eleven percent of the net profits of the company for the financial year 2023-24.”

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

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

By the order of the Board

For GILADA FINANCE AND INVESTMENTS LIMITED

Sd/-

Mohita Agrawal

(COMPANY SECRETARY & COMPLIANCE OFFICER)

M. No.: A34112

Date: 10.08.2023

Place: Bangalore

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

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

Name	Sampatkumar Shankarlal Gilada
DIN	02144736
Age	58 Years
Date of Appointment	08/06/1995
Qualification	B.E. and Post Graduate Diploma in Business
Expertise in Specific Functional Area	As Director and Partner in various industries, Mr. Sampatkumar Shankarlal Gilada has rich experience in Industrial Management, Technology and Financial Services.
Directorship and Partnership	<ol style="list-style-type: none"> 1. Sri Shakti Land Developers and Construction Company Limited 2. Gilada Finance and Investments Limited 3. Vijayalakshmi Hydro Power Private Limited 4. Shankarlal Gilada & Sons Private Limited 5. SRM Power Private Limited 6. Samrat Wires Private Limited 7. Yash Proteins Private Limited 8. Krishna Valley Power Private Limited 9. Sahyadri Renewable Energy Private Limited 10. Prestress Steel LLP 11. Siddhi Ferrous Private Limited 12. Suyash Udyog Private Limited 13. Kagina Cements Private Limited 14. Vikramaditya Renewable Energy Private Limited
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2023	NIL
(i) Audit Committee	
(ii) Stakeholders Relationship Committee	
(iii) Nomination and Remuneration Committee	
Number of shares held in the company	20,400 shares

NOTES:

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

8. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 18 September 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 18th September 2023 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.
9. The Meeting shall be deemed to be held at the Registered office of the Company at #105 R R Takt, 37 Bhoopasandra Main Road, Bangalore – 560094.
10. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this notice.

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

The remote e-voting period begins on 23rd September, 2023 at 09:00 A.M. and ends on 25th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 18th September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 18th September, 2023.

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

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





Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- (i) if your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sand.associates2016@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to at evoting@nsdl.co.in

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

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

1. required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@giladagroup.com. The same will be replied by the company suitably.
6. The shareholders who wish to register themselves as speaker should register before 18th September, 2023. The shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ANNEXURE TO NOTICE

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

Item No. 3:

Payment of Managerial Remuneration:

The Nomination and Remuneration Committee, in its meeting held on 10th August 2023 recommended and the Board of Directors, in its meeting held on 10th August 2023, approved the payment of managerial remuneration exceeding eleven percent of the net profits of the company for the financial year 2023-24 subject to the approval of the shareholders in the General Meeting.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

For GILADA FINANCE AND INVESTMENTS LIMITED

**Sd/-
Mohita Agrawal
(COMPANY SECRETARY & COMPLIANCE OFFICER)
M. No.: A34112**

**DATE: 10.08.2023
PLACE: BANGALORE**

DIRECTORS' REPORT

To,

The Members,

The Board has pleasure in presenting the 29th Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended 31st March, 2023.

1. FINANCIAL PERFORMANCE OF THE COMPANY:

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

Particulars	2022-23 (In Rs)	2021-22 (In Rs)
Total Income	5,81,48,865.93	3,76,37,072.65
Total Expenditure	3,76,68,476.84	2,14,77,960.57
Profit Before Exceptional and Extraordinary Items and Tax	2,04,80,389.09	1,61,59,112.08
Exceptional Item	NIL	NIL
Profit Before Tax	2,04,80,389.09	1,61,59,112.08
Tax Expense:		
(i) Current Tax	47,94,265.00	28,86,314.00
(ii) Prior Year Tax		
(iii) Deferred Tax	5,22,096.00	
Profit /(Loss) for the period	1,51,64,028.09	1,32,72,798.08
Earnings per Equity Share: on Rs. 5 face value		
Previous year on Rs. 10 face value		
(i) Basic	1.08	3.78
(ii) Diluted	1.08	3.61

2. OPERATIONS:

During the year under review, your Company has successfully grown its AUM to Rs.19.31crores from Rs.15.49 crores as compared to the previous year. The revenues from operations increased to Rs. 4.33 Crores during the financial year 2022-23 as against Rs. 3.75Crores during the previous year. The net profit after tax improved to Rs. 1.51 Crores as compared to Rs. 1.33Crores in the previous year.

The Company will continue its focus on loans to Small & Medium Enterprises (SMEs), Leasing Mortgage loans, Working capital loans and Commodity loans. The Company has its presence in the State of Karnataka through Branches in Bangalore, Gulbarga and Bidar. During the year 2022-23 the Company has closed its branch office situated in Yadgiri and opened a new branch office in Sindagi on 1st April, 2023. The Company plans to grow its Loan portfolio by increasing the productivity and with the existing infrastructure. It has also got term loans from a Public Sector Bank, Co-operative Bank and Credit Co-operative Society.

3. SHARE CAPITAL:

The paid up equity share capital of the company as on 31st March 2023 was Rs. 7.02 Crores

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

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

The Authorized Share Capital of the Company has been increased from Rs. 8,00,00,000/- (Rupees Eight Crores only) divided into 1,60,00,000 (One Crore Sixty Lakhs) equity shares of Rs.5/-(Rupees Five Only) each to Rs.10,00,00,000 /- (Rupees Ten Crores only) divided into 2,00,00,000 (Two Crore) equity shares of Rs.5/-(Rupees Five Only) each by creation of Rs. 2,00,00,000/- (Rupees Two Crores only) divided into 40,00,000 (Forty Lakhs) Equity Shares of Rs 5/-(Rupees Five Only each) in the Annual General Meeting held on 30th September, 2022 during the year under review.

The Company in its Board Meeting held on 05th April 2022 approved the allotment of Bonus Shares as 70,24,600 Equity shares of Rs. 5 per share (Post split of each equity share of Rs. 10 per share into 2 Equity Share of Rs. 5 per share) to those shareholders whose name appeared in the Register of Members of Company on record date, i.e., Thursday, 31st March, 2022 in the ratio of one Bonus Equity Share against each Equity share held in the Company 1:1 [i.e. 1 (One) fully paid up equity share for every 1 (One) equity share held to the shareholders on such date].

4. TRANSFER TO RESERVES:

Your Company has transferred a sum of Rs. 30.33 lakhs to Statutory Reserve as required under the Reserve Bank of India Act, 1934. The Company has not transferred any amount to General Reserve during the year under review.

5. DIVIDEND:

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

The unclaimed/ unpaid dividend of Rs 33,859 is pertaining to the financial year 2017-18.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT i.e. AFTER 31ST MARCH, 2023 BEFORE DATE OF SIGNATURE OF DIRECTORS' REPORT:

There have been no material changes and commitments that affect the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report except the Changes mentioned below.

- a) **M/s. Devraj Chauhan and Associates** has been appointed as an Internal Auditor of the Company for the Financial Year 2023-24. The same is approved by the members in the Audit Committee meeting held on 10th August, 2023.
- b) **CS Iswariya Rajan**, Company Secretary and Compliance Officer of the Company tendered resignation on 23rd December, 2022 and served the office till 27th March, 2023.
- c) **Mrs. Mohita Agrawal** an associate member of Institute of Company Secretaries of India has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f 28th March, 2023. The resolution for the same placed before the board in the Board Meeting held on 04th April, 2023 and approved by the Board of Directors.
- d) **M/s. Sand and Associates** has been appointed as Secretarial Auditor of the Company for the Financial Year 2023-24. The same is approved by the Board of Directors in the Board meeting held on 27th May, 2023

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

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

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

The Company has no subsidiaries and associate Company. Further during the year under review the Company has not entered into any joint ventures agreement with any other Company.

9. RBI GUIDELINES:

The Company fulfills all the norms and standards applicable to NBFCs as set out by Reserve Bank of India (RBI). Your Company is well capitalized and has a capital adequacy ratio of 76.61% as against the 15% norm prescribed by the Regulator for NBFCs. This high CAR will enable the Company to increase its loan volumes by resorting to higher leveraging of debt.

10. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING THE YEAR:

- (i) **Mr. Sampathkumar Gilada** (DIN: 02144736) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.
- (ii) **Mr. K.V. Prabhakar** who was appointed as Independent Director of the company on 30.05.2017 and whose period got expired on 30.05.2022 and has been re-appointed as additional Director of the Company in its Board Meeting held on 30.05.2022 has been reappointed as Independent Director in the Annual General Meeting held on 30th Day of September, 2023 for a second term of 5 years.
- (iii) **CS Iswariya Rajan**, Company Secretary and Compliance Officer of the Company tendered resignation on 23rd December, 2022 and served the office till 27th March, 2023.

- (iv) **Mrs. Mohita Agrawal** an associate member of Institute of Company Secretaries of India has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f 28th March, 2023. The resolution for the same placed before the board in the Board Meeting held on 04th April, 2023.

11. NUMBER OF BOARD & COMMITTEE MEETINGS:

During the year Six(6) Board Meetings, Four(4) Audit Committee Meetings, Four(3) Nomination and Remuneration Committee Meetings, one (1) Stakeholders Relationship Committee Meeting and one(1) Independent Directors Meeting were convened and held, the details of which are furnished in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees.

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

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

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

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

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

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

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

Mr. K V Prabhakar, has been appointed as an Independent Director for another term of 5 years in the Annual General Meeting held on 30th September, 2022. He has successfully qualified the Online Proficiency Self-assessment test for Independent Director's Databank on April 14, 2020 as per IICA (Indian Institute of Corporate Affairs) in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. D N Gopal, an Independent Director has successfully qualified the Online Proficiency Self-assessment test for Independent Director's Databank on September 04, 2020 as per IICA (Indian Institute of Corporate Affairs) in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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

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

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

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Remuneration for the Directors, key managerial personnel and other employees.

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

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

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the

- Remuneration to Managing Director / Executive Directors / KMP and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same.

The Remuneration Policy of the Company are made available on the Company's website, www.giladafinance.com

The ratio of remuneration of each director to the median of employees' remuneration as per section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Board's report and shown below. There was no increase in the remuneration payable to the Executive Director Mr. Rajgopal Gilada during the year under review. The variable component of the salary of executive director is linked to the performance targets for the Company in terms of revenue and for other employees; the Company has a defined performance targets linked to the consolidated statement of Profit and Loss, in addition to their performance. The increments in the pay to the employees are in consonance to average Industry standards and requirement to recognize the critical talents. In order to ensure that remuneration reflects company performance, the performance pay to the employees is linked to the organization performance. There are no employees receiving remuneration in excess of the remuneration received by the Executive Directors. The ratio of the remuneration of the executive director to the median remuneration of the employees of the Company for the year ended 31st March, 2023 is given below.

Name of the Director	Remuneration paid during 2022-23	Ratio to Median Remuneration
Mr. Rajgopal Gilada, Managing Director	12,00,000	5:1

15. AUDITORS:

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

The Auditors' Report for the financial year ended 31st March, 2023 on the financial statements of the Company is a part of this Annual Report.

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

16. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY:

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

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

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. BENNUR NAGARAJA & CO, Chartered Accountants, Statutory Auditors, in their Reports dated May 26th, 2023 on the Financial Statements of the Company for FY 2022-23 except the below.

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

18. DISCLOSURE ABOUT COST AUDIT:

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

19. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed CS Varun Nashine, Practising Company Secretary (Membership No. 49574), to undertake the Secretarial Audit of the Company, for FY 2022-23. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure 'III'.

There are no qualifications, reservations or adverse remarks or disclaimers made by CS Varun Nashine, Practising Company Secretary (Membership No. 49574) in their Secretarial Audit Report dated 04/08/2023 on the secretarial and other related records of the Company, for FY 2022-23.

20. BOARD'S EXPLANATION ON SECRETARIAL AUDIT REPORT:

- The Company also informed that notice has been received from the Stock Exchange (BSE) dated 04th August, 2020 for Non-compliance with Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 imposing fine of Rs. 1,07,380 and was directed to pay the aforesaid fine within 15 days from the date of notice. The Company had pleaded for waiver of fine in its reply letter dated 18/08/2020 through email.
- In response to the said waiver request by the Company, Stock Exchange (BSE) had reduced the fine amount to Rs. 56,640 (including GST) vide email dated 23rd April, 2021 and had given 10 days' time to pay the said fine. However the Company has again pleaded for full waiver of fine vide email dated 26th April, 2021. After that there was no communication from BSE for the mails sent and the response from Stock Exchange (BSE) for the aforesaid plea dated 26th April, 2021 is not being received till date. Further Company has not deposited fine till date.
- The Company also informed that received a show cause notice from Registrar of Companies, Bangalore dated 01st June, 2021 pointing out non-compliance of section 185, 42, 92(3), 203, 149, 145, 124(5), 134, 129, 143 of Companies Act, 2013. The Company has submitted its reply letter through Giridhar & Co. Advocates on 30th June, 2021.
- Further the Company received second notice from ROC dated 22nd July directing to clarify the compliance of section 21 of the Companies Act, 2013 and the Company has submitted its reply through letter dated 24th July, 2021 within the prescribed time in the letter.
- In reference to the previous show cause notice received dt 30.06.2021, the Company also received a Show Cause Notice from Registrar of Companies, Bangalore dated 28th October, 2021 pointing out Violation of section 203, 129, 134 and Inspection u/s 206(5) of Companies Act, 2013. The Company has submitted its reply letter on 29th November, 2021. After that the Company has requested for Personal Hearing in a letter dt 30.11.2021 and the same has been granted on 24.12.2021 and explained our replies. No Notice has been received till date after the personal hearing.
- In the ordinary course of business of financing, the company has given loans to three parties covered in the register maintained under section 189 of the Companies Act, 2013. All are in the nature of loans repayable on demand. The year-end balance of loan given to such parties was Rs. 300.89 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non-Banking Financial Companies (NBFC-ND-NSI) and not prejudicial to the Company's interest.
- As in the ordinary course of business of financing, there were no written terms & conditions on which loans are granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013,. However, there are no irregularities of repayment of principal amount & interest amount by the parties since they are in the nature of loans repayable on demand and there are no overdue amounts of loans granted.

21. INTERNAL FINANCIAL CONTROLS:

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

22. VIGIL MECHANISM:

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

23. RISK MANAGEMENT POLICY:

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

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

24. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the website of the Company at www.giladafinance.com under Investor Information tab.

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

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

26. DEPOSITS:

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

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

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

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

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

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

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

29. CERTIFICATE ON CORPORATE GOVERNANCE REPORT:

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

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

30. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report forms part of this Annual Report for the year ended 31st March, 2023, has been provided in **ANNEXURE- V** in this Annual Report.

31. AUDIT COMMITTEE:

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

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

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

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

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

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

a) Conservation of energy

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

(b) Technology absorption

(i)	the efforts made towards technology absorption	Technology absorption is not applicable. The Company has not incurred any expenditure on research and development during the year under review.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

c) Foreign exchange earning and Outgo

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

34. CORPORATE SOCIAL RESPONSIBILITY (CSR):

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

35. HUMAN RESOURCES:

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

36. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in Sub-clause (c) of Clause (3) of Sub-Section (5) of Section 134 of the Companies Act, 2013, shall state that:—

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

37. PARTICULARS OF EMPLOYEES:

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

38. SECRETARIAL STANDARDS:

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


39. ACKNOWLEDGMENTS:

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

FOR GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 10 August, 2023
PLACE: BANGALORE

ANNEXURE TO DIRECTORS' REPORT

**Annexure II (a)
Form No. AOC-2**

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

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

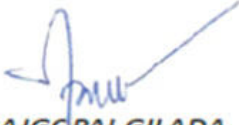
1. Details of contracts or arrangements or transactions not at arm's length basis

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

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

(a) Name(s) of the related party and nature of relationship	Details are provided Note 11 in heading B- Notes on Accounts of the financial statements to the financial statements as at 31 st March, 2023.
(b) Nature of contracts/arrangements/ transactions	The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature. Details are provided Note 11 in heading B- Notes on Accounts of the financial statements to the financial statements as at 31 st March, 2023.
(c) Duration of the contracts / arrangements/transactions	Based on the agreements /mutual business arrangements entered into from time to time.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Based on the agreements /mutual business arrangements entered into from time to time.
(e) Date(s) of approval by the Board, if any:	The related party transactions are at arm's length basis, accordingly necessary approvals have been obtained, wherever applicable.

FOR GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 10.08.2023
PLACE: Bangalore

ANNEXURE TO DIRECTORS' REPORT

**Annexure II(b)
Policy on Related Party Transactions**

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

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

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

FOR GILADA FINANCE AND INVESTMENTS LIMITED



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 10.08.2023

PLACE: Bangalore

ANNEXURE-IV

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31ST MARCH 2023

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

1. Company's Philosophy:

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

2. Board of Directors

Composition

The Company's day-to-day affairs are managed by the Managing Director, assisted by a competent management team, under the overall supervision of the Board. The Company has in place an appropriate risk management system covering various risks that the Company is exposed to, including fraud risks, which are discussed and reviewed by the Audit Committee and the Board every quarter.

The Board has been constituted in a manner as per Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 (the Act). The Board has an appropriate mix of executive / non-executive and independent directors, including a woman director to ensure proper governance and management. The Board comprises of six members, of which three are Non-Executive Directors including a Woman Director. Not less than one-third of the total strength of the Board comprises of Independent Directors. The Company has three Independent Directors. None of the Directors on the Company's Board is a member on more than ten (10) Committees and Chairman of more than five (5) Committees across all the companies in which he is a Director. All the Directors have made necessary disclosure regarding committee positions occupied by them in other companies. The composition of the Board is in conformity with the listing requirements.

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

Code of Conduct for Directors and Senior Management

The Company has adopted the code of conduct for directors and Senior Management and the Company received the annual affirmations with regard to the adherence to the code of conduct for the financial year 2022-23.

3. Board Meetings:

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

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

The Board of Directors duly met Six (6) times respectively on 05th April, 2022; 30th May, 2022; 12th August, 2022; 02nd September, 2022; 29th October, 2022, and 14th February, 2023, in respect of which meetings proper notices were sent and the proceedings were properly recorded and signed in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The requisite information as enumerated in Schedule II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board of Directors for discussion and consideration at Board Meetings.

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

Name of Director (Designation)	Category	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorship in other companies*	No. of memberships in Committees of Directors in other companies
Mr. Rajgopal Gilada (Managing Director)	Professional & Executive Director	6	YES	12	NIL
Mr. Sampathkumar Gilada (Director)	Professional & Non-Executive Director	6	YES	12	NIL
Ms. Bindu Rajgopal Gilada	Non-Executive Woman Director	6	YES	4	NIL
Mr. K. V. Prabhakar (Director)	Independent & Non-Executive Director	6	YES	1	1
MR. Dodballapur Narasimhamurthy Gopal	Independent & Non-Executive Director	6	YES	-	NIL
Mr. Om Prakash Asava	Independent & Non-Executive Director	6	YES	-	NIL

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

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

The Independent Directors of the Company have given a declaration that they meet the criteria of independence in accordance with section 149(7) of the Act, to the Company, which is taken on record by the Board.

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

4. Familiarization Program for Independent Directors:

Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires listed companies to familiarize the Independent Directors with the Company their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., through various programmes. Accordingly the Company has a familiarization programme for independent directors with regard to their roles, rights, responsibilities in the Company; nature of the industry in which the Company operates, the business model of the Company, etc. and the same is available on the website of the Company.

5. Separate Meeting of Independent Directors:

During the year under review, in line with Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with provisions of the Companies Act, 2013, the independent directors had a separate meeting on 29th October 2022 without the presence of the management team and the non-independent directors of the Company.

6. Committees of the Board:

The Board has constituted various committees to support the Board in discharging its responsibilities. There are four committees constituted by the Board - Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee.

(i) Audit Committee

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

Terms of Reference

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

Composition and Meeting

As at 31st March, 2023, the Audit Committee Comprised of :

Sl No.	Name	Particulars	No. of meetings attended	Remarks
1.	Mr. K. V. Prabhakar	Non-Executive Independent Director	4	-
2.	Mr. Sampathkumar Gilada	Executive Promoter Director	4	-
3.	Mr. Dodballapur Narasimhamurthy Gopal	Non-Executive Independent Director	4	-
4.	Mr. Om Prakash Asava	Non-Executive Independent Director	4	-

The Committee met 4 times during the financial year 2022-23. There are no recommendations of the Audit Committee which have not been accepted by the Board.

(ii) Nomination and Remuneration Committee

Terms of Reference

The role of the committee is to determine the company's policy on specific remuneration packages for executive directors including periodic increments in salary.

The committee further considers and recommends persons who are qualified for board positions, evaluate directors performance prior to recommendation for re-appointments, persons who are qualified to be in senior management, formulate the criteria for determining qualifications, positive attributes and independence of a director and devising a policy on board diversity. Decisions for selecting a director is based on the merit, qualification, competency and the Company's business requirements. The recommendations of the committee are placed before the Board for its approval.

Composition and Meeting

As at 31st March, 2023 the Nomination and Remuneration Committee Comprised of-

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

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

The nomination and remuneration committee is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The committee has formulated a charter in terms of the provisions of the Act and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia, deals with the personal traits, competencies, experience, background and other fit and proper criteria. These attributes shall be considered for nominating candidates for board positions /re-appointment of directors.

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

The Committee met Three (3) times during the financial year 2022-23.

Performance evaluation

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

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

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

The Directors expressed their satisfaction with the evaluation process.

Details of Remuneration paid to the Directors

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

a. Executive Directors:

All elements of remuneration package i.e. salary, benefits; bonuses etc paid to Executive Directors during the financial year 2022-23 are detailed herein below-

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

Notes:

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

(iii) Stakeholders Relationship Committee

Terms of Reference

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

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

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

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

Composition and Meeting

As at 31st March, 2023 the Stakeholders Relationship Committee Comprised of:

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

The Committee met once during the financial year 2022-23.

The minutes of the Committee Meetings are circulated to the Board, discussed and taken note of. The Company has been receiving various correspondences from the shareholders and the required information/documents are promptly furnished to the shareholders. No complaints were received from the shareholders during the financial year 2022-23.

7. General Body Meeting :

Details of location, time and date of last three Annual General Meetings and Extra Ordinary General Meetings of the Company are provide below:

Year	Location	Date	Time
2019-20	Video Conferencing	07th December 2020	11:00 AM
2020-21	Video Conferencing	30th September 2021	12:00 Noon
2021-22	Video Conferencing	30th September 2022	11:30 AM
2021-22	EGM (Video Conferencing)	18th March 2022	11:30 AM

8. Code of Conduct:

The Board has laid down a "Code of Conduct" for all the Board Members and the senior management of the company and the code of conduct has been posted on the website of the company. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct. A declaration to this effect signed by Mr. Rajgopal Gilada, Managing Director is attached to this report.

9. Auditors Certificate on Corporate Governance:

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

10. Vigil Mechanism:

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

11. Disclosures:

● **Related Party Transactions:**

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

Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in Note 11 in heading B- Notes on Accounts of the financial statements in the annual report.

● Compliance with Statutory / legal requirements:

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

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

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

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

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

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

● Compliance with Accounting Standards:

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

● Compliance of mandatory requirements:

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

12. Means of Communication :

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

13. General Shareholders' Information:

a. Annual General Meeting

Financial Year	Venue	Date	Time
2022-23	VIDEO CONFERENCING	26.09.2023	11:30 AM IST

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

c. Date of Book Closure The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th September, 2023 to Tuesday, 26th September, 2023 (both days inclusive).

d. Tentative Financial Calendar 2023-24

Unaudited results for quarter ending 30th June 2023	10th August 2023
Unaudited results for quarter ending 30th September 2023	Last week of October 2023
Unaudited results for quarter ending 31st December 2023	Last week of January 2024
Audited results for ending 31st March 2024	Last week of May 2024
Annual General Meeting for year ended 31.03.2024	August-September 2024

e. Listing on Stock Exchange

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

f. Stock Code

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

g. Registrar & Share Transfer Agent of the Company

Canbank Computer Services Limited

#218, J P Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross)

Malleswaram Bangalore - 560003

Ph: 080-23469661/62/64/65

E-mail id: canbankrta@csl.co.in

h. Share Transfer System

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

i. Shareholding pattern as on 31st March 2023

The distribution of shareholding as on 31.03.2023 is as under:

Category Code	Category of Shareholder	No. of Shareholders	Total No. of shares	No. of shares held in demat form	Total Shareholding as a percentage of total number of shares		No. of Shares underlying outstanding convertible securities		Shares pledged or otherwise encumbered	
					As a % of(A + B) (VI)	As a% of (A+B+ C) (VII)	(VIII)	% holding (IX)	No of Shares (X)	As a % (XI)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter and Promoter Group									
1	Indian									
(a)	Individuals/HUF	8	4203600	4203600	29.92	29.92	0	0	0	0
(b)	Central Government/State Governments)	0	0	0	0	0	0	0	0	0
a.	Bodies Corporate	1	4053600	4053600	28.85	28.85	0	0	0	0
(d)	Financial Institutions/banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Person Acting Concert	0	0	0	0	0	0	0	0	0
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Reserve Bank of India	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub-Total(A)(1)	9	8257200	8257200	58.77	58.77	0	0	0	0.000
2	Foreign									
(a)	Individual(Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.000
	Total Shareholding of Promoter and Promoter Group (A)=[A(1) + (A(2)]	9	8257200	8257200	58.77	58.77	0	0	0	0.000

(B)	Public Shareholdings										
(B)	Public Shareholdings										
1	Institutions								NA	NA	
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0	-	-	
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0	-	-	
(c)	Central Government/state Governments	0	0	0	0	0	0	0	-	-	
(d)	Venture Capital Funds	0	0	0	0	0	0	0	-	-	
(e)	Insurance Companies	0	0	0	0	0	0	0	-	-	
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	-	-	
(g)	Foreign venture Capital	0	0	0	0	0	0	0	-	-	
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-	
(i)	Any Others (specify)	0	0	0	0	0	0	0	-	-	
	Foreign Financial Institutions	0	0	0	0	0	0	0	-	-	
	TOTAL (FFI)	0	0	0	0	0	0	0	-	-	
	Foreign Mutual Funds	0	0	0	0	0	0	0	-	-	
	Foreign Financial Institutions/ Banks	0	0	0	0	0	0	0	-	-	
	Stressed Assets Stabilization Fund	0	0	0	0	0	0	0	-	-	
	State Finance Corporation	0	0	0	0	0	0	0	-	-	
	Sub-Total (B)(1)	0	0	0	0	0	0	0	-	-	
2	Non Institutions										
(a)	Bodies Corporate	8	931946	915946	6.63	6.63	0	0	-	-	
(b)	Individuals										
	i) Individual Shareholders holding nominal share capital up to Rs. 2lakh	5840	3027128	2055964	21.55	21.55	0	0	-	-	
	ii) Individual Share-holders holding nominal share capital in excess of Rs. 2lakh	16	1599266	1372866	11.38	11.38	0	0	-	-	
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-	
(d)	Any other (Specify)										
	Trust	1	400	400	0	0	0	0	-	-	
	Director and their relatives	0	0	0	0	0	0	0	-	-	
	Foreign Nationals	0	0	0	0	0	0	0	-	-	
	Escrow Account	0	0	0	0	0	0	0	-	-	
	Market maker	0	0	0	0	0	0	0	-	-	
	Non-resident Indian	8	10007	10007	0.07	0.07	0	0	-	-	
	O.C.Bs	0	0	0	0	0	0	0	-	-	
	Societies	0	0	0	0	0	0	0	-	-	
	Clearing members	1	94	94	0	0	0	0	-	-	
	Shares in transit	0	0	0	0	0	0	0	-	-	
	Hindi Undivided Family	33	223159	223159	1.59	1.59	0	0	-	-	

Foreign Corporate Bodies	0	0	0	0	0	0	0	-	-
Partnership Firm	0	0	0	0	0	0	0	-	-
Custodian of Enemy Property	0	0	0	0	0	0	0	-	-
Foreign Collaborators	0	0	0	0	0	0	0	-	-
ESOPs /ESOS/ESPS/ Employee Shareholders	0	0	0	0	0	0	0	-	-
Sub-Total (B)(2)	5907	5792000	4578436	41.23	41.23	0	0	-	-
Total Public Shareholding B=(B)(1)+(B)(2)	5907	5792000	4578436	41.23	41.23	0	0	-	-
Sub-Total (A+B)	5916	14049200	12835636	100	100	-	0	-	-
(c) Shares held by Custodian against Depository receipt have been issued									
1 Promoter and Promoter Group	0	0	0	0	0	0	0	-	-
2 Public	0	0	0	0	0	0	0	-	-
Grand Total (A+B+C)	5916	14049200	12835636	100	100	-	0	-	-

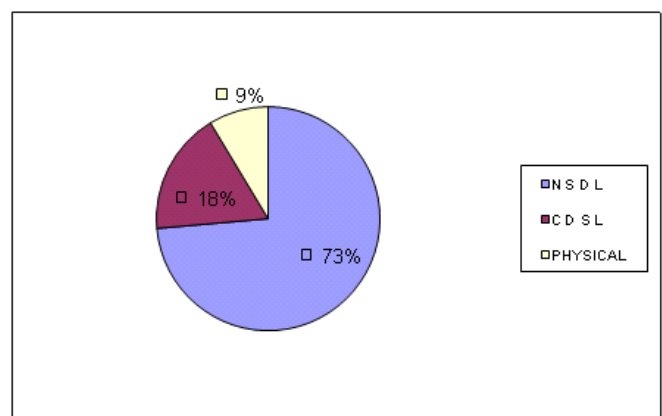
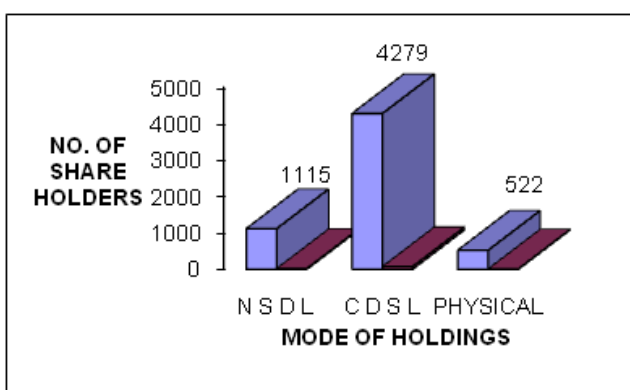
j. Dematerialization of shares and liquidity

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

The details of dematerialization of shares are as specified hereunder:

CATEGORY	NO. OF HOLDERS	%
NSDL	1115	18.85
CDSL	4279	72.33
DEMAT	5394	91.18
PHYSICAL	522	8.82
TOTAL	5916	100.00

CATEGORY	NO. OF SHARES	%
NSDL	10342082	73.61
CDSL	2493554	17.75
DEMAT	12835636	91.36
PHYSICAL	1213564	8.64
TOTAL	14049200	100.00



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

k. Financial Year

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

l. Outstanding GDRs

Not Applicable. There are no outstanding GDRs/ADRs as on 31.03.2023.

m. Plant Locations

The Company has no Plants.

n. Address for correspondence

Registered Office: #105 R RTakt, 37, Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094.

Non-Mandatory Requirements:

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

Green initiative in Corporate Governance:

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. To support the green initiative and to receive all documents, notices, including annual reports and other communications of the company, investors are requested to register the e-mail ID with the Depository Participant, if the holding is in electronic mode. If shares are held in physical mode, the shareholders may give a positive consent in writing to RTA for receiving by electronic mode.

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



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2023

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

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gilada Finance And Investments Limited (hereinafter called the company) CIN No (L65910KA1994PLC015981). The Company is a listed Public Limited Company incorporated under the Companies Act 1956. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed

- v) The following regulations and Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
 - (e) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under with regard to maintenance of minimum public shareholding and compliance under clause 35 of the Listing Agreement.
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (g) The Listing Agreement entered into by the Company with BSE Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The Non Banking Financial Company (NBFC) norms and standards as identified by Reserve Bank of India Act, 1934 as applicable to the Company.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, and report that:

1. the company has maintained statutory registers and documents and had done necessary entries therein.
2. the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the Memorandum and Articles of Association of the Company.
3. the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - 3.1 during the period under review Mr. Prabhakar Venkobarao Kotakote was re-appointed as Independent Director in the annual general meeting held on 30th September, 2022.
 - 3.2 during the period under review Iswariya Rajan, Company Secretary And

Compliance Officer of the Company resigned with effect from 27th March, 2023 and Mrs. Mohita Agrawal was appointed Company Secretary And Compliance Officer of the Company with effect from 28/03/2023.

- 3.3 during the period under review M/s. Ramesh Kamalapurkar & Co, Chartered Accountants was appointed as internal Auditor of the Company.
4. According to the management representation letter received by the Company adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system found to exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
5. Decisions were carried through while the system permits the views of dissenting member views could be captured and recorded as part of the minutes.
6. the Company has duly filed forms/returns required to be submitted with the Registrar of Companies.
7. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
8. According to the management representation letter received the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, being independent and compliance with the Code of Business Conduct and Ethics for Directors and Management Personnel;
9. the Company has complied and obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made there under, to the extent applicable and the company has complied the applicable regulations of Listing Agreement entered into by the Company with BSE Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except:
 - 9.1 the Company received notice from the Stock Exchange (BSE) dated 04th August, 2020 for Non-compliance with Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 imposing fine of Rs. 1,07,380 and was directed to pay the aforesaid fine within 15 days from the date of notice. The Company had pleaded for waiver offline in its reply letter dated 18/08/2020 through email.

- 9.2 in response to the said waiver request by the Company, Stock Exchange (BSE) had reduced the fine amount to Rs. 56,640 (including GST) vide email dated 23rd April, 2021 and had given 10 days time to pay the said fine. However the Company has again pleaded for full waiver of fine vide email dated 26th April, 2021. /Is per representation received from the Company's Management in its Management letter, response from Stock Exchange (BSE) for the aforesaid plea dated 26th April, 2021 is not being received till the date of this report. Further Company has not deposited fine till the date of this report.
- 9.3 further the company was sought a clarification on 02nd of August, 2022 under Regulation 25(2A) of SEBI (LODR) Regulations 2015 with respect to the appointment of Independent Director and as per the representation received from the Company's Management the required clarification with respect to the same has been submitted on 04th of August, 2022 within the prescribed time. Since then further no actions had been taken on this matter till the date of this report.
10. the Company had received a show cause notice from Registrar of Companies, Bangalore dated 01st June, 2021 pointing out non compliance of section 185, 42, 92(3), 203,149,145,124(5), 134,129,143 of Companies Act, 2013.
- 10.1 the Company has submitted its reply letter through Girdhar & Co. Advocates on 30th June, 2021.
- 10.2 further the Company received second notice from ROC dated 22nd July, 2021 directing to clarify the compliance of section 21 of the Companies Act, 2013 and the Company has submitted its reply through letter dated 24th July, 2021 within the prescribed time in the letter.
- 10.3 In response to reply letter dated 24th July, 2021 ROC issued show cause notices dated 28/10/2021 u/s 206 of the Act for
- violation of section 143(3) for the financial years ending on 31/03/2018, 31/03/2019 and 31/03/2020.
 - violation of section 203 during the period 01/04/2014 to 30/09/2014, 01/04/2014 to 30/09/2014, 02/03/2015 to 05/04/2016 and 04/08/2019 to 01/09/2020
 - violation of section 137 for the financial years ending on 2018-19, and 2019-20.
 - violation of section 129 for the financial years ending on 31/03/2018, 31/03/2019 and 31/03/2020.
- 10.4 In response to above mentioned show cause notices dated 28/10/2021, Company filed its reply dated 30/11/2021 requesting for physical hearing which was scheduled on 24th December, 2021. The meeting was attended by the Company's representatives. Since then further no actions had been taken on this matter till the date of this report.

11. during the period under Audit it was found that as per 3(f) of Annexure-A to the Auditor's Report loans granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 are on the basis of oral agreement
12. during the period covered under review, the Company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:
 - 12.1 the Company increased its authorised capital from INR 8,00,00,000/- (Indian Rupees Eight Crore Only) to INR 10,00,00,000/- (Indian Rupees Ten Crore Only) and alteration in capital clause of Memorandum of Association was done ' increase in Authorised capital;
 - 12.2 allotment of 70,24,600 (Seventy Lakhs Twenty Four Thousand Six Hundred) equity shares of rupees INR 5/- (Indian Rupees Five Only) as Bonus shares in the ratio of 1:1.

We further report that, based on the information provided on <http://www.bseindia.com> 1,40,49,200 equity shares of Gilada Finance & Investments Limited (Scrip Code: 538788) are listed with BSE Limited (Bombay Stock Exchange) and admitted to dealings on the Exchange in the list of T Group Securities effective from November 19, 2014.

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

There were no other specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, referred to above.

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

**For SAND& Associates
Practicing Company Secretaries**

**(Varun Nashine)
Partner**

**C.P. No. 17975 | M. No. 49574
UDIN:A049574E000742244**

**Place : Pune
Date : 04/082023**

Annexure 'A' to Secretarial Audit Report of GILADA FINANCE AND INVESTMENTS

LIMITED dated 04th August, 2023

**To,
The Members,
Gilada Finance And Investments Limited
Corporate Identity Number: L65910KA1994PLCO15981
Registered Office: # 105, R RTakt
37 Boopasandra Main Road, Bangalore-560094**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe. that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and relied on the opinion of the Statutory Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of. procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Pune
Date: 04/08/2023
Secretaries**

**For SAND & Associates
Practicing Company**

**(Varun Nashine)
Partner
C.P. No. 17975 | M. No. 49574
UDIN: A049574E000742244**

ANNEXURE-IV

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31ST MARCH 2023

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

1. Company's Philosophy:

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

2. Board of Directors:

Composition

The Company's day-to-day affairs are managed by the Managing Director, assisted by a competent management team, under the overall supervision of the Board. The Company has in place an appropriate risk management system covering various risks that the Company is exposed to, including fraud risks, which are discussed and reviewed by the Audit Committee and the Board every quarter.

The Board has been constituted in a manner as per Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 (the Act). The Board has an appropriate mix of executive / non-executive and independent directors, including a woman director to ensure proper governance and management. The Board comprises of six members, of which three are Non-Executive Directors including a Woman Director. Not less than one-third of the total strength of the Board comprises of Independent Directors. The Company has three Independent Directors. None of the Directors on the Company's Board is a member on more than ten (10) Committees and Chairman of more than five (5) Committees across all the companies in which he is a Director. All the Directors have made necessary disclosure regarding committee positions occupied by them in other companies. The composition of the Board is in conformity with the listing requirements.

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

During the financial year 2022-23, the Company did not have any material pecuniary relationship or transactions with its Non- Executive Directors.

Code of Conduct for Directors and Senior Management

The Company has adopted the code of conduct for directors and Senior Management and the Company received the annual affirmations with regard to the adherence to the code of conduct for the financial year 2022-23.

3. Board Meetings:

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

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

The Board of Directors duly met Six (6) times respectively on 05th April, 2022; 30th May, 2022; 12th August, 2022; 02nd September, 2022; 29th October, 2022, and 14th February, 2023, in respect of which meetings proper notices were sent and the proceedings were properly recorded and signed in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The requisite information as enumerated in Schedule II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board of Directors for discussion and consideration at Board Meetings.

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

Name of Director (Designation)	Category	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorship in other companies*	No. of memberships in Committees of Directors in other companies
Mr. Rajgopal Gilada (Managing Director)	Professional & Executive Director	6	YES	12	NIL
Mr. Sampathkumar Gilada (Director)	Professional & Non-Executive Director	6	YES	12	NIL
Ms. Bindu Rajgopal Gilada	Non-Executive Woman Director	6	YES	4	NIL
Mr. K. V. Prabhakar (Director)	Independent & Non-Executive Director	6	YES	1	1
MR. Dodballapur Narasimhamurthy Gopal	Independent & Non-Executive Director	6	YES	-	NIL
Mr. Om Prakash Asava	Independent & Non-Executive Director	6	YES	-	NIL

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

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

The Independent Directors of the Company have given a declaration that they meet the criteria of independence in accordance with section 149(7) of the Act, to the Company, which is taken on record by the Board.

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

4. Familiarization Programme for Independent Directors:

Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires listed companies to familiarize the Independent Directors with the Company their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., through various programmes. Accordingly the Company has a familiarization programme for independent directors with regard to their roles, rights, responsibilities in the Company; nature of the industry in which the Company operates, the business model of the Company, etc. and the same is available on the website of the Company.

5. Separate Meeting of Independent Directors:

During the year under review, in line with Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with provisions of the Companies Act, 2013, the independent directors had a separate meeting on 29th October 2022 without the presence of the management team and the non-independent directors of the Company.

6. Committees of the Board:

The Board has constituted various committees to support the Board in discharging its responsibilities. There are four committees constituted by the Board - Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee.

(i) Audit Committee

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

Terms of Reference

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

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

Composition and Meeting

As at 31st March, 2023, the Audit Committee Comprised of:

Sl No.	Name	Particulars	No. of meetings attended	Remarks
1.	Mr. K. V. Prabhakar	Non-Executive Independent Director	4	-
2.	Mr. Sampathkumar Gilada	Executive Promoter Director	4	-
4.	Mr. Dodballapur Narasimhamurthy Gopal	Non-Executive Independent Director	4	-
5.	Mr. Om Prakash Asava	Non-Executive Independent Director	4	-

The Committee met 4 times during the financial year 2022-23. There are no recommendations of the Audit Committee which have not been accepted by the Board.

(ii) Nomination and Remuneration Committee

Terms of Reference

The role of the committee is to determine the company's policy on specific remuneration packages for executive directors including periodic increments in salary.

The committee further considers and recommends persons who are qualified for board positions, evaluate directors performance prior to recommendation for re-appointments, persons who are qualified to be in senior management, formulate the criteria for determining qualifications, positive attributes and independence of a director and devising a policy on board diversity. Decisions for selecting a director is based on the merit, qualification, competency and the Company's business requirements. The recommendations of the committee are placed before the Board for its approval.

Composition and Meeting

As at 31st March, 2023 the Nomination and Remuneration Committee Comprised of-

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

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

The nomination and remuneration committee is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The committee has formulated a charter in terms of the provisions of the Act and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia, deals with the personal traits, competencies, experience, background and other fit and proper criteria. These attributes shall be considered for nominating candidates for board positions /re-appointment of directors.

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

The Committee met Three (3) times during the financial year 2022-23.

Performance evaluation

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

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

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

The Directors expressed their satisfaction with the evaluation process.

Details of Remuneration paid to the Directors

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

a. Executive Directors:

All elements of remuneration package i.e. salary, benefits; bonuses etc paid to Executive Directors during the financial year 2022-23 are detailed herein below-

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

Notes:

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

(iii) Stakeholders Relationship Committee

Terms of Reference

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

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

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

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

Composition and Meeting

As at 31st March, 2023 the Stakeholders Relationship Committee Comprised of:

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

The Committee met once during the financial year 2022-23.

The minutes of the Committee Meetings are circulated to the Board, discussed and taken note of. The Company has been receiving various correspondences from the shareholders and the required information/documents are promptly furnished to the shareholders. No complaints were received from the shareholders during the financial year 2022-23.

7. General Body Meeting:

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

Year	Location	Date	Time
2019-20	Video Conferencing	07th December 2020	11:00 AM
2020-21	Video Conferencing	30th September 2021	12:00 Noon
2021-22	Video Conferencing	30th September 2022	11:30 AM
2021-22	EGM (Video Conferencing)	18th March 2022	11:30 AM

8. Code of Conduct:

The Board has laid down a "Code of Conduct" for all the Board Members and the senior management of the company and the code of conduct has been posted on the website of the company. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct. A declaration to this effect signed by Mr. Rajgopal Gilada, Managing Director is attached to this report.

9. Auditors Certificate on Corporate Governance:

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

10. Vigil Mechanism:

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

11. Disclosures:

Related Party Transactions:

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

- Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in Note 11 in heading B- Notes on Accounts of the financial statements in the annual report.

Compliance with Statutory / legal requirements:

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

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

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

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

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

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

- Compliance with Accounting Standards:

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

- Compliance of mandatory requirements:

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

12. Means of Communication:

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

13. General Shareholders' Information:

a. Annual General Meeting

Financial Year	Venue	Date	Time
2022-23	VIDEO CONFERENCING	26.09.2023	11:30 AM IST

- a. **Dividend Payment Date** Not applicable since no dividend has been declared.
- b. **Date of Book Closure** The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th September, 2023 to Tuesday, 26th September, 2023 (both days inclusive).
- d. **Tentative Financial Calendar 2023-24**

Unaudited results for quarter ending 30 th June 2023	10th August 2023
Unaudited results for quarter ending 30 th September 2023	Last week of October 2023
Unaudited results for quarter ending 31 st December 2023	Last week of January 2024
Audited results for ending 31 st March 2024	Last week of May 2024
Annual General Meeting for year ended 31.03.2024	August-September 2024

e. Listing on Stock Exchange

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

f. Stock Code

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

g. Registrar & Share Transfer Agent of the Company

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

h. Share Transfer System

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

i. Shareholding pattern as on 31st March 2023

The distribution of shareholding as on 31.03.2023 is as under:

Category Code	Category of Shareholder	No. of Shareholders	Total No. of shares	No. of shares held in demat form	Total Shareholding as a percentage of total number of shares		No. of Shares underlying outstanding convertible securities		Shares pledged or otherwise encumbered	
					As a % of(A + B) (VI)	As a% of (A+B+ C) (VII)	(VIII)	% holding (IX)	No of Shares (X)	As a % (XI)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter and Promoter Group									
1	Indian									
(a)	Individuals/HUF	8	4203600	4203600	29.92	29.92	0	0	0	0
(b)	Central Government/State Governments)	0	0	0	0	0	0	0	0	0
a.	Bodies Corporate	1	4053600	4053600	28.85	28.85	0	0	0	0
(d)	Financial Institutions/banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Person Acting Concert	0	0	0	0	0	0	0	0	0
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Reserve Bank of India	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub-Total(A)(1)	9	8257200	8257200	58.77	58.77	0	0	0	0.000
2	Foreign									
(a)	Individual(Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Any Others (specify)									
	Directors & their relatives	0	0	0	0	0	0	0	0	0
	Partnership Firms	0	0	0	0	0	0	0	0	0
	Employees Welfare Fund	0	0	0	0	0	0	0	0	0
	ESOP/ESOS	0	0	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.000
	Total Shareholding of Promoter and Promoter Group (A)=[A(1) + (A(2)]	9	8257200	8257200	58.77	58.77	0	0	0	0.000

(B)	Public Shareholdings										
(B)	Public Shareholdings										
1	Institutions									NA	NA
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0	0	-	-
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	-	-
(c)	Central Government/state Governments	0	0	0	0	0	0	0	0	-	-
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	-	-
(e)	Insurance Companies	0	0	0	0	0	0	0	0	-	-
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	-	-
(g)	Foreign venture Capital	0	0	0	0	0	0	0	0	-	-
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	-	-
(i)	Any Others (specify)	0	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions	0	0	0	0	0	0	0	0	-	-
	TOTAL (FFI)	0	0	0	0	0	0	0	0	-	-
	Foreign Mutual Funds	0	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions/ Banks	0	0	0	0	0	0	0	0	-	-
	Stressed Assets Stabilization Fund	0	0	0	0	0	0	0	0	-	-
	State Finance Corporation	0	0	0	0	0	0	0	0	-	-
	Sub-Total (B)(1)	0	0	0	0	0	0	0	0	-	-
2	Non Institutions										
(a)	Bodies Corporate	8	931946	915946	6.63	6.63	0	0	0	-	-
(b)	Individuals										
	i) Individual Shareholders holding nominal share capital up to Rs. 2lakh	5840	3027128	2055964	21.55	21.55	0	0	0	-	-
	ii) Individual Share-holders holding nominal share capital in excess of Rs. 2lakh	16	1599266	1372866	11.38	11.38	0	0	0	-	-
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	-	-
(d)	Any other (Specify)										
	Trust	1	400	400	0	0	0	0	0	-	-
	Director and their relatives	0	0	0	0	0	0	0	0	-	-
	Foreign Nationals	0	0	0	0	0	0	0	0	-	-
	Escrow Account	0	0	0	0	0	0	0	0	-	-
	Market maker	0	0	0	0	0	0	0	0	-	-
	Non-resident Indian	8	10007	10007	0.07	0.07	0	0	0	-	-
	O.C.Bs	0	0	0	0	0	0	0	0	-	-
	Societies	0	0	0	0	0	0	0	0	-	-
	Clearing members	1	94	94	0	0	0	0	0	-	-
	Shares in transit	0	0	0	0	0	0	0	0	-	-
	Hindi Undivided Family	33	223159	223159	1.59	1.59	0	0	0	-	-

	Foreign Corporate Bodies	0	0	0	0	0	0	0	-	-
	Partnership Firm	0	0	0	0	0	0	0	-	-
	Custodian of Enemy Property	0	0	0	0	0	0	0	-	-
	Foreign Collaborators	0	0	0	0	0	0	0	-	-
	ESOPs/ESOS/ESPS/ Employee Shareholders	0	0	0	0	0	0	0	-	-
	Sub-Total (B)(2)	5907	5792000	4578436	41.23	41.23	0	0	-	-
	Total Public Shareholding B=(B)(1)+(B)(2)	5907	5792000	4578436	41.23	41.23	0	0	-	-
	Sub-Total (A+B)	5916	14049200	12835636	100	100	-	0	-	-
(c)	Shares held by Custodian against Depository receipt have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	-	-
2	Public	0	0	0	0	0	0	0	-	-
	Grand Total (A+B+C)	5916	14049200	12835636	100	100	-	0	-	-

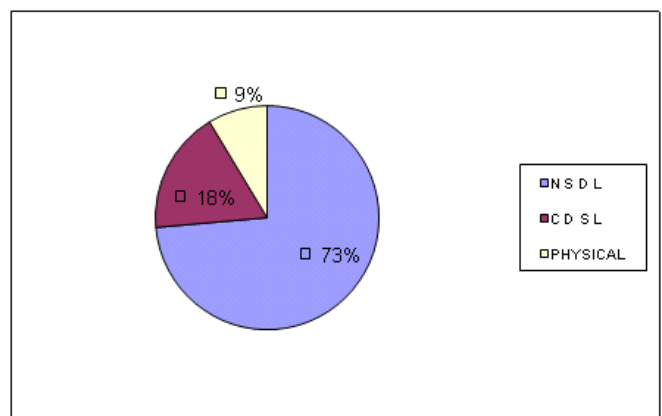
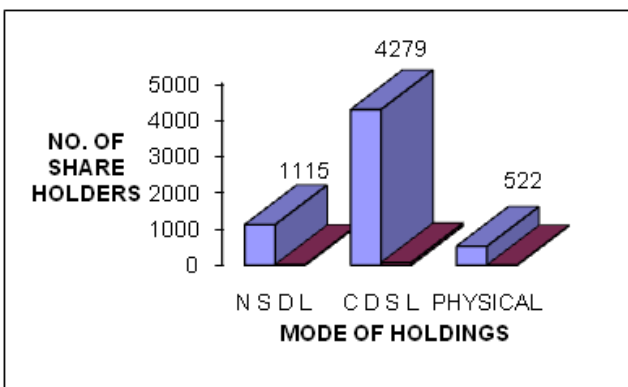
j. Dematerialization of shares and liquidity

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

The details of dematerialization of shares are as specified hereunder:

CATEGORY	NO. OF HOLDERS	%
NSDL	1115	18.85
CDSL	4279	72.33
DEMAT	5394	91.18
PHYSICAL	522	8.82
TOTAL	5916	100.00

CATEGORY	NO. OF SHARES	%
NSDL	10342082	73.61
CDSL	2493554	17.75
DEMAT	12835636	91.36
PHYSICAL	1213564	8.64
TOTAL	14049200	100.00



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

k. Financial Year

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

l. Outstanding GDRs

Not Applicable. There are no outstanding GDRs/ADRs as on 31.03.2023.

m. Plant Locations

The Company has no Plants.

n. Address for correspondence

Registered Office: #105 R RTakt, 37, Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094.

Non-Mandatory Requirements:

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

Green initiative in Corporate Governance:

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. To support the green initiative and to receive all documents, notices, including annual reports and other communications of the company, investors are requested to register the e-mail ID with the Depository Participant, if the holding is in electronic mode. If shares are held in physical mode, the shareholders may give a positive consent in writing to RTA for receiving by electronic mode.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GILADA FINANCE AND INVESTMENTS LIMITED

Sd/-
RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACROECONOMIC OVERVIEW

Financial year 2022-2023 began on a mixed note. On the positive side, after wreaking havoc for almost two years, the impact of the COVID-19 pandemic on lives and livelihoods started receding. This was aided by a mass immunization programme and the advent of a less virulent variant called omicron. However, the flip side was the impact of inflationary trends, supply chain disruptions emanating from China, and the start of the Russia-Ukraine conflict impacting commodity prices.

In FY2023, the Indian economy faced multiple challenges. The country's retail inflation indicator, consumer price inflation (CPI) inched above the RBI's tolerance range in January 2022. It remained above the target range for almost twelve months before retracting within the upper tolerance of 6% in November 2022. Rising international crude prices coupled with domestic weather conditions like excessive heat and unseasonal rains kept food prices high, fueling retail inflation. The Government cut excise and customs duties and restricted exports to cool off inflation. The RBI, like other central banks, raised the monetary policy rates and reduced excess systemic liquidity. Major areas of concern for the economy were elevated commodity prices leading to a depreciation of the Indian rupee, higher retail inflation (both core and food inflation) leading to the RBI raising interest rates and rationalizing systemic liquidity, and a rising current account deficit (CAD).

However, despite these critical challenges, India emerged as the fastest growing major economy in the world. The second advance estimate of national income released by the central statistics office (CSO) on 28 February, 2023 expects real GDP growth in FY2023 to be 7.0%.

The calendar year 2023 began on a promising note with improved supply conditions, resilient economic activity, and some degree of stability in financial markets. In just a few weeks of March 2023 the sentiment changed as fresh headwinds emerged from the banking sector turmoil in some advanced economies. Bank failures in the USA and Switzerland with their contagion risks came to the forefront. However, the banking and non-banking financial services sector in India remained healthy and evolved in an orderly manner.

On balance, we believe that the Indian economy has weathered the external shocks reasonably well. The proof of it is that the country has emerged as the fastest growing major economy in the world.

INDUSTRY OVERVIEW

NBFCs have become important constituents of India's financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, these are well-suited to bridge the financing gap in a large country like India.

In recent years as the impact of the second COVID-19 wave waned and the third wave turned out to be shortlived, the NBFC sector regained momentum, cushioned by proactive policy measures announced by the RBI and the Government. The economic survey has observed that credit extended by NBFCs is picking up momentum, with the aggregate outstanding amount at H 31.5 trillion as on September 2022. NBFCs continued to deploy the largest quantum of credit to the industrial sector, followed by retail, services, and agriculture. Loans to the services sector (share in outstanding credit being 14.7%) and personal loans (share of 29.5%) registered a double digit growth.

Given the increasing importance of NBFCs, the RBI, in the last few years, has increased its regulatory oversight over the sector. Multiple guidelines such as (i) vigil over asset-liability management practices, (ii) maintaining liquidity ratios, (iii) increased reporting requirements, and (iv) scale-based regulation, have led to NBFCs adopting practices in line with banks. The regulatory vigil is based on four key cornerstones of: (i) responsible financial innovation, (ii) accountable conduct, (iii) responsible governance, and (iv) centrality of the customer.

The recently adopted changes to the finance bill withdrawing exemptions on long term capital gains to investors in debt mutual funds is estimated to have minimal impact on the NBFC sector given limited exposure of mutual funds in long term papers of NBFCs.

The steady momentum of NBFCs is heavily backed by robust demand for personal loans, which they need for their growth and working capital. According to ICRA Analysis, NBFCs are expected to witness 8-10% growth in AUM in FY 2022- 23 compared to 5-7% growth in FY 2021-22. Despite yield pressure, the sector is also expected to improve its asset quality metrics.

According to the Reserve Bank of India (RBI) data, outstanding bank credit to NBFCs has significantly increased from Rs. 3.68 Lac crore in 2017 to Rs. 13.20 Lac crore as of December 2022. NBFCs are expected to play a crucial role in financing India's transition from the world's fifth-largest to the third-largest economy by the end of this decade. The Government is also focusing on developing NBFCs with high emphasis on driving quality corporate governance across these entities. Following sluggish years amid liquidity stress, NBFCs have bounced back strongly with higher capital levels, reasonable stability in delinquency accounts, better asset quality and larger balance sheets. Stronger risk assessment frameworks, Government support such as debt moratorium and liquidity enhancement measures and broader economic revival have helped them tide through these challenges and pursue innovative strategies to meet evolving opportunities.

THE COMPANY

The Company is a prominent NBFC in the retail finance industry in India. The regulatory framework for NBFCs to introduce scalebased regulation came into effect from October 01, 2022. Under the new framework, NBFCs are placed in one of the four layers viz., Base Layer (BL), Middle Layer (ML), Upper Layer (UL) and a possible Top Layer (TL) based on their size, activity, and perceived risks. The new framework tightens regulatory oversight of the sector with stringent norms for the Upper layers. The Company has been classified as Base Layer under Scale Based Regulatory Framework for NBFCs as per the list issued by RBI. The Company is on schedule in implementing the applicable guidelines and regulatory framework. The Company continues to concentrate on lending to MSMEs and in particular the secured loan segment where the collection efficiency is better. It also aims at improving the business volumes of Vehicle loans, Commodity loans, loans against landed properties.

Key Highlights for FY 2022-23

- Assets under management (AUM): increased Rs.15.49 Crore to 19.31 Crores
- Total income: increased from Rs.3.76 Crores to 5.81 Crores.
- Net interest income (NII): increased from Rs.3.54 Crores to 3.51 Crores.
- Operating expenses to NII stood at 95.38%.
- Impairment on financial investment: NIL.
- Profit before tax (PBT): increased from Rs.1.61 Crores to 2.05 Crores.
- Profit after tax (PAT): increased from Rs.1.32 Crores to 1.52 Crores.
- Gross NPA stood as 2.96 % and Net NPA stood as 2.42 %
- Capital adequacy ratio as of 31 March 2023 is 76.61%, which is well above the RBI norm of 15%. Tier I capital adequacy is 67.40%.

RISK MANAGEMENT

As a NBFC, GFIL is exposed to credit, liquidity, operational, market and interest rate risk. It continues to invest in talent, processes, and emerging technologies to build advanced risk management capabilities. The Company's sustained efforts to strengthen its risk framework have resulted in stable risk metrics.

The Company promotes a strong risk culture that is embedded across the organisation. At the highest level, the Board of Directors has established a Risk Management Committee (RMC), which assists the Board in maintaining oversight and review of the risk management principles and policies, strategies, risk appetite, processes, and controls. This is enabled by a robust governance system and review mechanisms which include quarterly risk management review.

With the impact of the pandemic waning during FY2023, the risks revolving around inflationary trends, elevated interest rates and tighter systemic liquidity emerged as challenges which needed to be addressed. GFIL's risk framework has ensured that, despite these risks, its net interest income, NPAs and liquidity management were not impacted.

Moreover, the Company has a robust asset-liability management framework and maintains enough liquidity buffer to meet its repayment obligation and emerging credit demand. By virtue of effective focus on capital and liquidity management, reduction in operating expenses, focus on debt management, servicing capability and strengthening of underwriting norms combined with a very sharp view on risk metrics, the Company ought to continue to show higher level of efficiencies in all parameters.

SWOT Analysis

Strengths

- A unique relationship-based business model with extensive experience and expertise in credit appraisal and collection process.
- Well-defined and scalable organizational structure based on product, territory and process knowledge
- Technology platform integrated across process as well as for onboarding customers
- Consistent financial track record with rapid growth in AUMs
- Robust financial management with balanced ALMs and lower NPAs
- Experienced senior management team
- Strong relationships with public, private banks, institutions and investors

Weakness:

- Business and growth are directly linked with the GDP growth of the country.
- The Company's customers, MSMEs, are more vulnerable to the negative effects of economic downturns

Opportunities:

- Increasing Government regulations and tightening of norms to restrict competition and deter the entry of unorganized players, thus benefiting the leaders in the industry
- Increasing geographical reach and a higher customer base create opportunities to penetrate further into the hinterland
- Increasing disposable income, change in consumption pattern and shift in mindset to spend bringing in higher demand for consumer loans
- Government initiatives to increase spending in the MSME segment to increase start-up businesses and thus demand MSME loans
- India's financial inclusion is still at a nascent stage, providing an opportunity for NBFCs to fill the gap and reach the unbanked and under banked population
- NBFCs have opportunity to provide financing solutions to MSMEs, which have traditionally struggled to access credit from banks
- Growth in the commercial vehicle, passenger vehicle and tractors market, presents opportunities for financing.
- Meeting working capital needs of the customers in the commercial vehicle eco-system
- Higher budgetary allocation by the Government to boost the infrastructure sector, involving the construction of roads, new airports, ports, etc., creates a huge demand for commercial vehicles

Threats:

- Competition from captive finance companies, small banks, FinTechs and new entrants
- Inadequate availability of bank finance and an upsurge in borrowing costs
- External risks associated with liquidity stress, political uncertainties, fiscal slippage concerns, etc.
- Increasing competition from global and local competitors in terms of product development and technology innovations, leaving very thin margins of error
- Regulatory and compliance-related changes in the sector affecting NBFCs

SEGMENT-WISE PERFORMANCE

There is no separate reportable segment as per INDAS 108 on “Operating Segments” in respect of the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a well-defined organizational structure, documented policy guidelines, and a defined authority matrix that ensures efficiency of operations, compliance with internal policies and applicable laws and regulations, as well as protection of resources. The Company believes that a strong internal control system and processes play a critical role in the day-to-day operations of the Company. To this end, the Company has put in place an effective internal control system to synchronize its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. Strict internal control and systems are devised as a depiction of the principles of the highest standards of governance. The Company ensures that a standard and effective internal control framework operates throughout the organization, providing assurance about safekeeping of the assets and execution of transactions as per the authorization in compliance with the internal control policies of the Company. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines, which ensure reliability of financial and all other records. The Management periodically reviews the framework, efficacy, and operating effectiveness of the Internal Financial Controls of the Company, broadly in accordance with the criteria established under the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respect, an adequate internal financial control over financial reporting and such controls are operating effectively. Internal Audits are carried out to review the adequacy of the internal control systems, compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score and other factors such as probability, impact, significance and strength of the control environment. Its adequacy is assessed, and the operating effectiveness was also tested.

FINANCIAL PERFORMANCE

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

HUMAN RESOURCES

The Company values its human resources and believes that the success of an organization is directly linked to the competencies, capabilities, contributions, and experience of its employees. The Company's core philosophy is centered around promoting a safe, healthy, and happy workplace while fostering a conducive work environment among its employees. The HR department promotes a culture of integrity, honesty and a constant learning attitude, while also maintaining cordial relationships, equal opportunities and policies to prevent harassment. The Company constantly works towards promoting a respectful and secure workplace and aims to provide its employees with careers, not just jobs, and creating an environment of trust, confidence and transparency.

The HR policies of the Company are designed to empower its workforce with knowledge and build their capabilities to grow and prosper in a healthy work environment. Through a performance-driven culture, the Company motivates its employees to deliver excellence. As we scale up our business and strive to build a future-ready organization, talent attraction and retention, employee development and well-being, equal opportunities and harmonious relationships are key areas of focus. Our HR processes are guided by well-defined competencies and Company values.

CAUTIONARY STATEMENT

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

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



RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829



SAMPAT KUMAR GILADA
DIRECTOR
DIN: 02144736

**DATE: 10.08.2023
PLACE: BANGALORE**

INDEPENDENT AUDITOR'S REPORT TO SHAREHOLDERS

To the Members of GILADA FINANCE & INVESTMENTS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of "GILADA FINANCE & INVESTMENTS LIMITED", which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit & Loss including comprehensive income, the statement of changes in equity and the Statement of Cash Flow for the year then ended and a notes to financial statement including summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the companies Act 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2023, and its profit, the changes in equity and cash flows for the year ended as on that date.

Basis For Opinion

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

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

Key audit matters

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

Reporting of key audit matters as per SA 701 :- (1) The Company's investment in property at Vijayapur, Karnataka is not revalued from registered valuer as required under amended Schedule III – Division III of the Companies Act, 2013 and also under Companies Indian Accounting Standard (Ind AS – 16).

(2) In the opinion of the Management, Companies Indian Accounting Standard (Ind AS) – 19 on employee benefits is not yet applicable to the Company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the Act, read with Companies (Ind AS) Rules, 2015 & 2016 & amendments if any. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B and our report expresses an unmodified opinion on the adequacy and operating effectiveness of company's internal control over financial reporting.

g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act and

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 (B) (5) (A) to the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts, for which there were no material foreseeable losses provision is required.

(iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For BENNURNAGARAJA &CO
CHARTERED ACCOUNTANTS
FR No. 000419S

(BENNUR NAGARAJA)
PROPRIETOR
M. No. 024163

Place : Bangalore
Date: 26.05.2023

UDIN : 23024163BGXDRL8795

GILADA FINANCE AND INVESTMENTS LIMITED
ANNEXURE –A TO THE AUDITOR’S REPORT

1. (a) The Company has maintained proper records showing full particulars including quantitative details & situation of the property, plant & equipment and intangible assets.

(b) All the fixed assets have been physically verified by the management during the year under audit, and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company & the nature of its fixed assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the Company.

(d) The Company has not revalued its property, plant & equipment by the registered valuer during the year under audit.

(e) We are informed by the Management that any kind of proceedings have not been initiated during the year & not pending against the Company for holding any benami property under the benami transactions (Prohibition) Act, 1988 and rules made there under.
2. (a) The nature of the Company’s business / activities during the year does not involve inventories. Accordingly clauses (II)(a) of paragraph 3 of the Companies (Auditors Report) order 2020 is not applicable to the Company.

(b) Since the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate during the year under audit, our comments on details submitted in quarterly returns to banks or financial institutions not required.
3. As explained in Note No.18 to the financial statements, the Company is a Non Deposit-taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties, with respect to such investments, guarantees/security and loans and advances:

(a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

(c) In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note No.18(4) to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at 31 March 2023, aggregating Rs.NIL were categorised as credit impaired ('Stage 3') and Rs.175696/- were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Additionally, out of loans and advances in the nature of loans with balances as at the year end aggregating Rs.5529701/-, where credit risk has not significantly increased since initial recognition (categorised as 'Stage 1'), delinquencies in the repayment of principal and payment of interest were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than 365 days, in respect of loans and advances in the nature of loans, as at the year-end is Rs.5705397/-. Reasonable steps are being taken by the Company for recovery of the principal and interest.

(e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.

(f) In the ordinary course of business of financing, the company has given loans to few related parties covered in the register maintained under section 189 of the Companies Act, 2013 on the basis of oral agreement since the Companies are under the same management. The maximum amount involved during the year was not determined by the management, since they are in the nature of current accounts and repayable on demand. The yearend balance of loans given to such parties was Rs.195.30 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non Banking Financial Companies (NBFC-ND-NSI) and not prejudicial to the Company's interest.

(10.12% of total loans outstanding).

GILADA FINANCE AND INVESTMENTS LIMITED

4. In our opinion & according to informations and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, with respect to loans and investment made and corporate guarantees given.
5. Since no deposits have been accepted from public, in our opinion & according to the information & explanations given to us, the company is not required to comply with the directions issued by Reserve Bank of India under Non Banking Financial Companies (Reserve Bank) Directions, 1998, with respect to public deposits, No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
6. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the nature of business of the Company, Since the Company is not into manufacturing activity.
7. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, Goods & Service Tax, cess & other material statutory dues applicable to it. However, we are informed that the provisions of the Employees Provident Fund & Employees State Insurance Scheme are not yet applicable to the Company.

According to the information & explanations given to us, no undisputed amounts payable in respect of provident fund, employees state Insurance income tax, sales tax, service tax, customs duty, excise duty, value added tax, Goods & Service Tax , cess & other material statutory dues were in arrears, as at 31-3-2023 for a period of more than 6 months from the date they became payable.

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

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

GILADA FINANCE AND INVESTMENTS LIMITED

8. We are informed by the management that any kind of transactions not recorded in the books of account have not been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
9. (a) In our opinion & according to the information & explanations given to us, the company had generally not defaulted in repayment of dues to a Financial Institution, Bank or debenture holders.
- (b) We are informed by the management of the company that the company is not declared wilful defaulter by any bank or financial institution or other lender
- (c) In our opinion, term loans availed by the Company during the year were applied by the Company for the purposes for which the loans were obtained.
- (d) No funds raised on short term basis have been utilised for long term purposes.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
- (f) Since the company do not have any subsidiaries, joint ventures or associate companies, the question of company raising any loans on the pledge of securities held in its subsidiaries does not arise.
- 10.(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Paragraph 3 (X) of the order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- 11.(a) According to the information & explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (b) We have not filed any report under subsection 12 of Section 143 of the Companies Act in Form ADT4 as prescribed under rule 13 of the Companies (Audit & Auditors) Rules, 2014 with the Central Government.

GILADA FINANCE AND INVESTMENTS LIMITED

- (c) We are informed by the management of the company that any kind of complaints from whistle blower had not been received by the company during the year under audit.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly paragraph 3(xii)(a) and (b) and (c) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, wherever applicable and details of such transactions has been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the order is not applicable.
16. (a) According to the information and explanations given to us, the Company has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has conducted Non-Banking Financial activities with a valid certificate of Registration (COR) from the Reserve Bank of India.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.
- (d) We are informed by the management of the company that the group it belongs has only one core investment company (CIC).
17. The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

GILADA FINANCE AND INVESTMENTS LIMITED

18. There has been no resignation of the statutory auditors during the year under audit.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.(a) Section 135(5) second proviso of the Companies Act, 2013 in respect of other than ongoing projects of CSR activities does not apply to the company.
- (b) Section 135(6) of the Companies Act, 2013 in respect of ongoing projects of CSR activities does not apply to the company.
21. Since, the company is not required to prepare consolidated financial statements, our reporting on the matters as required by this clause is not applicable.

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

PLACE : BANGALORE (BENNUR NAGARAJA)
DATE : 26/05/2023 PROPRIETOR
UDIN : 23024163BGXDRL8795 M. No. 024163

GILADA FINANCE AND INVESTMENTS LIMITED
ANNEXURE –B TO THE AUDITOR’S REPORT

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

We have audited the Internal Financial controls with reference to financial statements over financial reporting of Gilada Finance & Investments Ltd as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accounts of India.

PLACE : BANGALORE
DATE : 26/05/2023
UDIN : 23024163BGXDRL8795

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

(BENNUR NAGARAJA)
PROPRIETOR
M.No. 024163

BALANCE SHEET

Name of the Non-Banking Financial Company GILADA FINANCE & INVESTMENTS LTD.

CIN: L65910KA1994PLC015981, Ph:080-40620000 (30 Lines) Website: www.giladafinance.com

Regd Office: #105 R.R Takt, 37 Bhoopasandra Main Road, Bangalore- 560094, Karnataka

Balance Sheet as at MARCH 31, 2023

(In Rupees)

Particulars	Note No.	Figures as at the end of current reporting period (FY 22-23)	Figures as at the end of the previous reporting period (FY 21-22)
1		2	3
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	1(a)	31064737.02	7997140.71
(b) Bank Balance other than (a) above	1(b)	33859.50	33859.00
(c) Derivative financial instruments		NIL	NIL
(d) Receivables			
(I) Trade Receivables		NIL	NIL
(II) Other Receivables	2	4493818.00	3729877.00
(e) Loans	3	193050356.04	154864267.58
(f) Investments	4	590000.00	90000.00
(g) Other Financial assets (to be specified)		NIL	NIL
(2) Non-financial Assets			
(a) Inventories		NIL	NIL
(b) Current tax assets (Net)		493320.00	493320.00
(c) Deferred tax Assets (Net)		491204.00	1013300.00
(d) Investment Property	5	39837000.00	39837000.00
(e) Biological assets other than bearer plants		NIL	NIL
(f) Property, Plant and Equipment	6(A)	170506.00	199079.00
(g) Capital work-in-progress		NIL	NIL
(h) Intangible assets under development		NIL	NIL
(i) Goodwill		NIL	NIL
(j) Other Intangible assets	6(B)	194394.00	292586.00
(k) Other non-financial assets (to be specified)	6(C)	256000.00	NIL
Total Assets		270675194.56	208550429.29
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative financial instruments		NIL	NIL
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		NIL	NIL
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	1855533.00	1279491.00

	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		NIL	NIL
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		NIL	NIL
(c)	Debt Securities		NIL	NIL
(d)	Borrowings (Other than Debt Securities)	8	65655579.00	7017530.00
(e)	Deposits		NIL	NIL
(f)	Subordinated Liabilities		NIL	NIL
(g)	Other financial liabilities(to be specified)		NIL	NIL
(2)	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)		44430.00	NIL
(b)	Provisions	9	202985.63	125769.45
(c)	Deferred tax liabilities (Net)		NIL	NIL
(d)	Other non-financial liabilities(to be specified)		NIL	NIL
(3)	EQUITY			
(a)	Equity Share capital	10	70246000.00	35123000.00
(b)	Other Equity	11	132670666.93	165004638.84
	Total Liabilities and Equity		270675194.56	208550429.29

See accompanying notes to the financial statements

As per our report of even date attached

For **BENNUR NAGARAJA & CO**

CHARTERED ACCOUNTANTS

FR No. 419S

BENNUR NAGARAJA

PROPRIETOR

M No. 024163

Place : Bangalore

Date : 26.05.2023

UDIN : 23024163BGXDRL8795

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(RAJGOPAL GILADA)

MANAGING DIRECTOR

DIN :00307829

(SAMPATHKUMAR GILADA)

DIRECTOR

DIN :02144736

(SANGEETA GILADA)

CHIEF EXECUTIVE OFFICER

PAN :AIDPG1236B

(PALLAVI GILADA)

CHIEF FINANCIAL OFFICER

PAN :BGDPM7347E

MOHITA AGRAWAL

COMPANY SECRETARY

PAN :AJUPA7962Q

STATEMENT OF PROFIT AND LOSS

Name of the Non-Banking Financial Company : GILADA FINANCE & INVESTMENTS LTD.

CIN: L65910KA1994PLC015981, Ph:080-40620000 (30 Lines) Website: www.giladafinance.com

Regd Office: #105 R.R Takt, 37 Bhoopasandra Main Road, Bangalore- 560094, Karnataka

PROFIT AND LOSS AS AT 31ST MARCH 2023

(In Rupees)

	Particulars	No te No	Figures for the current reporting period (FY 22-23)	Figures for the previous reporting period (FY 21-22)
	Revenue from operations	.		
(i)	Interest Income	12	41074459.00	35987883.94
(ii)	Dividend Income			
(iii)	Rental Income			
(iv)	Fees and commission Income		2249955.93	1521426.71
(v)	Net gain on fair value changes			
(vi)	Net gain on derecognition of financial instruments under amortised cost category			
(vii)	Sale of products(including Excise Duty)			
(viii)	Sale of services			
(ix)	Others (to be specified)			
(I)	Total Revenue from operations		43324414.93	37509310.65
(II)	Other Income (to be specified)	13	14824451.00	127762.00
(III)	Total Income (I+II)		58148865.93	37637072.65
	Expenses			
(i)	Finance Costs	14	5977436.00	638311.00
(ii)	Fees and commission expense			
(iii)	Net loss on fair value changes			
(iv)	Net loss on derecognition of financial instruments under amortised cost category			
(v)	Impairment on financial instruments	15	(1537358.00)	(4802655.00)
(vi)	Cost of materials consumed			
(vii)	Purchases of Stock-in-trade			
(viii)	Changes in Inventories of finished goods, stock-in-trade and work-in- progress			
(ix)	Employee Benefits Expenses	16	11012377.00	7208893.00
(x)	Depreciation, amortization and impairment	6	297206.00	352856.00
(xi)	Others expenses (to be specified)	17	21918815.84	18080555.57
(IV)	Total Expenses (IV)		37668476.84	21477960.57
(V)	Profit/(loss) before exceptional items and tax (III-IV)		20480389.09	16159112.08
(VI)	Exceptional items		NIL	NIL
(VII)	Profit/(loss) before tax (V -VI)		20480389.09	16159112.08
(VIII)	Tax Expense: (1) Current Tax (2) Deferred Tax		4794265.00 522096.00	2886314.00 NIL
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)		15164028.09	13272798.08
(X)	Profit/(loss) from discontinued operations		NIL	NIL
(XI)	Tax Expense of discontinued operations		NIL	NIL
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)		NIL	NIL

(XIII)	Profit/(loss) for the period (IX+XII)		15164028.09	13272798.08
(XIV)	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)		NIL	NIL
	(ii) Income tax relating to items that will not be reclassified to profit or loss		NIL	NIL
	Subtotal (A)			
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		NIL	NIL
	(ii) Income tax relating to items that will be reclassified to profit or loss		NIL	NIL
	Subtotal (B)		NIL	NIL
	Other Comprehensive Income (A + B)		NIL	NIL
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)		15164028.09	13272798.08
(XVI)	Earnings per equity share (for continuing operations)			
	Basic (Rs.)		1.08	3.78
	Diluted (Rs.)		1.08	3.61
(XVII)	Earnings per equity share (for discontinued operations)			
	Basic (Rs.)		NIL	NIL
	Diluted (Rs.)		NIL	NIL
(XVIII)	Earnings per equity share (for continuing and discontinued operations)			
	Basic (Rs.)		1.08	3.78
	Diluted (Rs.)		1.08	3.61

See accompanying notes to the financial statements

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

BENNUR NAGARAJA
PROPRIETOR
M No. 024163

Place : Bangalore
Date : 26.05.2023
UDIN : 23024163BGXDRL8795

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN :00307829

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN :02144736

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN :AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

MOHITA AGRAWAL
COMPANY SECRETARY
PAN :AJUPA7962Q

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

Particulars	For the Year ended 31/03/2023	For the Year ended 31/03/2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit (Loss) before Tax	20480389	16159112
Adjustment For :		
- Depreciation and amortisation W/O	297206	352856
- Finance Costs	5977436	638311
- Forfeiture of Share Warrants	(12375000)	NIL
- Preliminary Expenses W/O	64000	NIL
	(6036353)	991167
Operating Profit / (Loss) before Working Capital changes	14444031	17150279
Changes in working capital :		
- (Increase)/Decrease in financial assets	(38950029)	(2413104)
- (Increase)/Decrease in non financial assets	392861	(526725)
- (Increase)/Decrease in non financial liabilities	121646	(2930802)
- (Increase)/Decrease in financial liabilities	576042	266032
- (Increase)/Decrease others	(1187127)	NIL
Net change in working capital	(39046607)	(5604599)
Cash generated from operations	(24602576)	11545680
Net Income tax (Paid) / refunds of current year	(4000000)	(3000000)
Net Income tax (Paid) / refunds of previous year	NIL	(487631)
Net cash flow from / (used in) operating activities (A)	(28602576)	8058049
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including capital advance	(170441)	(386261)
Investment in Shares	(500000)	NIL
Net cash flow from / (used in) investing activities (B)	(670441)	(386261)
C. CASH FLOW FROM FINANCING ACTIVITIES		
- Proceeds from / (Repayment of) long term borrowings	58638049	573054
- Finance Cost	(5977436)	(638311)
- Preliminary Expenses Incurred	320000	NIL
Net cash flow from / (used in) financing activities (C)	52340613	(65257)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	23067596	7606531
Cash & cash equivalents of the beginning of the year	8031000	424469
Cash & cash equivalents of the end of the year	31098596	8031000
D. RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET :		
Cash & cash equivalents as per Balance Sheet	31098596	8031000
Less : Bank balances not considered as Cash & Cash equivalents (as defined in IND AS 7 Statement of Cash Flow)	NIL	NIL
Net Cash & cash equivalents (as defined in IND AS 7 Statement of Cash Flows)	31098596	8031000
Add : Current investments considered as part of Cash and Cash equivalents (as defined in IND AS 7 Statement of Cash Flows)	NIL	NIL
Cash & cash equivalents of the end of the year	31098596	8031000
Comprises :		
(a) Cash in hand	716923	408660
(b) Balances with Banks - in current accounts	30381673	7622340

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN : 00307829

SAMPATHKUMAR GILADA
DIRECTOR
DIN : 02144736

BENNUR NAGARAJA
PROPRIETOR
M No. 024163

SANGEETA GILADA
CHIEF EXECUTIVE OFFICER
PAN :AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN :BGDPM7347E

Place : Bangalore
Date : 26/05/2023
UDIN : 23024163BGXDRL8795

MOHITA AGRAWAL
COMPANY SECRETARY
PAN : AJUPA7962Q

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(In Rupees ...)

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
35123000.00	NIL	NIL	35123000.00 (Bonus shares allotted)	70246000.00

(2) Previous reporting period

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

See accompanying notes to the financial statements

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN : 00307829

(SAMPATHKUMAR GILADA)
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BENNUR NAGARAJA
PROPRIETOR
M No. 024163

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN : AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN : BGDPM7347E

Place : Bangalore
Date : 26/05/2023
UDIN : 23024163BGXDRL8795

MOHITA AGRAWAL
COMPANY SECRETARY
PAN : AJUPA7962Q

Name of the Company : GILADA FINANCE & INVESTMENTS LTD.

B. Other Equity

(1) Current reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature) Remeasurement of defined benefit liabilities (Assets)	Money received against share warrants	Total
			Capital Reserve (Forfeiture of share warrants)	Securities Premium	Other Reserves (specify nature) (Statutory Reserve)	Retained Earnings								
Balance at the beginning of the current reporting period	NIL	NIL	12375000.00	NIL	27111491.00	87263429.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	165004639.00
Changes in accounting policy/prior period errors	NIL	NIL	(12375000.00)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(12375000.00)
Restated balance at the beginning of the current reporting period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Comprehensive Income for the current year	NIL	NIL	NIL	NIL	NIL	15164028.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	15164028.00
Dividends	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Transfer to retained earnings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (transfer to statutory reserve)	NIL	NIL	NIL	NIL	3032806.00	(3032806.00)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any other change (capitalised on Bonus issue)	NIL	NIL	NIL	NIL	NIL	35123000.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	35123000.00
Balance at the end of the current reporting period	NIL	NIL	NIL	NIL	30144297.00	64271651.00	NIL	NIL	NIL	38158294.00	NIL	96425.00	NIL	132670667.00

(1) Previous reporting period

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

NOTE NO. 1 :

(a) CASH & CASH EQUIVALENTS :

Cash in Hand	716923.62	408660.17
Balances with Banks in current A/c's	<u>30347813.40</u>	<u>7588480.54</u>
TOTAL	<u>31064737.02</u>	<u>7997140.71</u>

(b) BANK BALANCE OTHER THAN (a) ABOVE :

Earmarked Bank balance for Dividend Payment in SBI Peenya Branch	<u>33859.50</u>	<u>33859.00</u>
TOTAL	<u>33859.50</u>	<u>33859.00</u>

NOTE NO. 2 :

OTHER RECEIVABLES :

(a) Recivable considered good --- Secured	NIL	NIL
(b) Recivable considered good --- Unsecured	1943818.00	729800.00
(c) Receivables which have significant increase in credit risk	2550000.00	2800000.00
(d) Receivables credit impaired	NIL	NIL
(e) Debts due by Directors/Officers/Firms & Companies in which directors are interested	NIL	200077.00
TOTAL	<u>4493818.00</u>	<u>3729877.00</u>

NOTE NO. 3 :

Loans

	(Current Year)					(Previous Year)						
	Amortised cost	At Fair Value			Subtotal	Total	Amortised cost	At Fair Value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(1)	(2)	(3)	(4)	(5=2+3+4)	(6=1+5)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12=(7)+(11))	
Loans												
(A)												
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	NIL
(ii) Loans repayable on Demand	19530908.04	-	-	-	-	19530908.04	30089335.58	-	-	-	-	30089335.58
(iii) Term Loans	174549658.00	-	-	-	-	174549658.00	127342500.00	-	-	-	-	127342500.00
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	NIL
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	NIL
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	NIL
Total (A) - Gross	194080566.04	-	-	-	-	194080566.04	157431835.58	-	-	-	-	157431835.58
Less: Impairment loss allowance	1030210.00	-	-	-	-	1030210.00	2567568.00	-	-	-	-	2567568.00
Total (A) - Net	193050356.04	-	-	-	-	193050356.04	154864267.58	-	-	-	-	154864267.58
(B)												
(i) Secured by tangible assets	0.00	-	-	-	-	0.00	127342500.00	-	-	-	-	127342500.00
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	NIL

(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	NIL
(iv) Unsecured	0	-	-	-	-	0	30089335.58	-	-	-	-	30089335.58
Total (B) - Gross	0.00	-	-	-	-	0.00	157431835.58	-	-	-	-	157431835.58
Less: Impairment loss allowance		-	-	-	-	0.00	2567568.00	-	-	-	-	2567568.00
Total (B) - Net	0.00	-	-	-	-	0.00	154864267.58	-	-	-	-	154864267.58
(C) (I) Loans in India	-	-	-	-	-	-	-	-	-	-	-	NIL
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	NIL
(ii) <u>Others</u>												
(a) Loans to related parties		-	-	-	-	0	30089335.58	-	-	-	-	30089335.58
(b) Mortgaged Land Loans	-	-	-	-	-	-	-	-	-	-	-	-
(C) Hypothecated Vehicle Loans		-	-	-	-	0.00	102109360.00	-	-	-	-	102109360.00
(d) Business Loans (MSME) & Personal Loans		-	-	-	-	0.00	17233140.00	-	-	-	-	17233140.00
(e) Hypothecated commodity Loans		-	-	-	-	0.00	8000000.00	-	-	-	-	8000000.00
Total (C)- Gross	0.00	-	-	-	-	0.00	157431835.58	-	-	-	-	157431835.58
Less: Impairment loss allowance	0.00	-	-	-	-	0.00	2567568.00	-	-	-	-	2567568.00
Total(C) (I)-Net	0.00	-	-	-	-	0.00	154864267.58	-	-	-	-	154864267.58
(C) (II)Loans outside India	-	-	-	-	-	-	-	-	-	-	-	NIL
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	NIL
Total (C) (II)- Net	-	-	-	-	-	-	-	-	-	-	-	NIL
Total C(I) and C(II)	0.00	-	-	-	-	0.00	154864267.58	-	-	-	-	154864267.58

NOTE NO. 4 :

Investments

Investments	(Current Year)							(Previous Year)						
	Amortised cost	At Fair Value			Sub-Total	Others*	Total	Amortised cost	At Fair Value			Sub-Total	Others*	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)	(8)	(9)	(10)	(11)	(12)=(9)+(10)+(11)	(13)	(14)=(8)+(12)+(13)	
Mutual funds	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Government securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Other approved securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Debt securities	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Equity Instruments	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Subsidiaries	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Associates	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Joint Ventures	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Others														
(a) Mahesh Vidya Bhavan Shares	50000.00	-	-	-	-	-	50000.00	50000.00	-	-	-	-	-	50000.00
(b) Maheshwari Souharda Credit Co-Operative Society Shares	40000.00	-	-	-	-	-	40000.00	40000.00	-	-	-	-	-	40000.00

(c) Vyapari Sahakari Bank Maryadit Shares	500000.00	-	-	-	-	-	500000.00	-	-	-	-	-	-	-
Total – Gross (A)	590000.00	-	-	-	-	-	590000.00	90000.00	-	-	-	-	-	90000.00
(i) Investments outside India	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
(ii) Investments in India	590000.00	-	-	-	-	-	590000.00	90000.00	-	-	-	-	-	90000.00
Total (B)	590000.00	-	-	-	-	-	590000.00	90000.00	-	-	-	-	-	90000.00
Total (A) to tally with (B)	590000.00	-	-	-	-	-	590000.00	90000.00	-	-	-	-	-	90000.00
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	NIL	-	-	-	-	-	-	NIL
Total – Net D= (A)-(C)	590000.00	-	-	-	-	-	590000.00	90000.00	-	-	-	-	-	90000.00

PARTICULARS	AS ON 31 / 3 / 2023 Rs.	AS ON 31 / 3 / 2022 Rs.
<u>NOTE NO. 5 :</u>		
<u>INVESTMENT PROPERTY :</u>		
1. Vacant Land at Kalburgi (Gulbarga), Karnataka (At revalued cost) Opening Balance Fair market value as on 29/04/2022 based on report of registered valuer : Rs.3,41,25,000/-	38500000.00	38500000.00
2. Land and residential building at Vijaypura, Karnataka (At cost) Opening Balance Fair market value : Not ascertained	1337000.00	1337000.00
TOTAL	<u><u>39837000.00</u></u>	<u><u>39837000.00</u></u>

NOTE NO. 6(C) :

OTHER NON-FINANCIAL ASSETS :

Preliminary Expenses A/c

Opening Balance

Add: Incurred during the year

Less: 1/5th written off during the year

TOTAL

NIL	NIL
<u>320000.00</u>	<u>NIL</u>
320000.00	NIL
<u>64000.00</u>	<u>NIL</u>
<u><u>256000.00</u></u>	<u><u>NIL</u></u>

PROPERTY, PLANT & EQUIPMENT & DEPRECIATION & INTANGIBLE ASSETS

Particulars of the Fixed Assets	Gross Block			Depreciation				Net Block	
	As at 3/31/2022	Additions (Deletions)	As at 3/31/2023	Upto 3/31/2022	Rate	For the year	Up to 3/31/2023	As at 3/31/2023	As at 3/31/2022
A) Tangible Assets									
1. Office Equipments	1206269.00	0.00	1206269.00	1126850.00	60.13%	47755.00	1174605.00	31664.00	79419.00
2. Computer Systems	1479926.00	103600.00	1583526.00	1472495.00	77.52%	43655.00	1516150.00	67376.00	7431.00
3. Vehicles	793040.00	78841.00 (12000.00)	859881.00	755766.00	91.50%	81145.00	836911.00	22970.00	37274.00
4. Furniture & Fixtures	1633197.00	0.00	1633197.00	1558242.00	35.30%	26459.00	1584701.00	48496.00	74955.00
Total (A)	5112432.00	170441.00	5282873.00	4913353.00		199014.00	5112367.00	170506.00	199079.00
B) Intangible Assets									
1. Software A/c	879125.00	0.00	879125.00	586539.00	33.56%	98192.00	684731.00	194394.00	292586.00
Total (A+B)	5991557.00	170441.00	6161998.00	5499892.00		297206.00	5797098.00	364900.00	491665.00
Previous year	5605296.00	386261.00	5991557.00	5147036.00		352856.00	5499892.00	491665.00	458260.00

NOTE NO. 7 :

AS ON 31 / 3 / 2023 AS ON 31 / 3 / 2022

TRADE PAYABLES :

1855533.00 1279491.00

Trade payable aging Schedule as on 31/03/2022

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

Trade payable aging Schedule as on 31/03/2023

Particulars	Outstanding for following periods from due date of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1. M S M E	NIL	-	-	-	-
2. Others	1855533	-	-	-	1855533
3. Disputed dues (M S M E)	NIL	-	-	-	-
4. Disputed dues (Others)	NIL	-	-	-	-
Total	1855533	-	-	-	1855533

Borrowings (Other than Debt Securities)

	(Current Year)				(Previous Year)			
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
(a)Term loans								
(i)from banks	53095571.00	-	-	53095571.00	-	-	-	NIL
(ii)from other parties	10085808.00	-	-	10085808.00	4015073.00	-	-	4015073.00
(b)Deferred payment liabilities	-	-	-	-	-	-	-	NIL
(c)Loans from related parties	2474200.00	-	-	2474200.00	3002457.00	-	-	3002457.00
(d) Finance lease obligations	-	-	-	-	-	-	-	NIL
(e)Liability component of compound financial instruments	-	-	-	-	-	-	-	NIL
(f)Loans repayable on demand	-	-	-	-	-	-	-	NIL
(i)from banks	-	-	-	-	-	-	-	NIL
(ii)from other parties	-	-	-	-	-	-	-	NIL
(g) Other loans (specify nature)	-	-	-	-	-	-	-	NIL
Total (A)	65655579.00	-	-	65655579.00	7017530.00	-	-	7017530.00
Borrowings in India	65655579.00	-	-	65655579.00	7017530.00	-	-	7017530.00
Borrowings outside India	-	-	-	-	-	-	-	NIL
Total (B) to tally with (A)	65655579.00	-	-	65655579.00	7017530.00	-	-	7017530.00

(A) Term Loans from Banks :

	<u>As on 31.03.23</u>	<u>As on 31.03.22</u>
(1) State Bank of India, Term Loan, J C Road.	26995569.00	NIL
<ul style="list-style-type: none"> • Secured against charge created on the hypothecated assets & hypothecation of loan receivable of the company : Full outstanding amount • Guaranteed by Directors : Full outstanding amount • Terms of Repayment : 48 months from the date of disbursement (02.06.2022) • Period and amount of default : NIL • Loan amount taken : Rs.300 lakhs • Rate of Interest : 2.5% above EBLR which is presently 7.05% p.a, monthly rests 		
(2) Vyapari Sahakari Bank, Term Loan A/c - I	21766392.00	NIL
<ul style="list-style-type: none"> • Secured against charge created on the land at Gulbarga of the company : Full outstanding amount • Guaranteed by Directors : Full outstanding amount • Terms of Repayment : 60 months from the date of disbursement (18.05.2022) • Period and amount of default : NIL • Loan amount taken : Rs.250 lakhs • Rate of Interest : 11% p.a, monthly rests 		
(3) Vyapari Sahakari Bank, Term Loan A/c - II	4333610.00	NIL
<ul style="list-style-type: none"> • Secured against charge created on the land at Gulbarga of the company : Full outstanding amount • Guaranteed by Directors : Full outstanding amount • Terms of Repayment : 60 months from the date of disbursement (18.05.2022) • Period and amount of default : NIL • Loan amount taken : Rs.50 lakhs • Rate of Interest : 11% p.a, monthly rests 		

(B) Term Loans from Other Parties :

(1) Maheshwari Souharda Credit Co-operatives Ltd.	10085808.00	4015073.00
<ul style="list-style-type: none"> • Secured against assignment vehicle loans receivables of the company : Full outstanding amount • Guaranteed by Directors : Full outstanding amount • Terms of Repayment : 48 months from the date of disbursement (02.02.2023) • Period and amount of default : NIL • Loan amount taken : Rs.300 lakhs • Rate of Interest : 14.5% p.a, monthly rests 		

(C) Loans from Related Parties :(Unsecured)

From Directors (Rajgopal Gilada)	2474200.00	2474200.00
(Unsecured & no fixed repayment period & no fixed amount & no fixed rate of interest) @ 12%		
From Other Companies		
Shankarlal Gilada & Sons Pvt Ltd	NIL	528257.00
@ 12%		
(Unsecured & no fixed repayment period & no fixed amount & no fixed rate of interest)		
Total	<u>65655579.00</u>	<u>7017530.00</u>

PARTICULARS	AS ON 31 / 3 / 2023 Rs.	AS ON 31 / 3 / 2022 Rs.
<u>NOTE NO. 9 :</u>		
<u>PROVISIONS :</u>		
<u>(a) Provisions for employee Benefits</u>		
Employees Professional Tax payable	NIL	2960.00
<u>(b) Others</u>		
GST payable	51365.13	1467.95
TDS payable	117761.00	87482.00
Unclaimed Dividend payable for FY 2017-18	33859.50	33859.50
T O T A L	202985.63	125769.45

PARTICULARS	AS ON	AS ON
	31 / 3 / 2023	31 / 3 / 2022
	Rs.	Rs.

NOTE NO. 10 :

EQUITY SHARE CAPITAL :

AUTHORISED :

2,00,00,000 Equity shares of Rs.5/- each	100000000.00	-
1,60,00,000 Equity shares of Rs.5/- each	-	80000000.00

ISSUED, SUBSCRIBED AND FULLY PAID UP

1,40,49,200 Equity Shares of Rs. 5/- each with voting rights	70246000.00	35123000.00
(Previous year 70,24,600 Equity Shares of Rs. 5/- each with voting rights)		

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

Sl. No.	Name of the Shareholder	As on 31/03/2023		As on 31/03/2022	
		No. of Shares	% of Shares	No. of Shares	% of Shares
		Face value@Rs.5/-		Face value@Rs.5/-	
1	Malu Plantation and Resorts Ltd.	804000	5.72	402000	5.72
2	Smt.Rajashree Gilada	1051600	7.49	525800	7.49
3	Shankarlal Gilada & Sons (P)Ltd.	4053600	28.85	2026800	28.85
	TOTAL	5909200	42.06	2954600	42.06

B. Shareholding of promoters and changes, if any :

Shares held by promoters at the end of the year						
Sl No	Promoters Name	As on 31/03/23	As on 31/03/22	% of total shares		% Change during the year
		Face value @ Rs.5/- No. of shares	Face value @ Rs.5/- No. of shares	as on 31.3.23	as on 31.3.22	
1	Sangeeta S Gilada	574000	287000	4.09	8.17	NIL
2	Gowrajadevi Shankarlal Gilada	364000	182000	2.59	5.18	NIL
3	Shankarlal Gilada	680000	340000	4.84	9.68	NIL
4	Rajashree Gilada	1051600	525800	7.49	14.97	NIL
5	Bindu Rajgopal Gilada	440000	220000	3.13	6.26	NIL
6	Sampathkumar Gilada	482800	241400	3.44	6.87	NIL
7	Rajgopal Gilada	611200	305600	4.35	8.70	NIL
8	Shankarlal Gilada & Sons Pvt Ltd	4053600	2026800	28.85	57.71	NIL
	Total	8257200	4128600	58.78	117.55	

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

NIL NIL

D. Aggregate number of shares bought back

NIL NIL

E. Aggregate number of shares allotted as fully paidup by way of bonus shares

7024600 NIL
@ Rs.5/- each

PARTICULARS	AS ON 31 / 3 / 2023 Rs.	AS ON 31 / 3 / 2022 Rs.
NOTE NO. 11 :		
OTHER EQUITY :		
A) CAPITAL RESERVE		
(a) Revaluation Reserve (On Revaluation of Capital Asset (Land at Gulbarga) into Stock in trade in FY 2011-12)	38158293.54	38158293.54
(b) Forfeiture of Share Warrants in f y 2019-2020	NIL	12375000.00
T O T A L (A)	<u>38158293.54</u>	<u>50533293.54</u>
B) STATUTORY RESERVE (UNDER RBI Act)		
Opening Balance	27111490.86	24456931.24
Add : Transferred during the year	<u>3032805.62</u>	<u>2654559.62</u>
T O T A L (B)	<u>30144296.47</u>	<u>27111490.86</u>
C) RETAINED FARMINGS (SURPLUS IN PROFIT AND LOSS ACCOUNT)		
Opening Balance	87263429.44	77132821.98
Less : Capitalised by issue of bonus shares	35123000.00	NIL
Add : Net Profit after Tax during the year	15164028.09	13272798.08
Less : Transferred to Statutory Reserve Fund (20%)	3032805.62	2654559.62
Less : Income Tax paid for previous years	<u>NIL</u>	<u>487631.00</u>
T O T A L (C)	<u>64271651.92</u>	<u>87263429.44</u>
D) OTHER COMPREHENSIVE INCOME		
Opening Balance	96425.00	96425.00
Add(Less) Other comprehensive Income for the year	NIL	NIL
Add(Less) Tax Impact on above	<u>NIL</u>	<u>NIL</u>
T O T A L (D)	<u>96425.00</u>	<u>96425.00</u>
T O T A L (A)+(B)+(C)+(D)	<u><u>132670666.93</u></u>	<u><u>165004638.84</u></u>

NOTE NO. 12 :

Interest Income

Particulars	(Current Year)			(Previous Year)		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	41070514.00	-	-	35987883.94	-
Interest income from investments	-	3945.00	-	-	-	-
Interest on deposits with Banks	-	-	-	-	-	-
Other interest Income	-	-	-	-	-	-
Total	-	41074459.00	-	-	35987883.94	-

NOTE NO. 13 :

Other Income (to be specified)

Particulars	(Current Year)	(Previous Year)
Net gain/(loss) on ineffective portion of hedges	NIL	NIL
Net gain/(loss) on derecognition of property, plant	NIL	NIL
Net gain or loss on foreign currency transaction and	NIL	NIL
Others (to be specified) : Bad debts w/o Recovered	2407575.00	80624.00
Profit on Sale of Seized vehicle	41876.00	47138.00
Forfeiture of Share Warrants in f y 19-20	12375000.00	NIL
Total	14824451.00	127762.00

NOTE NO. 14 :

Finance Costs

Particulars	(Current Year)		(Previous Year)	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised cost
Interest on deposits	-	-	-	-
Interest on borrowings	-	5977436.00	-	638311.00
Interest on debt securities	-	-	-	-
Interest on subordinated liabilities	-	-	-	-
Other interest expense	-	-	-	-
Total	-	5977436.00	-	638311.00

NOTE NO. 15 :

Impairment on financial

Particulars	(Current Year)		(Previous Year)	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost
Loans	-	(1537358.00)	-	(4802655.00)
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	-	(1537358.00)	-	(4802655.00)

NOTE NO. 16 :

Employee Benefits Expenses

Particulars	(Current Year)	(Previous Year)
Salaries and wages	9812377.00	5808893.00
Contribution to provident and other funds	-	-
Share Based Payments to employees	-	-
Staff welfare expenses	-	-
Others (to be specified) : Directors Salaries	1200000.00	1400000.00
Total	11012377.00	7208893.00

NOTE NO. 17 :

Other expenses (to be specified)

Particulars	(Current Year)	(Previous Year)
Rent, taxes and energy costs	437807.60	565354.04
Repairs and maintenance	908706.29	357336.93
Communication Costs	113912.46	124197.58
Printing and stationery	114108.00	69019.00
Advertisement and publicity	187909.00	141600.00
Director's fees, allowances and expenses	159532.00	163000.00
Auditor's fees and expenses	200000.00	200000.00
Legal and Professional charges	3101191.03	2279785.00
Insurance	NIL	NIL
<u>Other expenditure :</u>		
Sharelisting & Share transfer exps.	300000.00	300000.00
Travelling & Conveyance exps.	344886.67	293095.00
Bad debts written off	14242060.00	13007923.86
Miscellaneous expenses	821348.66	507256.00
Bank Charges	987354.13	71988.16
Total	21918815.84	18080555.57

NOTE 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information :

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

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

2. Accounting Policies :

1. Basis of preparation :

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

2. Basis of Measurement :

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

3. Use of Estimates :

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

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates & on parameters available when the financial statements were issued, existing circumstances and assumptions about future developments, however, may change due to circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Areas that involved a higher degree of estimate and judgment or complexity in determining the carrying amount of some assets and liabilities are mentioned below.

a. Effective Interest Rate Method (EIR) :

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgment regarding the expected behavior and life cycle of the instruments, as well as expected changes to other fee income / expense that are integral parts of the instrument.

b. Impairment of Financial Assets :

The measurement of impairment losses on loan assets and commitments, requires judgment, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include :

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

c. Provisions and other contingent liabilities :

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

Estimates and judgments are constantly evaluated and are based on historical experience and other factors, including expectations of future events, that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4. Revenue Recognition :

a. Interest Income on Loans :

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset, If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b. Fee and Commission Income :

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

c. Interest Income on Investments :

Interest income from investments is recognized when it is certain that the economic benefits will flow to the Company and the amount of Income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

d) Investments :

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

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

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

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

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

4. Property, Plant & Equipment :

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

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

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

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

5. Intangible Assets :

Intangible Assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets comprises of computer software which is amortized over the estimated useful life. The amortization period is lower of license period or 5 years which is based on management's estimates of useful life. Amortisation is calculated using the straight line method to write down the cost of intangible assets over their estimated useful lives.

6. Financial Instruments :

a. Recognition and Initial measurement :

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

b. Classification and Subsequent measurement of financial assets :

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

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

Amortised Cost :

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

FVOCI – debt Instruments :

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

FVOCI – equity Instruments :

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

Subsequent measurement of financial assets :

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

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

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

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

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

c. Financial liabilities and equity instruments :

Classification as debt or equity :

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

Equity Instruments :

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

Financial Liabilities :

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

d. De-recognition :

Financial Assets :

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

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

Financial Liabilities :

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

e. Impairment of Financial Instruments :

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

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

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

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

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

7. Finance Costs :

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

8. Cash & Cash Equivalents :

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

9. Cash Flow Statement :

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

10. Taxes on Income :

Tax expenses comprise current tax, deferred taxes and prior period taxes.

Current income tax at the amount expected to be paid to the tax authorities in accordance with Income Tax Act.

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

11. Provisions & Contingencies :

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

12. Earnings per equity share :

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

13. Employee Benefits :

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

(b) Provision for Retirement Benefits : Since the management of the Company does not provide any kind of post retirement benefits like gratuity, minimum bonus etc., to any of its employees, provision for retirement benefits like gratuity etc., is not made by the Company as required under Companies – Indian Accounting Standard-19.

14. Impairment of Assets :

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

15. Repossessed Hypothecated Stock :

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

B. NOTES ON ACCOUNTS

1. The outstanding balances of Debtors & Creditors, Loans and Advances given / taken are subject to confirmation from the parties.

2. Auditors remuneration includes the following :

	As on 31/3/2023	As on 31/3/2022
(a) Statutory Audit Fees	60000.00	60000.00
(b) Tax Audit & Tax matters	60000.00	60000.00
(c) Company Law matters	40000.00	40000.00
(d) Other services	40000.00	40000.00
(e) Reimbursement of expenses	NIL	NIL
T O T A L	200000.00	200000.00

3. During the year, as and when required, Unsecured Loans and advances are given to and taken from the Directors / Companies/ firms and other parties, in which Directors are interested. Since the accounts were operated as current accounts, repayable on demand, it is impossible for the Management to quantify the maximum amount of unsecured loans given and taken. However, Balance receivable outstanding at the yearend under the same management does not exceeds the limit prescribed under section 185 & 186 of the Companies Act, 2013 & under RBI Directions to NBFC's.
4. Previous year's figures have been regrouped / recast / rearranged / reclassified, wherever required.
5. Contingent Liabilities & Commitments
(to the extent not provided for)
 - A. Contingent Liabilities
 - a. Claims against the Company not acknowledged as debt : -
 1. Disputed Income Tax Liability for A.Y.2017-18 Rs.20,51,022/-
(on account of addition u/s 68 on deposit of cash in Banks during demonetisation period)
 - b. Other Money for which the Company is contingently liable: - NIL
 - B. Commitments
 - a. Estimated amount of contacts remaining to be executed on capital account and not provided for: - NIL
 - b. Un called liability on shares and other investments partly paid: - NIL
 - c. Other Commitments: - NIL
6. In the opinion of the management, there is no material diminution in the value of investments made in Immovable Properties / Unquoted shares, held as long term investments.
7. In the opinion of the Board, the realisable value of the Current Assets, Loans and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

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

9. Earnings per share

Particulars	31/03/23	31/03/22
Net Profit after tax	15164028	13272798
Weighted average number of equity shares (Nos)	14049200	3511322
Earnings/(Loss) per share (INR) (Basic)	1.08	3.78
Earnings/(Loss) per share (INR) (Diluted)	1.08	3.61
Nominal Value of Equity Shares (INR)	Rs.5	Rs.5

10. As per Companies Indian Accounting Standard-12 on "Income Taxes" issued by the Institute of Chartered Accountants of India, provision against deferred tax Liability, has been made.

11. Related Party Disclosures :-

Party where the control Exists	Name of Related Party
<u>1. Key Managerial Personnel</u>	
a) Managing Director	Rajgopal Gilada
b) Director	Sampath Kumar Gilada
c) Chief Executive Officer	Sangeeta Gilada
d) Chief Financial Officer	Pallavi Gilada
e) Company Secretary	Iswariya Rajan upto 28/03/2023 Mohita Agrawal from 28/03/2023
<u>2. Enterprises owned / significantly influenced by KMP</u>	1. Gita Refractories Pvt Ltd 2. Rajvaibhav Enterprises Pvt Ltd 3. Sahyadri Renewable Energy Pvt Ltd 4. Prestress Steel LLP 5. Whitefield Refractories Pvt Ltd 6. Vijayalakshmi Hydro Power Pvt Ltd 7. Shankarlal Gilada & Sons Pvt Ltd 8. Krishna Valley Power Pvt Ltd 9. Srisakthi Land Developers & Constructions Pvt Ltd 10. Vikramaditya Renewable Energy Pvt Ltd 11. SRM Power Pvt Ltd 12. Suyash Udyog (P) Ltd. 13. Samrat Wires (P) Ltd. 14. Yash Proteins (P) Ltd. 15. Siddhi Ferrous (P) Ltd. 16. Vishal Nirmitti (P) Ltd. 17. Kagina Cements (P) Ltd. 18. SPIKEEL Private Limited.

Sl No	Related Party	Nature of Transaction	31/03/23	31/03/22
1	Rajgopal Gilada (Managing Director)	Remuneration Unsecured Loan O/S	1200000/- 2474200/-	1200000/- 2474200/-
2	Sampath Kumar Gilada (Director)	Remuneration Unsecured Loan O/S	NIL NIL	200000/- NIL
3	Sangeeta Gilada (Chief Executive Officer)	Salary	2040000/-	1120000/-
4	Iswariya Rajan (Company Secretary)	Salary	641255/-	581800/-
5	Gita Refractories (P) Limited	Unsecured Loan O/S Interest Received	15226875/- Dr. 6420961/-	25083081/- Dr 3019811/-
6	Prestress Steel LLP	Unsecured Loan O/S Interest Received	NIL 682504/-	NIL 76521/-
7	Rajvaibhav Enterprises Private Limited	Unsecured Loan O/S Interest Received	NIL 362564/-	5000000/- Dr 700000/-
8	Mohita Agrawal (Company Secretary)	Salary	17252/-	NIL
9	Pallavi Gilada (Chief Financial Officer)	Salary	600000/-	NIL
10	Sahyadri Renewable Energy Pvt Ltd	Unsecured Loan O/S Interest Received	4304093/- 32326/-	NIL NIL

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

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

Borrowings	31/03/23	31/03/22
Opening Balance	7017530	6444476
Cash flows (Net)	58638049	573054
Amortisation of loan origination costs	NIL	NIL
Closing Balance	65655579	7017530

14. Financial risk management objectives and policies

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

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

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises two types of risk. Interest rate risk & other price risk such as commodity risk. Financial instruments affected by market risk include loans & borrowings & refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31st, 2023 & March 31st 2022. The sensitivity analysis have been prepared on the basis of the amount of net debt & the ratio of fixed to floating interest rates of debt. The sensitivity of the relevant profit or loss item in the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31st 2023 & March 31st 2022.

b) Interest rate risk

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

c) Credit Risk

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

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

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

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

Particulars	31/03/2023		
	Std Assets	Sub-Std Assets	Doubtful & Loss Assets
Gross carrying Value	187344959	5529701	175696
Allowance for ECL	442099	552971	35139
ECL Coverage Ratio	0.25%	10%	20%

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

15. Loans written off as Bad debts

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

16. Capital Management

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

The capital structure as of March 31, 2023 and March 31, 2022 is as follows:

Particulars	31/03/2023	31/03/2022
Total equity attributable to the equity shareholders of the company	164758373	149594345
As a percentage of total capital	71.50%	95.52%
Borrowings	65655579	7017530
As a percentage of total capital	28.50%	4.48%
Total capital (equity and borrowings)	230413952	156611875

17. Comparison of loss allowance under Ind AS with provisions required as per IRACP (Income Recognition & Asset Classification) as on 31/03/2023

Asset Classification as per RBI Norms	Asset Classification as per Ind AS	Gross carrying amount as per Ind AS	Loss Allowance as per Ind AS	Net carrying amount	Provision as per IRACP norms	Difference
Performing Assets	Stage – 1	187344960	442100	186902860	442100	NIL
Substandard Assets	Stage – 2	5529701	552971	4976730	552971	NIL
Doubtful Assets	Stage – 3	175696	35139	140557	35139	NIL
Loss Assets	Stage – 3	NIL	NIL	NIL	NIL	NIL
Total		193050357	1030210	192020147	1030210	NIL

18. Details of accounts Restructured under RBI Directions

Particulars	As on 31/03/2023		As on 31/03/2022	
	No of Accounts	Amount	No of Accounts	Amount
a. Personal Loans	NIL	NIL	NIL	NIL
b. Corporate Loans of which MSME's	NIL	NIL	NIL	NIL
c. Other Loans	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

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

Type of Barrower	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
(1) Promoter	NIL	NIL
(2) Directors	NIL	NIL
(3) KMPS	NIL	NIL
(4) Related Parties	Rs.19530908/-	10.12%
Total	Rs.19530908/-	10.12%

10.12%

20. Details of Depreciation, Amortisation & Impairment :

Sl No		As on 31/03/23	As on 31/03/22
1	Depreciation	Rs.297206/-	Rs.352856/-
2	Amortisation (Pre Exps., W/O)	Rs.64000/-	NIL
3	Net Impairment Provision	NIL	NIL
4	Reversal of Net Impairment Provision	Rs,1537358/-	Rs,4802655/-

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

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

(a) Property at Kalburagi valued & disclosed at Market Value (Rs.34125000/-).

(b) Property at Vijaypura not valued & not disclosed at Market Value.

23. Details of Benami Property held : NIL

24. Details of wilful defaulter declared : NIL

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

26. Details of relationship with struck off Companies : NIL

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

28. Analytical Ratios : -

Sl No	Particulars	Numerator	Denominator	As on 31/03/2022	As on 31/03/2023	% Variance	Reason for Variance (if above 25%)
1	Capital to risk weighted assets ratio (CRAR)	177056086	203608257	86.96%	-		NA
		183180249	239121394	-	76.61%	(-10.35%)	-
2	Tier I CRAR	146856246	203608257	72.13%	-		NA
		161162978	239121394	-	67.40%	(-4.73%)	-
3	Tier II CRAR	30199840	203608257	14.83%	-		NA
		22017271	239121394	-	9.21%	(-12.73%)	-
4	Liquidity Coverage Ratio	8031000	903000	8.89 times	-	-	NA
		31064737	2079000	-	14.94 times	-	-

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

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

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

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

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

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

Non Performing Assets	Principal Amt. Rs. Outstanding	Percentage	Principal Amt. Rs. Outstanding	Percentage
Vehicle Loan	102109360		117579386	
Business/Personal Loans	17233140		44487705	
Commodity Loans	8000000		8841212	
Mortgage Loans	NIL		3641355	
Intercorporate Loans	30089335		19530908	
Gross NPA	14430065	9.32%	5705397	2.96%
Less : Provision against Bad & Doubtful debts	2209055		1030210	
Net NPA	12221010	7.89%	4675187	2.42%
Total Loan Assets	154864267		193050356	

<u>(B) Classification of Total NPA's & Total Provision against NPA's</u>	<u>As on 31/03/2022</u>		<u>As on 31/03/2023</u>	
	Principal Amt.,Rs. Outstanding	Total Provision Required	Principal Amt.,Rs. Outstanding	Total Provision Required
Non Performing Assets				
Sub Std Asset	10650162.00	1065016.00	5529701.00	552971.00
Doubtful Asset	3739213.00	1141100.00	175696.00	35139.00
Loss Assets	NIL	NIL	NIL	NIL
Total	14389375.00	2206116.00	5705397.00	588110.00

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

For and on Behalf of Board of Directors

(BENNUR NAGARAJA)
PROPRIETOR
M.No: 024163

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

Place : Bangalore
Date :
UDIN :

(SAMPATHKUMAR GILADA)
DIRECTOR
DIN: 02144736

(SANGEETA GILADA)
CHIEF EXECUTIVE OFFICER
PAN: AIDPG1236B

(PALLAVI GILADA)
CHIEF FINANCIAL OFFICER
PAN: BGDPM7347E

(MOHITA AGRAWAL)
COMPANY SECRETARY
PAN: AJUPA7962Q

ANNEXURE - A:

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

Sl. No.	Particulars	(Rs. In lakhs)	
		Amount Outstanding	Amount Overdue
1.	<u>Liabilities Side :</u> Loans & Advances availed by the NBFC's inclusive of interest accrued thereon but not paid :		
	(a) Debenture : Secured	NIL	NIL
	: Unsecured (Other than falling within the meaning of public deposits)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	656-55	NIL
	(d) Inter corporate loans & borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature)		
	Loan from Directors	24-74	NIL
	Agents Deposits	NIL	NIL

Sl. No.	Particulars	Amount Outstanding
	<u>Assets Side :</u>	
2.	Break-up of Loans & Advances including bills receivables (Other than those included in (3) below) :	
	(a) Secured	NIL
	(b) Unsecured	195-30
3.	Break-up of leased Assets & stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	NIL
	(b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	NIL
	(b) Repossessed Assets	25-50
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	1735-20
4.	<u>Break-up of Investments :</u>	
(A)	<u>Current Investments :</u>	
	<u>1. Quoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	<u>2. Unquoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
(B)	<u>Long Term Investments :</u>	
	<u>1. Quoted :</u>	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL

5.	2. Unquoted :			
	(i) Shares : (a) Equity (b) Preference			5-90 NIL
	(ii) Debentures & Bonds			NIL
	(iii) Units of mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
5.	Borrower group-wise classification of assets financed as in (2) and (3) above :			
	Category	Amount (Net of provisions)		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	195-30	195-30
	(c) Other related parties	NIL	NIL	NIL
	2. Other than related parties			
		1493-82	241-38	1735-20
	TOTAL	1493-82	436.68	1930.50
6.	Investor group-wise classification of all investments (current & long term) in shares & securities (both quoted & unquoted) :			
	Category	Market Value/ Break up or fair value or NAV		Book Value (Net of Provisions)
	1. Related Parties			
	(a) Subsidiaries	NIL		NIL
	(b) Companies in the same group	NIL		NIL
	(c) Other related parties	NIL		NIL
	2. Other than related parties			
		5-90		5-90
	TOTAL	5-90		5-90
8.	Other Information :			
	Particulars			Amount
	(i) Gross Non-Performing Assets			
	(a) Related parties			NIL
	(b) Other than related parties			57-05
	(ii) Net Non-Performing Assets			
	(a) Related parties			NIL
	(b) Other than related parties			51-17
	(iii) Assets acquired in satisfaction of debt			NIL

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

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

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

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

LIDIN: A04-9574D000159816 Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place:Pune
Date : 19/04/2022

Signature:
Name : Varun Nashine(Partne)
Membership No : 49574.
CP No.:17975
UDIN: 4049574D000 159816

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

GILADA FINANCE AND INVESTMENTS LTD,

No. 105, R R Takt, 37 Bhoopasandra Main Road,

Sanjayanagar, Bangalore- 560094.

We, **BENNUR NAGARAJA & CO.**, Chartered Accountants (Firm Registration No. 000419S), as Statutory Auditors of **GILADA FINANCE AND INVESTMENTS LIMITED**, having its Registered office at No. 105 R R Takt, 37, Bhoopasandra Main Road, Sanjayanagar, Bangalore- 560094, have examined the compliance of conditions of Corporate Governance by the Company for the financial year ended March 31, 2023 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchange(s).

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

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

UDIN : 23024163BGXDSG1069

Date : 08.08.2023

Place : Bangalore

For **BENNUR NAGARAJA & CO.**,
Chartered Accountants

Bennur Nagaraja
Proprietor M.No. 024163