



# GOWRA LEASING & FINANCE LIMITED

Registered Office : No.501, 5th Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003, Tel.:040-27843086, 27843091, Website : www.gowraleasing.com  
E-mail: info@gowraleasing.com, glfi@gowra.net; CIN: L65910TG1993PLC015349, GST: 36AAACG9135F1ZP

GLFL/ BSE/ 79 / 2021-22

24 August, 2021

The General Manager  
Corporate Relations Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001

Dear Sir/Madam,

**Sub: Submission of 28<sup>th</sup> Annual Report along with the Notice of the 28th Annual General Meeting (AGM) of the Company for the Financial Year 2020-21 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Ref: Scrip Code: 530709**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached herewith the 28<sup>th</sup> Annual Report 2020-21 along with the Notice of the 28th Annual General Meeting of the Company forming part of the Annual Report 2020-21.

Further, pursuant to Regulation 42 of Listing Regulations, Register of Members and Share Transfer Books will remain closed from 11th September 2021 to 17th September 2021 (both days inclusive) and the Record Date (Cut-off date) will be 10th September, 2021 for determining the list of shareholders eligible for Dividend and e-voting for the purpose of 28th Annual General Meeting (AGM) of the Company to be held on Friday, September 17, 2021 at 04.00 P.M through video conferencing ("VC") facility/other audio-visual means ("OAVM")..

Please take the same on record.

Thanking You,

Yours Faithfully,  
For Gowra Leasing & Finance Limited

(Srinivas Gowra)  
Managing Director

Encl.: as above



**GOWRA  
LEASING  
&  
FINANCE  
LIMITED**

# **28<sup>th</sup> Annual Report**

**2020 - 2021**



**GOWRA GROUP**



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS (as on 10<sup>th</sup> August 2021)**

SHRI DWARAKADAS SURESH	- Chairman & Independent Director
SHRI GOWRA SRINIVAS	- Managing Director
SHRI TILAK SHANKAR	- Independent Director
SMT. ARUNA RAVI KUMAR RACHAKONDA	- Independent Director
SHRI GOWRA LAKSHMINARAYANA	- Director
DR. SUDHEER SOMA	- Director
SHRI GOWRA LAKSHMI PRASAD	- Director

### **CHIEF FINANCIAL OFFICER**

SHRI A V RAMA KRISHNA RAO

### **COMPANY SECRETARY**

SHRI ZAFAR IMAM KHAN

### **REGISTERED OFFICE**

No.501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003  
(CIN : L65910TG1993PLC015349)

### **BANKERS**

#### **State Bank of India**

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

#### **Kotak Mahindra Bank Limited**

General Bazar Branch, Secunderabad – 500003

#### **ICICI Bank**

Begumpet, Hyderabad – 500016

### **AUDITORS**

#### **V.N. Purohit & Co.,**

#5014 & 5015, 5<sup>th</sup> Floor, Emerald House, 1-7-264, S.D. Road, Secunderabad - 500003.

### **REGISTRAR & SHARE TRANSFER AGENT**

#### **M/s. Kfin Technologies Private Limited**

Selenium Tower B, Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal Hyderabad – 500032  
Tel No. 040-67161606,  
e-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

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### **Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circular stating that service of notices / documents/ Annual Reports can be sent by electronic mode to its members. To support this green initiative of Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with Registrar and Share Transfer Agent in respect of physical holdings and in respect of electronic holdings with the Depository through their concerned Depository Participants.



### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 28<sup>th</sup> Annual General Meeting (AGM) of the Members of **GOWRA LEASING AND FINANCE LIMITED** (CIN: L65910TG1993PLC015349) will be held on Friday, 17th September, 2021 at 04:00 p.m.(IST) through video conferencing (“VC”) facility/other audio-visual means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company situated at 501, 5th Floor, Gowra Grand, Behind, Gowra Plaza, 1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended 31<sup>st</sup> March 2021, including the audited Balance Sheet as at 31 March 2021 and the Statement of Profit and Loss of the company for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on the equity shares for the financial year 2020-21.
3. To re-appoint Shri Lakshminarayana Gowra (DIN: 00287021), as a Director, who retires by rotation, and being eligible, offers himself for the re-appointment.

#### **SPECIAL BUSINESS:**

#### **4. Appointment of Mrs. Aruna Ravi Kumar Rachakonda (DIN: 00293898) as an Independent Director**

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), Mrs. Aruna Ravi Kumar Rachakonda (DIN: 00293898) who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective June 24, 2021 in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from June 24, 2021 to June 23, 2026 and the term shall not be subject to retirement by rotation.

By Order of the Board

for GOWRA LEASING & FINANCE LIMITED

Sd/-  
(GOWRA SRINIVAS)  
Managing Director  
(DIN: 00286986)

Place: Secunderabad  
Dated: 10<sup>th</sup> August, 2021

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted holding of the annual general meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM hereinafter called as 'e-AGM'.
2. The deemed venue for Twenty Eighth e-AGM shall be the Registered Office of the Company at Secunderabad 500003.
3. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the e-AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.gowraleasing.com](http://www.gowraleasing.com) and website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also available on the website of M/s. Kfin Technologies Pvt. Ltd. (Kfintech) (agency for providing the remote e-voting facility and e-voting system during the e-AGM) i.e. <https://www.kfintech.com>. Detailed procedure for updating e-mail ID details for shareholders are given below.
4. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with Kfintech by clicking on the link <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx>
5. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY 2020-21 and Notice of Twenty Eighth e-AGM, may temporarily get themselves registered with Kfintech, by clicking the link: <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx> for receiving the same. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorisation, etc., authorising their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorisation shall be sent to the scrutinizer by email through its registered email address to [gowrascrutinizer@gmail.com](mailto:gowrascrutinizer@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [cs@gowraleasing.com](mailto:cs@gowraleasing.com)
8. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
9. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Explanatory Statement in respect of item No. 4 being items of Special Business, is annexed.
10. M/S V.N. Purohit & Co., Chartered Accountants were appointed as Statutory Auditor of the Company for the period of five years effective from the conclusion of the 27th Annual General Meeting (AGM) to 32<sup>nd</sup> AGM.

11. The register of members and share transfer Register of the Company will remain closed from **Saturday, September 11, 2021 to Friday, September 17, 2021** (both days inclusive) for the purpose of Annual General Meeting.
12. The shareholder desiring any further information as regards the accounts are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
13. pursuant to Section 124(6) of the Companies Act, 2013 read with rules made thereunder and the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, all the equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund. During the year under review the company has transferred shares of 20 shareholders, holding 11000 number of Shares having nominal value of Rs. 1,10,000 /- (One Lakh and Ten Thousand Only) in the name of Investor Education and Protection Fund. The Statement of shares credited to investor education and protection fund along with the statement containing the prescribed details has been uploaded on our website: <http://www.gowraleasing.com/transfer-of-shares-to-iefp.php>
14. Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividend for the financial year ended 2013-2014 and thereafter, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 124 of the Companies Act, 2013.

Information in respect of the last date of claiming of unpaid dividend is given below:

<b>Financial Year</b>	<b>Unclaimed Dividend Amount As on 31/03/2021 (Rs.)</b>	<b>Date of Declaration of Dividend</b>	<b>Last date of claiming unpaid dividend</b>	<b>Due date for transfer of unpaid dividend to IEPF</b>
2013-2014	2,27,549.00	27-09-2014	26-10-2021	26-11-2021
2014-2015	2,74,332.00	28-09-2015	27-10-2022	27-11-2022
2015-2016	2,75,057.00	12-09-2016	11-10-2023	11-11-2023
2016-2017	2,45,428.00	12-09-2017	11-10-2024	11-11-2024
2017-2018	2,04,454.00	20-09-2018	19-10-2025	19-11-2025
2018-2019	2,40,182.00	24-09-2019	23-10-2026	23-11-2026
2019-2020	3,89,455.00	26-09-2020	25-10-2027	25-11-2027

15. The members who have not encashed the Dividend Warrants so far for the financial year ended 31<sup>st</sup> March, 2014 or any subsequent financial years are requested to make their claim to the Company at its Registered Office/Registrar of Share Transfer Agent. It may also be noted that once the Unclaimed Dividend amount and the shares in respect of which dividend has not been claimed for consecutive seven years are transferred to the Investor Education and Protection Fund, no claim shall lie with the Company in respect thereof.
16. Dividend, if declared, will be paid, subject to deduction of tax at source, within 30 days of the approval of the Shareholders at the Annual General Meeting to those Members entitled thereto and whose names shall appear on the Register of Members of the Company as on the close of business hours of September 10, 2021, or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on the close of business hours of September 10, 2021, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
17. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / KFinTech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/> before September 10, 2021. Shareholders are requested to note that in case their PAN

is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/> . The aforesaid declarations and documents need to be submitted by the shareholders by before September 10, 2021

18. Financial Year-wise list of unclaimed dividend is available on Company's website – <http://www.gowraleasing.com/dividend.php>
19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
20. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
21. Members may note that the Notice of the 28th AGM and the Annual Report for FY 2020-21, copies of audited financial statements, Directors' Report etc., will also be available on the website of the company, <http://www.gowraleasing.com/annual-reports.php> for downloading.
22.
  - a. Members are requested to convert their physical holding to demat to avoid hassles involved with physical shares, such as possibility of loss, mutilation, and to ensure safe and speedy transaction in securities. Further be informed that, as per amendment in SEBI(LODR) Regulations, 2015, physical shares can't be transferred after March 31, 2019. Members are also requested to notify change of address, bank details, ECS mandates, email id, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar & Share Transfer Agent of the Company i.e. M/s Kfin Technologies Private Limited, Selenium Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana in respect of their physical share folios to avoid procedural delays.
  - b. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar & Share Transfer Agent for consolidation into a single folio.
  - c. Members holding shares in physical form are requested to send certified copy of their Permanent Account Number (PAN) card, including for all joint holders, to the Registrar & Transfer Agent of the Company.
  - d. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address in the website [www.gowraleasing.com/registration-of-email-id.php](http://www.gowraleasing.com/registration-of-email-id.php) for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company, electronically.
23. Format for registration of nominee is available on the website:[www.gowraleasing.com/pdf/new/nomination-form-2B.pdf](http://www.gowraleasing.com/pdf/new/nomination-form-2B.pdf)
24. **E-Voting:**
  - i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its Members, the facility to cast their vote electronically, through the e-voting services provided by M/s Kfin Technologies Private Limited (Kfintech) on all resolutions set forth in this Notice. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (*remote e-voting*).



- ii. The Board of Directors of the Company has appointed Shri G Raghu Babu, Company Secretary in whole-time practice, Partner, R&A Associates, Company Secretaries, Hyderabad (Membership No. F4448 & Certificate of Practice No. 2820) or due to his pre-occupation, Mr. P. Surya Prakash, Company Secretary in whole-time practice, Principal Associate, R&A Associates, Company Secretaries, Hyderabad (Membership No. F9072 & Certificate of Practice No. 11142) as Scrutinizer for voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
- iii. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date (record date) i.e. 10<sup>th</sup> September, 2021.
- iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (record date), i.e. 10<sup>th</sup> September, 2021 only shall be entitled to avail the facility of remote e-voting as well as voting at AGM.
- v. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 10<sup>th</sup> September, 2021, may obtain the User ID and password by writing to Kfin at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [evoting@kfintech.com](mailto:evoting@kfintech.com) or contact 040-67161606 or Toll-Free No.1800-309-4001. However, if the person is already registered with Kfin for remote e-voting then the existing user ID and password can be used for casting vote.
- vi. The remote e-voting facility will be available during the following period:

<b>Commencement of remote e-voting:</b>	<b>9.00 a.m. (IST) on 14th September, 2021</b>
<b>End of remote e-voting:</b>	<b>5.00 p.m. (IST) on 16th September, 2021</b>

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting Module shall be disabled by Kfin upon expiry of aforesaid period.

- vii. The Scrutinizer, after scrutinizing the votes cast during the meeting through poll and thereafter through remote e-voting, will not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company <http://www.gowraleasing.com> and on the website of Kfin <https://evoting.kfintech.com>. The results shall simultaneously be communicated to BSE Limited.
- viii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 17th September, 2021.
  - i) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be closed on expiry of 15 minutes from the schedule time of the AGM.
  - ii) Facility of joining the AGM through VC / OAVM shall be available for 1,000 Members on first come first served basis. However, the participation of Members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
  - iii) The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be opened from 9.00 A.M. on September 10, 2021 to 5.00 P.M. on September 14, 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
  - iv) The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will be opened from 9.00 A.M. on September 10, 2021 to 5.00 P.M. on September 14, 2021.

- v) Members, who have casted their votes by remote e-voting may also attend the AGM through VC / OAVM but shall not be entitled to cast their votes again.
- vi) Members who need technical assistance before or during the AGM, can contact Shri V.Raghunath, Deputy Manager at KFintech at e-mail id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [evoting@kfintech.com](mailto:evoting@kfintech.com), contact no.: 040-67161606 or can also call KFintech's toll free no.: 1800-345-4001.

#### ix. INSTRUCTIONS FOR ATTENDING THE AGM, REMOTE E-VOTING AND E-VOTING DURING AGM

The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

- Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 : Access to KFintech e-Voting system in case of shareholders holding shares in physical and nonindividual shareholders in demat mode.
- Step 3 : Access to join virtual meetings (e-AGM) of the Company on KFin system to participate in e-AGM and vote at the AGM.

#### DETAILS ON STEP 1 ARE MENTIONED BELOW:

#### I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>IV. Click on company name or e-Voting service provider and you will be redirected to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services:</b></p> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1.</li> </ol> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>I. Open URL : <a href="https://www.evoting.nsd.com/">https:// www.evoting.nsd.com/</a></li> <li>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.</li> <li>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol>

	<p><b>2. User not registered for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFinTech where the e-Voting is in progress.</li> </ol>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see eVoting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see eVoting feature.</li> <li>III. Click on options available against company name or e-Voting service provider – <b>KFinTech</b> and you will be redirected to e-Voting website of <b>KFinTech</b> for casting your vote during the remote e-Voting period without any further authentication</li> </ol>

**Important note:**

Members who are unable to retrieve User ID/Password are advised to use Forgot user ID and Forgot Password option available at respective websites. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

<b>Login type</b>	<b>Helpdesk details</b>
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**DETAILS ON STEP 2 ARE MENTIONED BELOW:**

**II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- (A) Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL : <https://emeetings.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".

- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc. The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Gowra Leasing & Finance Limited-AGM' and click on "Submit".
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [gowrascrutinizer@gmail.com](mailto:gowrascrutinizer@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [cs@gowraleasing.com](mailto:cs@gowraleasing.com) The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>  
  
Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
  - iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**DETAILS ON STEP 3 ARE MENTIONED BELOW:**

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
  - ii. Facility for joining AGM through VC/OAVM shall be open atleast 15 minutes before the commencement of the Meeting.
  - iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
  - iv. Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members 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.
  - v. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs@gowraleasing.com](mailto:cs@gowraleasing.com). Questions/queries received by the Company till September 14, 2021 shall only be considered and responded during the AGM.
  - vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
  - vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
  - viii. Facility of joining the AGM through VC/OAVM shall be available for atleast 1000 members on first come first served basis.
  - ix. Institutional Members are encouraged to attend and vote at the AGM through VC/OAVM.
25. The Companies Act, 2013 provides for the facility of nomination to the members of a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to the Registered Office of the Company.

The shares of the Company continue to be listed on the Stock Exchange at Mumbai i.e. BSE Limited and the Company has paid up to date all the listing fees to the exchange.



**EXPLANATORY STATEMENT**  
**(Pursuant to Section 102 of the Companies Act, 2013)**

The following Explanatory Statement sets out all the material facts relating to the Special Business under Item No.4 of the accompanying Notice dated 10th August, 2021.

**ITEM NO. 4.**

The Board of Directors of the Company at its meeting held on June 24, 2021, appointed Mrs. Aruna Ravi Kumar Rachakonda (DIN: 00293898) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from June 24, 2021, subject to the approval of the Members of the Company.

In terms of section 160 of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board have recommended the appointment of Mrs. Aruna Ravi Kumar Rachakonda as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013. The Company has also received a notice in writing from a member proposing the candidature of Mrs. Aruna Ravi Kumar Rachakonda to be appointed as Director of the Company.

The Company has received a declaration from Mrs. Aruna Ravi Kumar Rachakonda confirming that she meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mrs. Aruna Ravi Kumar Rachakonda consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Aruna Ravi Kumar Rachakonda fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

The Board of Directors recommends the resolution in relation to appointment of Mrs. Aruna Ravi Kumar Rachakonda as an Independent Director of the Company, as set out in Item No. 4 for approval of the members by way of Ordinary Resolution.

By Order of the Board  
for GOWRA LEASING & FINANCE LIMITED

Place: Secunderabad  
Dated: 10-08-2021

Sd/-  
(GOWRA SRINIVAS)  
Managing Director  
(DIN: 00286986)

**ADDITIONAL INFORMATION OF DIRECTORS BEING APPOINTED AT THE ANNUAL GENERAL MEETING**  
(Pursuant to Regulation 36(3) of SEBI(LODR) Regulation, 2015)

**SI No 1.**

Name	<b>Shri Gowra Lakshminaryana (DIN: 00287021)</b>
Date of Birth	24-02-1947
Date of Appointment	09-02-1993
Qualification	Graduate in Science
Directorship held in other Companies	<ol style="list-style-type: none"> <li>1. Gowra Petrochem Private Limited</li> <li>2. Gowra Ventures Private Limited</li> <li>3. Amar Bio-Organics (India) Private Limited</li> <li>4. Urban Desk Private Limited</li> <li>5. Gowra Aerospace Technologies Private Limited</li> <li>6. Sumeru Seeds Private Limited</li> <li>7. Gowra Palladium Private Limited</li> <li>8. Gowra Bits &amp; Bytes Private Limited</li> </ol>
Membership/Chairmanships of Committees across other public Companies	Nil
Brief Profile covering experience, achievements etc.	Shri Gowra Lakshminarayana is Non-Executive Director having extensive experience in marketing and management and serves in the board of various companies
Relationship with other Directors	Brother of Shri Gowra Srinivas
Shares held in the Company	101100 (as on 30-06-2021)

**SI No 2.**

Name	<b>Mrs. Aruna Ravi Kumar Rachakonda (DIN: 00293898)</b>
Date of Birth	19-07-1963
Date of Appointment	24-06-2021
Qualification	<ol style="list-style-type: none"> <li>1. Bachelor of Science (B.Sc)</li> <li>2. Master of Arts</li> <li>3. Post-Graduate Diploma in Journalism &amp; Public Relations</li> </ol>
Directorship held in other Companies	<ol style="list-style-type: none"> <li>1. Virinchi Marketing Private Limited</li> <li>2. Pit Stop Exclusive Private Limited</li> <li>3. KRCS Technologies Private Limited</li> </ol>
Membership/Chairmanships of Committees across other public Companies	Nil
Brief Profile covering experience, achievements etc.	Mrs. Aruna Ravi Kumar Rachakonda is Non-Executive Director having vast experience in Business Management and Public relation and serves in the board of various companies
Relationship with other Directors	NIL
Shares held in the Company	NIL

## DIRECTORS' REPORT

Dear Members,

We have pleasure in presenting the 28<sup>th</sup> Annual Report on the business and operations of Company and Financial Results for the year ended 31<sup>st</sup> March, 2021.

### CIRCULATION OF ANNUAL REPORTS IN ELECTRONIC FORM

Pursuant to Ministry of Corporate Affairs' ('MCA') circulars dated 8 April 2020, 13 April 2020, 5 May 2020 and 13 January 2021, read with SEBI Circulars dated 12 May 2020 and 15 January 2021, relaxation has been granted to the companies in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode till 31 December 2021. Accordingly, the financial statements (including Boards' Report, Corporate Governance Report, Management Discussion and Analysis, Auditors' Report and other documents to be attached therewith) are being sent only through electronic mode to those shareholders whose email addresses are registered with the Company's Registrar and Share Transfer Agent viz., KFin Technologies Private Limited ('KFin') / Depository Participants, and whose names appear in the register of members as on Friday, 20 August 2021. The Company has also made arrangements for those shareholders who have not yet registered their email address to get these registered by following the procedure prescribed in the notice of Annual General Meeting (AGM). The Annual Report for FY 2021 is also available on the website of the Company at <https://www.gowraleasing.com/>

### 1. FINANCIAL RESULTS

The summarized Financial Results of the Company are given hereunder: -

Particulars	(Rs. In lakhs)	
	FY 2020-21	FY 2019-20
Total Income	175.55	135.94
Operating Profit before interest, Depreciation & Tax	93.14	77.92
Interest and other Financial charges	0.37	0.18
Depreciation	0.47	0.58
Net Profit before Tax	92.30	77.17
Provision for Income Tax & FBT	15.75	14.59
Provision for Deferred Tax	2.80	0.50
Net Profit after Tax	73.75	62.07
Add: Balance brought forward from previous year	595.06	575.41
Profit available for appropriation	668.82	637.48
Proposed Dividend	30.00	30.00
Corporate Tax on Dividend	-	-
Depreciation Adjustment	-	-
Balance to be carried forward	624.06	595.06

### 2. OPERATIONS AND BUSINESS OUTLOOK:

During the year under review, the Company recorded a total income of Rs. 175.55 lakhs and a net profit of Rs. 73.75 lakhs against income of Rs. 135.94 lakhs and a net profit of Rs.62.07 lakhs in the previous year.

### 3. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

As per the requirements Section 134(3)(l) of the Companies Act, 2013, Company declare that, there are no significant material changes and commitments affecting financial position of the Company between 31<sup>st</sup> March, 2021 and the date of Board's Report.



#### **4. CHANGE IN THE NATURE OF BUSINESS:**

As per the requirements Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014, Company declare that, there is no significant change in the nature of business of the Company during the financial year under review.

#### **5. SHARE CAPITAL AND CLASSIFICATION OF COMPANY:**

The authorized capital of the Company as on 31<sup>st</sup> March, 2021 was Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs.10/- each.

The Subscribed, Issued and Paid-up capital of the Company as on 31<sup>st</sup> March, 2021 was Rs. 3,00,03,000/- divided into 30,00,300 equity shares of Rs. 10/- each.

In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India; your company has been classified as Loan Company.

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

#### **6. DIVIDEND**

During the year under review, your Directors recommended a Dividend @ 10% amounting to Rs.30,00,300/- for the year ended 31<sup>st</sup> March, 2021.

#### **7. THE COVID 19 PANDEMIC**

The covid 19 pandemic is one in a life time occurrence that has brought with it unimaginable suffering to people and to almost all section of the economy. The nation wide lockdown to curtail the transmission of disease, had put the Indian economy in extreme stress and would have a long lasting impact. The recent surge in infection that started with the second wave in early March 2021 bring with it greater challenges. The impact of the above on the performance of the Company have bee discussed in Management Discussion and Analysis.

#### **8. TRANSFER TO RESERVES**

The Company proposes to transfer Rs.14,75,035/- to Statutory Reserves.

#### **9. DEPOSITS:**

Your Company has not accepted/invited any deposits from the public for the year under review within the meaning of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 and Section 73 of the Companies Act, 2013 and the rules made there under.

#### **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **A. RETIREMENT BY ROTATION**

- ❖ Shri Lakshminarayana Gowra (DIN: 00287021), Director of the Company is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting to be held on 17<sup>th</sup> September, 2021 and being eligible, seeks re-appointment.

## **B. APPOINTMENT**

- ❖ Dr. Soma Sudheer (DIN:00287082), Director of the Company was liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 at the 27th Annual General Meeting held on 26<sup>th</sup> September, 2020 was re-appointed.
- ❖ Smt. Madhumathi Suresh (DIN:07124113), Independent Director of the Company was reappointed for second term for a period of one year in terms of Section 149 and 152 of the Companies Act, 2013 at the 27th Annual General Meeting held on 26<sup>th</sup> September, 2020.

The Board is of the opinion that Smt. Madhumathi Suresh have the requisite integrity, expertise and experience to fulfill the responsibilities of Independent Director.

- ❖ Shri Gowra Srinivas (00286986), Managing Director of the Company was reappointed for a period of five years with effect from 30<sup>th</sup> July, 2021 in term of section 196, 197 198 and other applicable provisions of Companies Act, 2013 at the 27<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2020.

## **C. CESSATION**

- ❖ No cessation of Directors or Key Managerial Personnel has occurred during the year under review.

## **D. EVALUATION OF THE BOARD'S PERFORMANCE**

As per provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI(LODR) Regulations, 2015, the Board adopted a formal performance evaluation policy for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment etc. The evaluation of the Independent Directors and that of the Chairman was carried out by the entire Board excluding the Director being evaluated and the evaluation of Non-Independent Directors was carried out by the Independent Directors. A separate meeting of Independent Directors was also held during the year wherein the performance of Chairman, Board, Executive Directors was evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## **E. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In accordance with Regulation 34 of the SEBI (LODR) Regulations, 2015, Management's Discussion and Analysis Report for the year under review is presented in a separate section forming part of this Annual Report. **(ANNEXURE I)**

## **F. DECLARATION BY INDEPENDENT DIRECTORS**

In accordance with Section 149(7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

## **G. SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors met on 12<sup>th</sup> March, 2021 without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter-alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

## 11. POLICIES

### A. RISK MANAGEMENT POLICY

The Company has policy for identifying risk and established controls to effectively manage the risk. Further the company has laid down various steps to mitigate the identified risks. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### B. NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. There has been no change in policy from the last year. The Remuneration Policy is attached to this report ([ANNEXURE II](#)).

### C. CODE OF CONDUCT POLICY:

The Company has complied with the requirements about code of conduct for Board members and Senior Management Personnel. The said policy is available on the website of the Company. ([www.gowraleasing.com/code-of-conduct.php](http://www.gowraleasing.com/code-of-conduct.php))

### D. INSIDER TRADING POLICY:

The Board of Directors of the Company have adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading policy of the Company lays down guidelines & procedures to be followed, and disclosures to be made while dealing with the shares of the Company, as well as the consequences of the violations. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain highest ethical standards of dealing in Company's shares.

The Insider Trading Policy of the company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for preventing insider trading is available on the website of the Company. ([www.gowraleasing.com/pdf/new/code-of-fair-disclosures.pdf](http://www.gowraleasing.com/pdf/new/code-of-fair-disclosures.pdf))

### E. VIGIL MECHANISM /WHISTLE BLOWER POLICY:

The Board of Directors of the Company have adopted Whistle Blower Policy. This policy is formulated to provide an opportunity to employees to raise concerns and to access the Audit Committee in good faith, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

There were no complaints received during the year 2020-21.

### F. POLICY ON MATERIALITY OF EVENTS:

The Policy on materiality of events/ transactions as approved by the Board may be accessed on the Company's website. ([www.gowraleasing.com/pdf/qflf-policy-for-materiality.pdf](http://www.gowraleasing.com/pdf/qflf-policy-for-materiality.pdf))

### G. FAIR PRACTICE CODE:

The Board of Directors have adopted a Fair Practices Code as per the RBI guidelines for NBFCs which is available on the website ([www.gowraleasing.com/fair-practice-code.php](http://www.gowraleasing.com/fair-practice-code.php)).

## 12. AUDITORS & AUDITORS' REPORT

### A. STATUTORY AUDITORS

Pursuant to provision of Section 139 of the Companies Act, 2013, (the Act), M/s. V.N. Purohit & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the 27<sup>th</sup> Annual General Meeting held on September 26, 2020. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

- The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.
- The Statutory Audit Report for the financial year 2020-21 is annexed herewith to this Report ([ANNEXURE III](#))

#### **B. SECRETARIAL AUDITOR**

Pursuant to Section 204 of the Companies Act, 2013, the Company has appointed R&A Associates, Hyderabad as Secretarial Auditor. The Secretarial Audit Report for the financial year 2020-21 is annexed herewith to this Report ([ANNEXURE IV](#)).

The Secretarial Audit Report does contain one qualification as mention below with Explanation of Board:

**Qualification:** the listed entities to ensure that 100% of shareholding of promoter(s) and promoter group is in dematerialized form. However, the promoter(s) and promoter group of the reported company are having 99.92% of shareholding in dematerialized form and the company has already initiated steps to convert the 0.08% representing 1500 shares in dematerialized form.

**Explanation:** The Company is already in communication with concerned promoter, been the share certificate been lost, the procedure for applying for duplicate share certificate been initiated for dematerialisation the shares subsequently.

#### **C. COST AUDITOR**

During the year under review, the Company was not required to maintain cost records and get them audited by Cost Auditor.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2021 and of the Profit of the company for that period.
- (c) The Directors have 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 / detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down internal financial controls to be followed by the company and the internal financial controls are adequate and are operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **14. CORPORATE GOVERNANCE**

A separate report on Corporate Governance is enclosed as a part of this Annual Report. Pursuant to Schedule V of SEBI (LODR) Regulations, 2015 the declaration signed by the Managing Director affirming compliance of the Code of Conduct by the Directors and Senior Management personnel of the Company for the financial year 2020-21 is annexed and forms part of the Corporate Governance Report (*ANNEXURE V*)

#### **15. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is enclosed herewith as part of Annual Report (*Part A, ANNEXURE – VI*).

No employee was in receipt of remuneration exceeding Rs. 1,02,00,000/- or more per annum or Rs. 8,50,000/- or more per month as the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, other disclosure as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as part of Annual Report (*Part B, ANNEXURE – VI*)

#### **16. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Your Directors draw attention of the members to Note 27 of the Financial Statement which sets out related party disclosures.

#### **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not made any loan, given guarantee, provided security or made investments pursuant to the provisions of Section 186 of Companies Act, 2013 other than the normal course of business.

#### **18. DEPOSITS**

As per the requirements Section 73, 74 & 76 of the Companies Act, 2013 and Rules made thereunder, the Company has not accepted any deposits.

#### **19. DISCLOSURES:**

##### **A. ANNUAL RETURN**

A copy of Annual Return been placed on our website: [www.gowraleasing.com](http://www.gowraleasing.com) .

##### **B. COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee comprises of Shri T. Shankar (Chairman), Shri D. Suresh and Shri Gowra Lakshminarayana as members. All the recommendations made by the Audit Committee were accepted by the Board.

##### **C. NUMBER OF BOARD MEETINGS**

The Board of Directors of the Company met 4 (four) times during the FY 2020-21. For further details, please refer report on Corporate Governance. The maximum interval between 2 meetings were as per the various circulars issued by SEBI and Ministry of Corporate Affairs as per Companies Act, 2013.

##### **D. LISTING**

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

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, is not applicable since there is no such activity at present being pursued by the Company.

**21. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. The Company has no subsidiaries, joint ventures or associate companies.
- b. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- c. The Company has in place adequate internal financial controls with reference to financial statements. These controls ensure the accuracy and completeness of the accounting records and preparation of reliable financial statements.

**22. POLICY ON SEXUAL HARASSMENT:**

There were no complaints/cases pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**23. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

The Company was not required to constitute a CSR Committee as the Company has not met any of the thresholds mentioned in Section 135 of the Companies Act, 2013 during the financial year under review. Hence reporting about policy on Corporate Social Responsibility and the initiatives taken are not applicable to the Company.

**24. ACKNOWLEDGEMENTS:**

The Directors thanks the Company's Bankers namely State Bank of India, Kotak Mahindra Bank Limited, ICICI Bank and officials of concerned Government Departments for their co-operation and continued support to the Company.

The Board would also like to thank the Company's shareholders, customers, suppliers for the support and the confidence which they have reposed in the management. The Board place on record its appreciation of the contribution made by the employees at all levels for their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 10-08-2021

Sd/-  
Gowra Lakshmi Prasad  
Director  
(DIN: 00268271)

Sd/-  
Gowra Srinivas  
Managing Director  
(DIN: 00286986)

## ANNEXURE-I **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### BACKGROUND

Gowra Leasing & Finance Limited ('GLFL' or 'the Company') is a Non-Systematically Important Non-Deposit taking NBFC registered with the Reserve Bank of India (RBI). Your company is essentially a loan company categorized by Reserve Bank of India with assets size of less than Rs. 100 Crores. The main business of the company is to extend loans, advances etc.

### THE COVID-19 PANDEMIC

The COVID-19 pandemic is once in a lifetime occurrence that has brought with it unimaginable suffering to people and to almost all sections of the economy. When the pandemic struck and led to nationwide lockdowns to curtail the transmission of disease, it was natural to fear that the Indian economy would stay in stress and would have a long-lasting economic impact.

To counter the crippling impact of the lockdowns on economies, the policymakers have resorted to various measures. It still remains to be seen if these relief measures sufficed, and whether actions taken by Government adequately compensated for the disruptions created in the lives of people.

Fortunately, science prevailed. Multiple vaccines were found with impressive efficacy levels in less than a year, which will probably rank as among one of the most incredible achievements in science. The announcement of successful development of vaccines seemed to lift spirits around the world. We have seen a rebound of economy, thanks to the resilience of our citizens and our entrepreneurs. The only grey cloud at present is the huge surge in infections that started with the second wave beginning in early March 2021. Hopefully, a serious increase in the pace of vaccinations across the country will keep the infection in control, and if we keep all enterprises and workers open for business, it should not affect the economy in any significant manner.

### MACROECONOMIC OVERVIEW

Given the impact of the pandemic, FY2021 was expected to be an extremely demanding year. The country has seen severe effect on economy and the degrowth in GDP was much larger than expected. As a result of country wide lockdown, various difficulties been faced for collection of regular EMIs from clients and recovery activities which has affected the current account deficit and increased concerns for Non-performing Assets. Thankfully, we began to witness early signs on resumption of economic activity in the second half of the year with several high frequency indicators suggesting that the economy was back on to positive growth.

### OPPORTUNITIES AND THREATS

Non-banking companies continue to be an important segment of Indian financial system. Opportunities of lending business are sufficient with a major risk of non-performing assets and long pending judgements from the courts. Though the opportunity for lending business is sufficient, the major risk which lies before the company is risk of NPAs. Apart from NPAs, other threats like high cost of fund, competition from other NBFCs and growing number of fintech companies also plays a vital role in the growth of the Company.

In first half of FY 2020-21, collections were impacted, due to the announcement of lock down and rescheduling of payments announced by the regulator on repayments. With the increase in economic activity, post partial lockdowns being lifted, collection efficiencies across the lending entities had improved and Company is in hope of better growth in coming days.

### FUTURE OUTLOOK

Huge liquidity crunch is visualized during 2020-21 for various business establishments barring a few. Even though the business opportunities are plenty for your company, the present pandemic Covid-19 is becoming risky to extend business loans. However, your company is planning to extend the credits after thorough scrutiny and after visualizing the integrity of the borrowers.

## RISK MANAGEMENT

Risk is an integral part of finance business. NBFC's are exposed to credit, liquidity and interest rate risks. Company's risk management framework is well embedded and continually reviewed by the Risk Management team. It enables the Board, to identify, evaluate and monitor principal risks and where possible, actively mitigate the risks that could affect the achievement of the Company's target. As a process, risks associated with the finance business are identified. The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks.

## INTERNAL CONTROL

In every industry the internal control system plays a critical role in the health of the Company. The Company has put in place an adequate internal control system to safeguard all its assets and ensure operational efficiency. The Company's well-defined organizational structure, documented policy guidelines, ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. The Company has reputed audit firm as internal auditors to conduct internal audit. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions initiated.

## PERFORMANCE HIGHLIGHTS

During the year your company earned a revenue of Rs. 175.55 Lakhs with a net profit before tax as Rs. 92.30 Lakhs.

## DIVIDEND

Your directors have recommended a dividend of 10% on the paid-up capital of the company.

## HUMAN RESOURCES

Your Company firmly believes that Human Capital is its most important asset. During the COVID-19 pandemic, the health, safety & wellbeing of our employees & their families remained our top priority. Your company is committed to provide right opportunities to employees to realize their potential.

## FORWARD LOOKING STATEMENTS

This report contains statements that relate to future operations and performance of the Company. Actual results may differ materially from those suggested by such statements due to certain risks associated with our expectations with respect to, but not limited to, future circumstances such as technological changes, the impact of changes in Reserve Bank regulations and other regulatory changes in India and other jurisdictions, natural calamities, inflation, deflation, unanticipated turbulence in interest rates or other rates or prices, the performance of the financial markets in India and globally, among others.

## MATERIALITY AND SCOPE

This report includes information which is material to all stakeholders of the company and provides an overview of its business and related activities. The report discloses matters that substantially impact or affect the Company's ability to create value and could influence decisions of providers of financial capital.

## CAUTIONARY STATEMENT

The content of this report has been reviewed by the senior management of the Company and reviewed and approved by the Board of Directors to ensure accuracy, completeness and relevance of the information presented.

For and on behalf of the Board of Directors

Sd/-

Gowra Lakshmi Prasad  
Director  
(DIN: 00268271)

Sd/-

Gowra Srinivas  
Managing Director  
(DIN: 00286986)

Place: Secunderabad  
Date: 10-08-2021



## **ANNEXURE-II**

### **NOMINATION AND REMUNERATION POLICY**

#### **1. INTRODUCTION**

Gowra Leasing & Finance Limited (GLFL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### **2. SCOPE AND EXCLUSION:**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

#### **3. TERMS AND REFERENCES:**

In this Policy, the following terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means:

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination and Remuneration Committee**” means the committee constituted by GLFL Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

#### **4. POLICY:**

##### **A. Criteria for Appointment of Non-Executive Directors & Independent Directors**

- a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Nomination & Remuneration (N&R) Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The N&R committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act 2013.
- d) In case of re-appointment of Non-Executive Directors & Independent Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **Remuneration of Non-Executive Directors & Independent Directors**

- i. A Non-Executive Director & Independent Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 including any amendment or modification thereto as may be in force;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

#### **B. Criteria for Appointment of Executive Directors and Key Managerial Personnel (KMP)**

For the purpose of appointment of any Executive Director and Key Managerial Personnel (KMP), the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee shall also ensure that the incumbent fulfils such other criteria as laid down under the Companies Act, 2013 read with Rules made there under or other applicable laws.

#### **Remuneration of Executive Directors & KMP**

- i. The Board, on the recommendation of the Nomination and Remuneration (N&R) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits prescribed under Companies Act, 2013 including any statutory modification or amendment thereto as may be in force, subject to approval by the shareholders in General Meeting.
- ii. The Board, on the recommendation of the Nomination & Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- iii. The remuneration of the Executive Directors and KMP may be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises performance bonus.

#### **D. Remuneration to Other Employees:**

- i. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.
- ii. The remuneration may be divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus.



### ANNEXURE-III INDEPENDENT AUDITOR'S REPORT

To  
The Members of Gowra Leasing & Finance Limited  
**Report on the Audit of the Standalone Financial Statements**

#### **OPINION**

We have audited the standalone financial statements of Gowra Leasing & Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) 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. In our opinion, there are no reportable Key Audit Matters for the financial statements of the Company.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement 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. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

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 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.

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 matter. We describe this matter 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

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (ii) 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 purposes 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 dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone 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 the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, 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.
- (iii) 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 not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the Company for the year

Place: Hyderabad

Date: 24.06.2021

For V. N . Purohit & Co.,  
Chartered Accountants  
FRN: 304040E

Sd/-

Ramesh Kumar Mali  
(Partner)  
M No.: 200998  
UDIN: 21200998AAAAFN3729

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year by the management and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) As the company has neither purchased nor sold goods during the year and there is no opening & closing stock, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
- (iii) The company has granted loan to one party covered in the register maintained under Section 189 of the Act, during the year in normal course of its business. The term and conditions of such loan is not prejudicial in the interest of the company and also repayment of principal and interest are regular.
- (iv) As explained to us, the company has not granted any loans, investments or given guarantees/ security, hence the question of compliance to the provisions of Sections 185 and 186 of the Act as per clause (iv) of the Order does not arise.
- (v) According to the information and explanations given to us by the management, the company has not accepted any deposits from public and the Board of Directors of the company has passed a resolution for the non-acceptance of any deposits. The Company has complied with the directions issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under as per clause (v) of the Order.
- (vi) According to the information and explanations provided by the management, the company is not engaged in production of any such goods or provision of any such services for which the Central Government has prescribed particulars relating to utilisation of material or labour or other items of cost. Hence, the provisions of section 148(1) of the Act do not apply to the company and in our opinion, no comment on maintenance of cost records under section 148(1) of the Act is required to be given.
- (vii) (a) According to the records of the Company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues to the extent applicable to it.
- Further, there were no undisputed amounts payable in respect of aforesaid statutory liabilities which have remained outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there were no dues of Income tax, Goods and Service Tax, Duty of Customs and Cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the company has neither borrowed any loans from Financial Institutions, Bank, Government nor issued any debentures and consequently the question of default in repayment of such loans does not arise.
- (ix) According to the information and explanations given to us no money was raised by way of initial public offer or further public offer by the company. The company has not taken any term loans from any banks or financial institutions during the year. Hence the question of application of moneys raised by way of initial public offer, further public offer and term loans for the purpose for which they were raised does not arise.
- (x) To the best of our knowledge and according to the information and 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 year.
- (xi) In our opinion the managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the company.

- (xiii) According to information and explanations given to us, the company has complied with the provisions of Sections 177 and 188 of the Act and the disclosure of such transactions in the Financial Statements etc., have been made as required by applicable Accounting Standards in respect of transactions entered into with related parties.
- (xiv) As explained to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence the requirement of compliance to provisions of Section 42 of the Act and utilisation of amounts so raised for the purpose for which the funds were raised as per clause (xiv) of the Order does not arise.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence the requirement of compliance to provisions of Section 192 of the Act as per clause (xv) of the Order does not arise.
- (xvi) The company, being a Non-Banking Financial Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the requirement of clause (xvi) of the Order is complied with.

Place: Hyderabad

Date: 24.06.2021

For V. N . Purohit & Co.,  
Chartered Accountants  
FRN: 304040E

Sd/-

Ramesh Kumar Mali  
(Partner)  
M No.: 200998  
UDIN: 21200998AAAAFN3729

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## **ANNEXURE A - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GOWRA LEASING & FINANCE LIMITED**

### **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 over financial reporting of Gowra Leasing & Finance Limited ("the Company") as of March 31, 2021 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 ("Guidance Note") 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 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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.

Place: Hyderabad

Date: 24.06.2021

For V. N . Purohit & Co.,  
Chartered Accountants  
FRN: 304040E

Sd/-

Ramesh Kumar Mali  
(Partner)  
M No.: 200998  
UDIN: 21200998AAAAFN3729



ANNEXURE-IV  
SECRETARIAL AUDIT

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no .9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members  
**Gowra Leasing and Finance Limited**  
501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza,  
1-8-384 & 385, S.P. Road, Begumpet,  
Secunderabad- 500003, Telangana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Gowra Leasing and Finance Limited**, ("Company"). 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, agents 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 31<sup>st</sup> March, 2021 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
**(Not Applicable to the Company during the Audit Period).**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period).**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
**(Not Applicable to the Company during the Audit Period).**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period).**

**We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with laws applicable with respect to the Reserve Bank of India Act, 1934 and Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 which are specifically applicable to the Company:

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by "The Institute of Company Secretaries of India"
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a. In terms of Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entities to ensure that 100% of shareholding of promoter(s) and promoter group is in dematerialized form. However, the promoter(s) and promoter group of the reported company are having 99.92% of shareholding in dematerialized form and the company has already initiated steps to convert the 0.08% representing 1500 shares in dematerialized form.

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

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

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

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

**We further report that** during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

Place: Hyderabad  
Date: 10 August, 2021

For R & A Associates

Sd/-  
(G. Raghu Babu)  
Partner  
FCS No.4448, CP No. 2820  
UDIN : F004448C000765384

*{This report is to be read with our letter of even date, which is annexed as "Annexure – A" and forms an integral part of this report}*



“Annexure – A”

To  
The Members  
**M/s. Gowra Leasing and Finance Limited**  
501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza,  
1-8-384 & 385, S.P. Road, Begumpet,  
Secunderabad- 500003, Telangana.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of Gowra Leasing and Finance Limited (“**Company**”). Our responsibility is to express an opinion on these secretarial records based on our 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, we 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events 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: Hyderabad  
Date: 10 August, 2021

For R & A Associates

Sd/-  
(G. Raghu Babu)  
Partner  
FCS No.4448, CP No. 2820  
UDIN : F004448C000765384

## ANNEXURE-V REPORT ON CORPORATE GOVERNANCE

This Report states compliance as per requirements of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and NBFC Regulations, as applicable to the Company.

### 1. PHILOSOPHY:

Your Company is committed to follow good corporate governance practices proactively. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders.

Your Company believes that good governance practices enables the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its stakeholders.

### 2. BOARD OF DIRECTORS:

The Board of Directors along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company. The Board of the Company is represented by well-known people from different walks of life. They are reputed and successful professionals, businessmen having expert knowledge of finance and industry. They are well recognized in the society for their contributions and achievements in their respective fields of expertise.

#### a. Composition:

As on 31st March 2021, the Board of the Company consisted of seven directors, of whom one was executive (Managing Director), three were non-executive independent (including one-woman director) and three were non-executive and non-independent. The Board has no institutional nominee director. The Company has a Non-Executive Chairman. According to regulation 17(1)(b) of SEBI (LODR) Regulations, 2015, where the chairperson of the Board is a non-executive director, at least one-third of the Board of directors shall comprise of independent directors. As Table 1 shows, this provision is met at Gowra Leasing & Finance Limited.

#### b. Number of Meetings of the Board:

During the financial year 2020-21, the Board met four times. The Directors who were present in the Board Meeting are marked as "√" and the directors who were granted leave of absence was marked as "X".

Sl No	Name of Director	DIN	Relationship with other Directors	29 June 2020	31 August 2020	10 November 2020	12 February 2021
1	Shri Gowra Srinivas	00286986	Brother of Shri Gowra Lakshminarayana	√	√	√	√
2	Shri Gowra Lakshmi Prasad	00268271	-	√	√	√	√
3	Dr. Soma Sudheer	00287082	-	√	√	√	√
4	Shri Gowra Lakshminarayana	00287021	Brother of Shri Gowra Srinivas	√	X	√	√
5	Smt. Madhumathi Suresh	07124113	-	X	X	X	X
6	Shri T. Shankar	02560552	-	√	√	√	√
7	Shri D. Suresh	00268394	-	√	√	√	√

#### c. Opinion of the Board

It is hereby confirmed that, in the opinion of the Board, the independent directors fulfil the conditions specified in the SEBI (LODR) Regulations, the companies Act and are independent of the Management of the Company.

**d. Certificate from practising company secretary**

A certificate from R & A Associates, practising company secretary to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms a part of this Report.

**e. Attendance record of directors:**

**TABLE 1**

Composition of the Board and attendance record of Directors for 2020-21

Name of the Director	Category and Position	No. of Board Meetings during Directors' tenure		Whether attended last AGM	No. of Committees of Board of other companies		No. of Directorship In other companies
		Held	Attended		Chairman ship	Member	
Shri D. Suresh	Non-Executive & Independent	4	4	Yes	-	-	2
Shri Gowra Srinivas	Executive	4	4	Yes	1	2	13
Shri Gowra L. Prasad	Non-Executive	4	4	Yes	-	-	6
Shri Gowra Lakshminarayana	Non-Executive	4	3	Yes	-	-	8
Dr. Soma Sudheer	Non-Executive	4	4	Yes	-	-	1
Shri T. Shankar	Non-Executive & Independent	4	4	Yes	-	-	2
Smt. Madhumathi Suresh	Non-Executive & Independent	4	0	No	-	-	-

**f. Other Listed Company where Company's Directors hold Directorship as on 31<sup>st</sup> March, 2021:**

S. No.	Name of the Director	Name of Company	Category
1	Shri Gowra Srinivas	• Source Natural Foods and Herbal Supplements Limited	Non-Executive & Independent

**g. Shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2021:**

S. No.	Name of the Director	Number of Shares
1	Shri D. Suresh	Nil
2	Shri Gowra Lakshmi Prasad	24,500
3	Shri Gowra Lakshminarayana	101,100
4	Dr. Soma Sudheer	5,500
5	Shri T. Shankar	Nil
6	Smt. Madhumathi Suresh	Nil

**h. Skills/Expertise/competence of Board in the context of Company's Business:**

As stipulated under Schedule V to the SEBI (LODR) Regulations, 2015, the Board has identified the following core skills/ expertise/ competencies required in the context of the Company's business(es) and sector(s) for it to function effectively and possessed by the Board.

- Management and Strategy
- Financial Expertise
- Corporate Governance and Ethics
- Economic and statistics
- Audit and Risk Management
- Taxation and Law

**i. Committees of the Board**

The Board has constituted Committees with specific terms of reference/scope to focus effectively on issues and ensure expedient resolution of diverse matters.

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

- A) Audit Committee
- B) Nomination & Remuneration Committee
- C) Stakeholders Relationship Committee

The Company Secretary is the Secretary of all the aforementioned Committees.

**3. AUDIT COMMITTEE:**

The Company had set up its Audit Committee way back in 2003 under erstwhile Companies Act, 1956 and clause 49 of the erstwhile Listing Agreement. The Audit Committee was reconstituted in 2012 and 2017 consequent upon the change in the Board of Directors.

To meet the additional requirement of Companies Act, 2013 and regulation 18 of SEBI (LODR) Regulations, 2015, the terms of reference of Committee were amended by the Board at its meeting held on 8 August, 2014.

The Board has been reviewing the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and NBFC Regulations.

**a. Constitution & Composition:**

In compliance with Companies Act, 2013 and regulation 18(1)(c) of SEBI (LODR) Regulations, 2015, two members of the Audit Committee, viz. Shri T. Shankar (Chairman) and Shri D. Suresh are independent directors along with Shri Gowra Lakshminarayana as non-executive Director and all the members of the Audit Committee are 'financially literate'. Moreover, the Audit Committee has members, who have 'accounting or related financial management expertise'.

**b. Meetings and attendance:**

During FY 2020-21, the Audit Committee met four times viz. 29 June 2020, 31 August 2020, 10 November 2020, and 12 February 2021.

In addition to the members of the Audit Committee, these meetings were attended by the heads of finance, internal audit functions and the statutory auditor of the Company and those executives who were considered necessary for providing inputs to the Committee. Further, on invitation, directors who are not members of the Committee also attended the meetings of the Committee. The Company Secretary acted as the secretary to the Audit Committee.

**TABLE 2**

Composition of Audit Committee and attendance record of members for FY 2020-21

<b>S. No.</b>	<b>Name of the Director</b>	<b>Category</b>	<b>Meetings Held during Tenure</b>	<b>Meetings Attended</b>
1	Shri T. Shankar	Chairman, Non -executive & Independent	4	4
2	Shri D. Suresh	Non -executive & Independent	4	4
3	Shri Gowra Lakshminarayana	Non - executive	4	3

#### 4. NOMINATION & REMUNERATION COMMITTEE:

The Board of Directors of the Company has constituted the Remuneration Committee of the Board in June, 2006. Subsequently the committee was reconstituted in August 2010 and July 2017 as a result of change in the Board of Directors.

Further, the Board at its meeting held on 08 August 2014, renamed the Committee as "Nomination and Remuneration Committee" and also revised the terms of reference for this Committee in compliance with section 178 of Companies Act, 2013.

During the year under review, the Committee met two times viz. 29 June, 2020 and 31 August 2020.

##### a. TABLE 3

Composition of the Nomination and Remuneration Committee and attendance record of members for 2020-21

S. No.	Name of the Director	Category	Meetings Held during tenure	Meetings Attended
1	Shri T. Shankar	Chairman, Non - executive & Independent	2	1
2	Shri D. Suresh	Non -executive & Independent	2	2
3	Dr. Soma Sudheer	Non -executive	2	2

Nomination and Remuneration Policy is as per Annexure-II

##### b. Performance Evaluation Criteria for Independent Directors

The Company has adopted a robust process for the performance evaluation of the entire Board including the Independent Directors. Please refer to the Directors' Report for details on the Performance Evaluation of the Board.

##### c. Details of Remuneration to Directors for FY 2020-21

(Amount in Rupees)

Sl. No	Name of Director	Salary	Sitting Fees	Commission	Total
<b>Executive Director:</b>					
1	Shri Gowra Srinivas	3,84,000	-	-	3,84,000
<b>Non -Executive Director</b>					
1	Shri Gowra Lakshmi Prasad	-	10,000	-	10,000
2	Dr. Soma Sudheer	-	10,000	-	10,000
3	Shri Gowra Lakshminarayana	-	15,000	-	15,000
4	Smt. Madhumathi Suresh	-	NIL	-	NIL
5	Shri T. Shankar	-	20,000	-	20,000
6	Shri D. Suresh	-	20,000	-	20,000

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of the Company constituted its Shareholders' and Investors' Grievance Committee in 2003 under erstwhile Companies Act, 1956 and clause 49 of the erstwhile Listing Agreement. This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc.

The Committee was reconstituted in August 2010, August 2012, November 2016 and July 2017 as a result of change in the Board of Directors.

In compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 20 of the SEBI (LODR) Regulations, 2015 the Board renamed the Committee as 'Stakeholders Relationship Committee' in the meeting held on February 4, 2016.

During FY 2020-21, the Committee met four times viz. 29 June 2020, 31 August 2020, 10 November 2021, and 12 February 2021.

**a. TABLE 4:**

Composition of the Stakeholders Relationship Committee and attendance record of members for 2020-21

S. No.	Name of the Director	Category	Meetings Held during tenure	Meetings Attended
1	Shri Gowra Lakshminarayana	Chairman & Non- executive	4	3
2	Dr. Soma Sudheer	Non- executive	4	4
3	Shri Gowra Lakshmi Prasad	Non- executive	4	4

**b. Compliance Officer:** Shri Zafar Imam Khan, Company Secretary.

**c. Details of Shareholders Complaints during Financial Year 2020-21**

Particulars	No of Complaints
Outstanding as on April 1, 2020	NIL
Received during the Year	0
Resolved during the Year	0
Outstanding as on March 31, 2021	NIL

**6. GENERAL BODY MEETINGS:**

**a. Location & time for last 3 Annual General Meetings of the Company:**

AGM	Financial Year	Day/ Date	Time	Venue	Special Resolutions
27th	2019-20	Saturday/ 26-09-2020	04.00 P.M	through video conferencing ("VC") facility / other audio-visual means ("OAVM"). The venue of the meeting shall be deemed to be the registered office of the Company.	1. Reappointment of Smt. Madhumathi Sursh (DIN:07124113), as Independent Director of the Company. 2. Reappointment of Shri Gowra Srinivas (DIN:00286986), as Managing Director of the Company.
26th	2018-19	Tuesday/ 24-09-2019	11.30 A.M	Hotel "TAJ TRISTAR," Seven Hills", 1-4-40, S.D. Road, Secunderabad -500003	NIL
25th	2017-18	Thursday/ 20-09-2018	11.30 A.M	Hotel "TAJ TRISTAR," Seven Hills", 1-4-40, S.D. Road, Secunderabad -500003	1. Adoption of New Article of Association of the Company



**b. Postal Ballot Resolution**

No Postal ballot resolution was passed during the year ended March 31, 2021. No special resolution requiring a postal ballot is being proposed for the ensuing Annual General Meeting.

**7. MEANS OF COMMUNICATION:**

The quarterly, half-yearly and annual results of the Company's performance are published in widely circulated national and local dailies such as The Financial Express / Business Standard and Nava Telangana in English and Telugu respectively. The same were sent to the Bombay Stock Exchange (BSE) and posted on the Company's website.

The Company has 1441 shareholders as on 31st March, 2021. The Company mainly communicates with its shareholders through Annual Report, which includes the Directors' Report, Management Discussion and Analysis Report, Report on Corporate Governance and Audited Financial Results.

**8. GENERAL SHAREHOLDER INFORMATION:**

**a) 28<sup>th</sup> Annual General Meeting :**

Date : 17th September, 2021

Time : 04:00 P.M. (IST)

Venue: will be convened from Secunderabad through Audio Video Means.

**b) Financial Year** : 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021

**c) Date of Book Closure** : 11<sup>th</sup> September, 2021 to 17<sup>th</sup> September, 2021 (both days inclusive)

**d) Dividend Payment Date** :

For the year ended March 31, 2021, the Directors have recommended a dividend at the rate of Rs. 1 per equity share, subject to approval of the Members at the ensuing Annual General Meeting. If approved, the dividend shall be paid on or before October 17, 2021 to all the Members.

**e) Financial Calendar** : For the FY 2021-22 the indicative dates of announcements of Financial Results

<b>Financial Results</b>	<b>Cut-off Date</b>
Unaudited first quarter financial results	On or before August 14, 2021
Unaudited second quarter financial results	On or before November 14, 2021
Unaudited third quarter financial results	On or before February 14, 2022
Approval of audited annual results for year ending 31 March, 2022	On or before May 30, 2022

**f) Listing on Stock Exchange:**

<b>Name of the Stock Exchange</b>	<b>Address</b>	<b>Scrp Code/Scrp ID</b>
Bombay Stock Exchange Limited (BSE)	25 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai -400001	530709 GOWRALE

**The Company has paid listing fees to BSE for the Financial Year 2020-21.**

**g) ISI Number for NSDL & CDSL : INE225G01012**

**h) Depositories**

**i. National Securities Depository Ltd.:**

4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013.

**ii. Central Depository Services (India) Ltd.,**

Marathon Futurex, 25th floor, NM Joshi Marg, Lower Parel (East), Mumbai – 400027.

**i) Market Price Data :**

The details of trading at Bombay Stock Exchange Limited for the period from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 as follows:

Month	High (Rs)	Low (Rs.)	No. of shares
April, 2020	15.01	13.15	2010
May, 2020	14.43	13.71	1448
June, 2020	15.01	13.55	383
July, 2020	16.11	12.64	2723
August, 2020	16.80	15.20	2836
September, 2020	17.00	13.15	3926
October, 2020	17.52	12.93	22025
November, 2020	20.05	15.20	21151
December, 2020	20.90	17.30	5431
January, 2021	20.20	16.30	10841
February, 2021	21.00	15.85	7541
March, 2021	18.70	15.30	7663

**j) Registrar & Share Transfer Agent:**

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

Kfin Technologies Private Limited,  
Selenium Tower B, Plot No.31-32, Financial District,  
Nanakramguda, Serilingampally, Hyderabad – 500032  
Phone No. 67161606, e-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) , Website: [www.kfintech.com](http://www.kfintech.com)

**k) Share Transfer System:**

The Board of Directors of the Company has delegated the powers of share transfers, splitting, consolidation of share certificates and issue of duplicate shares, dematerialisation of shares etc. to Stakeholders Relationship Committee. The Registrar and Share Transfer Agents registers the shares received for transfer in physical mode, within 15 days from the date of lodgement, if documents are complete in all respects.

**l) Distribution of Shareholding Pattern as on 31<sup>st</sup> March, 2021:**

Shareholding of nominal value of	Shareholders			Share amount	
	No. of Cases	% of Cases	Total Shares	Amount (Rs.)	% of Amount
1-5000	909	63.08	217658	2176580	7.25
5001- 10000	286	19.85	255947	2559470	8.53
10001- 20000	100	6.94	154277	1542770	5.14
20001- 30000	61	4.23	148692	1486920	4.96
30001- 40000	14	0.97	48532	485320	1.62
40001- 50000	19	1.32	85415	854150	2.85
50001- 100000	22	1.53	172559	1725590	5.75
100001 & Above	30	2.08	1917220	19172200	63.90
<b>TOTAL</b>	<b>1441</b>	<b>100.00</b>	<b>3000300</b>	<b>30003000</b>	<b>100.00</b>

**m) Shareholding Pattern as on 31st March, 2021:**

Sl. No.	Category	No. of share holders	No. of Shares held	Percentage to Total issued shares
1	PROMOTER INDIVIDUALS	43	1265523	42.18
2	RESIDENT INDIVIDUALS	1366	1041663	34.72
3	PROMOTERS BODIES CORPORATE	1	548900	18.29
4	H U F	22	14239	0.47
5	BODIES CORPORATES	6	8176	0.27
6	IEPF	1	121549	4.05
7	CLEARING MEMBERS	2	250	0.01
	<b>Total</b>	<b>1441</b>	<b>3000300</b>	<b>100.00%</b>

**n) Dematerialization of Shares & Liquidity:**

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

As on 31st March 2021, 19,81,534 Shares (66.04%) has been dematerialized with NSDL and 3,87,051 shares (12.90%) with CDSL.

**o) Reconciliation of Share Capital Audit:**

The Reconciliation of Share Capital Audit was carried out by Practicing Company Secretary for each of the quarters in the financial year 2020-21, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with depositories.

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

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

**q) Commodity price risk / foreign exchange risk and hedging activities:**

During the year under review the Company was not into any activity concerned with Commodity price risk / foreign exchange risk and hedging activities.

**r) Address for Correspondence:**

For queries relating to financial statements, please write to:

Shri Zafar Imam Khan, Compliance Officer  
 Gowra Leasing & Finance Limited,  
 Regd. Off.: 501, 5th Floor, Gowra Grand, Behind Gowra Plaza,  
 1-8-384 & 385, S.P. Road, Begumpet, Secunderabad-500003.  
 Phone: 040-27843086 /27843091, Email: [investors@gowraleasing.com](mailto:investors@gowraleasing.com)

**s) Website:**

The Company's website <http://www.gowraleasing.com> contains comprehensive information about the Company and investor relations. The website provides all key information like Board of Directors, Financial Results, Annual Reports, Shareholding Pattern, Dividends, Fair Practices Code, Code of Conduct, Investors' Desk, Forms for Mandate for NECS, Registration of Nominee name, Registration of e-mail ID/PAN, updation of address, details of Unpaid/unclaimed dividend, etc.

**9. DISCLOSURES:**

**Related Party Transactions:**

During the year under review, all related party transactions that were entered into were on arm's length basis and were in the ordinary course of business. Transactions with related parties are disclosed at note no. 27 forming part of the financial statements.

**Accounting Treatment**

The financial statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards issued by the Institute of Chartered Accountants of India.

**Non-Compliance:**

There have not been any non-compliances, penalties or strictures imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**Vigil mechanism & Whistle Blower Policy:**

The Company has formulated a Whistle Blower Policy and Vigil Mechanism, with an aim to deter and detect misconduct and to ensure that genuine concerns of misconduct/unlawful conduct, which an individual believes may be taking place, are raised at an early stage in a responsible and confidential manner.

It is also affirmed that no member has been denied access to the Audit Committee.

**Certificate from practising company secretary**

A certificate from R & A Associates, practising company secretary to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms a part of this Report.

**Discretionary Requirements**

The Company is complying with the following discretionary requirements prescribed under Schedule II Part E of the SEBI (LODR) Regulations, 2015:

- i. Separate posts of Chairman and Managing Director: The Company already have separate persons to the post of Chairman and Managing Director. Shri. D. Suresh is the Non-Executive Independent Chairman and Shri. Srinivas Gowra is the Managing Director.
- ii. Reporting of Internal Auditor: As per Audit Committee's terms of reference.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place: Secunderabad  
Date: 10-08-2021

Gowra Lakshmi Prasad  
Director  
(DIN: 00268271)

Gowra Srinivas  
Managing Director  
(DIN: 00286986)

**ANNEXURE-VI**

**PARTICULARS OF REMUNERATION:**

**Part A: Information pursuant to section 197(12) of the Companies Act 2013 read with as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Name	Designation	Ratio of remuneration to median remuneration of all employees	% increase in remuneration over previous year
Shri Gowra Srinivas	Managing Director	0.99	0.00
Shri Gowra Lakshmi Prasad	Non Executive Director	0.03	0.00
Dr. Soma Sudheer	Non Executive Director	0.03	33.33
Shri Gowra Lakshminarayana	Non Executive Director	0.04	(25.00)
Smt. Madhumathi Suresh	Independent Director	0.00	(100.00)
Shri T. Shankar	Independent Director	0.05	100.00
Shri D. Suresh	Independent Director	0.05	0.00
Shri A.V Rama Krishna Rao	Chief Financial Officer	NA	(1.54)
Shri Zafar Imam Khan	Company Secretary	NA	10.58

- 1) The percentage increase / (decrease) in the median remuneration of employees in the financial year 2020-21: 0.36 %
- 2) There are 7 (seven) permanent Employees on the Rolls of the Company as on 31st March, 2021.
- 3) During the financial year 2020-21, the average percentage increase / (decrease) in salary of the Company's employees, excluding the Key Managerial Personnel ('KMP') was NIL. The percentage increase / (decrease) in salary of KMPs during the same period was 2.37%.
- 4) It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company

**Part B: Statement of Disclosure Pursuant to Section 197 of Companies Act, 2013 [Read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**Names of Top 10 employees in terms of remuneration drawn during the financial year 2020-21:**

Sl.no	Name	Designation	Remuneration (In rupees)	Qualification and experience	Date of commencement of employment	Age (Years)	Last employment
1	A V Rama Krishna Rao	Chief Financial Officer	864500	M.COM, CAIIB / 42 years of experience	01-04-2009	64	Development Credit Bank
2	Zafar Imam Khan	Company Secretary	585000	B.COM (Hons), ACS, LLB / 4 year of experience	16-10-2017	32	NA
3	N V Nagaraju	Manager (Accounts)	448500	B.COM / 18 years of Experience	01-11-2008	39	Amar Organics
5	Depak Rastogi	Manager (Legal)	386750	M.COM, M.A, LLB / 35 years of experience	17-03-2010	59	IFCI Limited
4	Gowra Srinivas	Managing Director	384000	Post Graduate in Science / 28 years of Experience	26-03-1993	76	NA
6	Vinod Kumar Lokula	Legal officer	284050	B.COM / 45 years of Experience	01-12-1996	69	Vijay Finance Pvt Ltd
7	V Nageswara Rao	Legal officer	282750	B.F.SC (Graduate) / 26 years of Experience	01-12-2011	55	Kavya Leasing Pvt Ltd

**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  
**Gowra Leasing and Finance Limited**  
501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza,  
1-8-384 & 385, S.P. Road, Begumpet,  
Secunderabad- 500003, Telangana.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gowra Leasing & Finance Limited, having CIN (Corporate Identification Number) L65910TG1993PLC015349 and having registered office at 501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P. Road, Begumpet, Secunderabad - 500003, Telangana (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 Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and 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 31<sup>st</sup> March, 2021 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:

S No	Name of Director	DIN	Date of appointment in Company
1.	Shankar Tilak	02560552	31 March 2003
2.	Suresh Dwarakadas	00268394	31 July 2002
3.	Madhumathi Suresh	07124113	12 May 2015
4.	Lakshmi Prasad Gowra	00268271	09 February 1993
5.	Srinivas Gowra	00286986	26 March 1993
6.	Lakshminarayana Gowra	00287021	09 February 1993
7.	Sudheer Soma	00287082	12 September 2016

Ensuring the eligibility 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 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.

For R & A Associates

Sd/-  
(G. Raghu Babu)  
Partner  
FCS No.4448, CP No. 2820  
UDIN: F004448C000765373

Place: Hyderabad  
Date: 10 August, 2021



**DECLARATION FOR CODE OF CONDUCT**

As required under Part D of Schedule V of SEBI (LODR) Regulations, 2015, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year ended on 31st March, 2021.

For Gowra Leasing & Finance Limited

Date : 24-06-2021  
Place : Secunderabad

Sd/-  
(GOWRA SRINIVAS)  
Managing Director  
(DIN: 00286986)

**CERTIFICATION BY MD & CFO OF THE COMPANY**

(Regulation 17(8) of SEBI (LODR) Regulations, 2015 read with PART B of Schedule II)

We, Gowra Srinivas, Managing Director and A V Rama Krishna Rao, Chief Financial Officer of Gowra Leasing & Finance Limited, to the best of our knowledge and belief certify that :

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, its notes to the accounts and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief :
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify that, based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee :
  - a) significant changes in internal control during the year;
  - b) significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
  - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Date : 24-06-2021  
Place : Secunderabad

Sd/-  
(Gowra Srinivas)  
Managing Director  
(DIN : 00286986)

Sd/-  
(A V Rama Krishna Rao)  
Chief Financial Officer

### Balance Sheet as at 31<sup>st</sup> March, 2021

Particulars	Note No.	As at 31.03.2021 (Rupees)	As at 31.03.2020 (Rupees)
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	1	5,54,454	3,77,968
(b) Bank balances other than (a) above	2	-	75,88,937
(c) Derivative and financial instruments		-	-
(d) Receivables	3		
(i) Trade receivables		10,13,18,840	8,97,10,926
(ii) Other receivables		-	-
(e) Loans		-	-
(f) Investments	4	2,19,946	2,19,946
<b>Non financial assets</b>			
(a) Current tax assets (Net)	5	21,72,683	15,66,360
(b) Deferred tax assets (Net)	6	40,44,004	43,24,302
(c) Investment property	7	3,40,95,400	3,40,95,400
(d) Property, plant and equipment	8	72,37,428	92,93,488
(e) Other intangible assets	8	7,300	34,965
(e) Other Non Financial Assets	9	2,90,646	3,47,478
		<b>14,99,40,702</b>	<b>14,75,59,770</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial liabilities</b>			
(a) Borrowings	10	9,00,000	-
(b) Payables		-	-
(i) Trade payables		-	-
(1) Total outstanding dues of micro enterprises and small enterprises		-	-
(2) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other payables		-	-
(1) Total outstanding dues of micro enterprises and small enterprises		-	-
(2) Total outstanding dues of creditors other than micro enterprises and small enterprises	11	11,23,225	27,84,530
<b>Non Financial Liabilities</b>			
(a) Current tax liabilities (Net)	12	3,84,722	3,84,722
(b) Provisions	13	1,40,45,486	1,52,78,126
<b>EQUITY</b>			
(a) Equity Share Capital	14	3,00,03,000	3,00,03,000
(b) Other Equity	15	10,34,84,269	9,91,09,392
		<b>14,99,40,702</b>	<b>14,75,59,770</b>
Significant accounting policies and Notes to Financial Statements from an integral part of the Balance Sheet	22		

For V. N. Purohit & Co;  
Chartered Accountants  
Firm registration No.304040E  
Sd/-

(Ramesh Kumar Mali)  
Partner  
Membership No.200998

Place: Hyderabad  
Date: 24 June, 2021

For Gowra Leasing & Finance Limited

Sd/- (Gowra Srinivas) Managing Director DIN : 00286986	Sd/- (Gowra Lakshmi Prasad) Director DIN : 00268271
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Sd/- (Zafar Imam Khan) Company Secretary	Sd/- (A V Rama Krishna Rao) CFO
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**Statement of Profit and Loss Account for the year ended 31<sup>st</sup> March, 2021**

PARTICULARS	NOTE	31 MARCH 2021	31 MARCH 2020
		Rs.	Rs.
<b><u>Revenue from operations</u></b>			
Interest	16	142,71,590	121,51,043
Other Income	17	30,82,961	14,42,629
<b>Total Revenue</b>		<b>175,54,551</b>	<b>135,93,672</b>
<b><u>Expenses</u></b>			
Employee benefits expense	18	34,56,870	34,32,841
Finance costs	19	36,688	17,555
Depreciation	08	47,240	58,262
Other expenses	20	47,83,279	23,68,353
<b>Total expenses</b>		<b>83,24,077</b>	<b>58,77,011</b>
<b>Profit / (Loss) before tax</b>		<b>92,30,474</b>	<b>77,16,661</b>
<b><u>Tax expense</u></b>			
1. Current tax	21	15,52,521	14,59,058
2. Deferred tax		2,80,298	50,212
3. Earlier Year taxes		22,478	-
<b>Profit / (Loss) for the period</b>		<b>73,75,177</b>	<b>62,07,391</b>
<b>Other Comprehensive Income (Net of Tax)</b>		-	-
<b>Items that will not be Reclassified to Profit and Loss</b>		-	-
Remeasurement Gain/(loss) of the defined Benefit Plans		-	-
Less:			
Income Tax on the Above Item		-	-
Total Other Comprehensive Income (Net of Tax)		-	-
<b>Total Comprehensive Income for the period (Comprising profit (Loss) and Other Comprehensive Income for the period)</b>		<b>73,75,177</b>	<b>62,07,391</b>
Earning per equity share		2.46	2.07
Number of shares used in computing earnings per share		30,00,300	30,00,300
Significant accounting policies & Notes to accounts	22		

As per our report attached.

For V. N . Purohit & Co;  
Chartered Accountants  
Firm registration No.304040E  
Sd/-

(Ramesh Kumar Mali)  
Partner  
Membership No.200998

Place: Hyderabad  
Date: 24 June, 2021

For Gowra Leasing & Finance Limited

Sd/- (Gowra Srinivas) Managing Director DIN : 00286986	Sd/- (Gowra Lakshmi Prasad) Director DIN : 00268271
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Sd/- (Zafar Imam Khan) Company Secretary	Sd/- (A V Rama Krishna Rao) CFO
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### Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

Sr.	PARTICULARS	<u>Amount in Rs.</u> <u>31.03.2021</u>	<u>Amount in Rs</u> <u>31.03.2020</u>
<b>A.</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
1	Net Profit/(Loss) before Tax and Extraordinary Items	92,30,474	77,16,661
2	<u>Adjustments for:</u>		
	- NPA Provision (Decreased) / Increased	(12,86,871)	(4,48,138)
	- Contingent Provisions against Standard Assets (Decreased) / Increased	-	-
	- Profit on sale of asset	(18,63,516)	(9,63,516)
	- Depreciation	47,240	58,262
	- Dividend received	(2,700)	(4,368)
	- Gratuity Provision	54,231	54,231
		<b>(30,51,616)</b>	<b>(13,03,529)</b>
	Operating Profit before Working Capital Changes	61,78,858	64,13,132
3	<u>Adjustments For</u>		
	- (Increase) / Decrease in Trade Receivable	(116,07,914)	(29,64,687)
	- (Increase) / Decrease in Short term loans & advances	-	6,18,392
	- (Increase) / Decrease in Other Bank Balances	-	-
	- (Increase) / Decrease in Other Current and Non- Current Assets	1,63,623	-
	- Increase / (Decrease) in Other Current Liabilities	(16,61,305)	24,06,079
		<b>(69,26,738)</b>	<b>59,784</b>
	Direct Taxes Paid (Net)	<b>(22,88,112)</b>	<b>(13,50,210)</b>
	<b>Net Cash from Operating Activities</b>	<b>(92,14,850)</b>	<b>51,22,706</b>
<b>B.</b>	<b><u>Cash Flow from Investing Activities</u></b>		
	(Purchase)/ Sale of Fixed Assets	39,00,000	29,88,957
	Dividends	2,700	4,368
	(Increase) / Decrease in Non-Current Investments	-	26,86,100
	<b>Net Cash from Investments Activities</b>	<b>39,02,700</b>	<b>56,79,425</b>
<b>C.</b>	<b><u>Cash Flow Financing Activities</u></b>		
	Borrowing/repayment of Long-Term Borrowings	9,00,000	-
	Dividend Paid	(30,00,300)	(30,00,300)
	Dividend Tax Paid	-	(6,16,718)
	<b>Net Cash from Financing Activities</b>	<b>(21,00,300)</b>	<b>(36,17,018)</b>
	Net Charge in Cash & Cash Equivalent (A+B+C)	<b>(74,12,450)</b>	<b>71,85,113</b>
	Opening Cash and Bank Balance	79,666,905	7,81,792
	Closing Cash and Bank Balance	5,54,454	79,66,905
	Note: (i) Figures in brackets are outflows (ii) Previous Year's figures have been re-grouped wherever deemed necessary		

As per our Report on even date.

For V. N. Purohit & Co;  
Chartered Accountants  
Firm registration No.304040E  
Sd/-

(Ramesh Kumar Mali)  
Partner  
Membership No.200998

Place: Hyderabad  
Date: 24 June, 2021

For Gowra Leasing & Finance Limited

Sd/-  
(Gowra Srinivas)  
Managing Director  
DIN : 00286986

Sd/-  
(Gowra Lakshmi Prasad)  
Director  
DIN : 00268271

Sd/-  
(Zafar Imam Khan)  
Company Secretary

Sd/-  
(A V Rama Krishna Rao)  
CFO

Notes on accounts

**1. Cash and cash equivalents**

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Cash on hand	8,954	14,154
Balance with banks	5,45,500	3,63,814
<b>Total</b>	<b>5,54,454</b>	<b>3,77,968</b>

**2. Other bank balances**

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Fixed deposits with banks	-	75,88,937
	-	<b>75,88,937</b>

**3. Trade receivables**

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
a) Outstanding for more than six months (Unsecured and considered doubtful)	76,81,654	82,21,654
b) Outstanding for more than six months (Secured and considered doubtful)	74,35,172	79,22,998
	1,51,16,826	1,61,44,652
c) Outstanding for more than six months (Secured and considered Sub Standard)	-	21,99,547
d) Other Debts (Unsecured and considered Good)	5,00,64,110	4,26,29,362
e) Other Debts (Secured and Considered Good)	3,61,37,904	2,87,37,365
	10,13,18,840	8,97,10,926
	<b>10,13,18,840</b>	<b>8,97,10,926</b>

**4. Investments**

(at cost)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
<b>Quoted</b>		
SIRIS Limited	27,500	27,500
100 Equity Shares of Rs.10/- each fully paid up		
Jayaswals Neco Limited	16,000	16,000
200 Equity Shares of Rs.10/- each fully paid up		
Finolex Industries Limited	11,616	11,616
100 Equity Shares of Rs.10/- each fully paid up		
Glenmark Pharmaceuticals Limited	20,000	20,000
1000 Equity Shares of Rs.1/- each fully paid up		

Andhra Bank Limited 1065 Equity Shares of Rs.10/- each fully paid up	95,850	95,850
Entertainment Network India Limited 40 Equity Shares of Rs.10/- each fully paid up	6,480	6,480
	1,77,446	1,77,446
Less: Provision for diminution in value of investments (Aggregate market value Rs.2.82 lakhs (p.y Rs. 7.83 lakhs))	27,500	27,500
<b>Unquoted</b> Aadhar Housing Fin. Limited 20000 Equity Shares of Rs.10/- each fully paid up	1,49,946	1,49,946
	70,000	70,000
	<b>2,19,946</b>	<b>2,19,946</b>

#### 5. Current tax Assets (Net)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Income tax receivable previous years	14,05,779	14,05,779
Refund Receivable 2020-21	7,13,114	-
Refund Receivable 2019-20	53,790	76,268
Refund Receivable 2018-19	-	84,313
	<b>21,72,683</b>	<b>15,66,360</b>

#### 6 .Deferred Tax Assets (Net)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Deferred tax assets relating to -		
- Fixed assets	1,90,360	1,86,208
- Provision for gratuity	1,90,483	1,76,833
- Provision for Non Performing assets	35,14,094	38,52,936
- Contingent provision on standard assets	1,49,067	1,08,325
	<b>40,44,004</b>	<b>43,24,302</b>

#### 7. Investment Property

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Assets recovered from Non Performing Advances	3,40,95,400	3,40,95,400
	<b>3,40,95,400</b>	<b>3,40,95,400</b>

### 8. Property, Plant & Equipment

Fixed Assets	Gross Block				Accumulated Depreciation				Net block	
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Adjustments	Depreciation charge for the year	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
<b><u>Owned Tangible Assets</u></b>										
Land	91,36,096	-	20,36,484	70,99,612	-	-	-	-	70,66,096	1,11,72,580
Flat	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	6,02,680	-	-	6,02,680	5,77,636	-	-	5,77,636	25,044	25,044
Office Equipments	1,70,932	-	-	1,70,932	1,51,895	-	2,098	1,55,407	15,525	17,624
Computers	2,13,155	-	-	2,13,155	2,08,855	-	-	2,08,855	4,300	4,300
Two Wheeler	2,15,042	-	-	2,15,042	1,05,588	-	17,477	1,23,065	91,977	1,09,454
Printers	19,400	-	-	19,400	18,430	-	-	18,430	970	970
<b>A</b>	<b>1,03,57,305</b>	<b>-</b>	<b>20,36,484</b>	<b>83,20,821</b>	<b>10,63,818</b>	<b>-</b>	<b>19,575</b>	<b>10,83,393</b>	<b>72,37,428</b>	<b>92,93,488</b>
<b><u>Intangible Assets</u></b>										
Computer Software	2,33,756	-	-	2,33,756	1,98,791	-	27,665	2,26,456	7,300	34,965
<b>B</b>	<b>2,33,756</b>	<b>-</b>	<b>-</b>	<b>2,33,756</b>	<b>1,98,791</b>	<b>-</b>	<b>27,742</b>	<b>2,26,456</b>	<b>7,300</b>	<b>34,965</b>
<b>A+B</b>	<b>1,05,91,061</b>	<b>-</b>	<b>20,36,484</b>	<b>85,54,577</b>	<b>12,62,609</b>	<b>-</b>	<b>47,240</b>	<b>13,09,849</b>	<b>72,44,728</b>	<b>93,28,453</b>
<b>Previous Year</b>	<b>1,26,16,502</b>	<b>11,043</b>	<b>20,36,484</b>	<b>1,05,91,061</b>	<b>12,04,347</b>	<b>-</b>	<b>58,262</b>	<b>12,62,609</b>	<b>93,28,453</b>	<b>-</b>

### 9. Other Financial Assets (Unsecured and considered good)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Staff advances	1,41,691	2,52,520
Advance Others	-	7,250
Rent Receivable	-	-
Prepaid expenses	1,48,955	87,708
	<b>2,90,646</b>	<b>3,47,478</b>

#### 10. Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
<b>Unsecured</b>		
From Directors	9,00,000	-
	<b>9,00,000</b>	<b>-</b>

#### 11. Payables

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Statutory dues payable	47,375	46,192
Due to Employees	-	32,000
Expenses payable	75,850	1,06,338
Other current liabilities	-	-
Advance received against Property	10,00,000	26,00,000
	<b>11,23,225</b>	<b>27,84,530</b>

#### 12. Current Tax Liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Current Year's Taxes Payable(net of Advance Tax)	-	-
Previous Year's Taxes Payable(net of Advance Tax)	3,84,722	3,84,722
	<b>3,84,722</b>	<b>3,84,722</b>

#### 13. Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Proposed Dividend	30,00,300	30,00,300
Provision for Dividend Tax	-	-
Provision for gratuity	5,91,974	5,37,743
Provision for Doubtful debts	1,01,08,404	1,14,54,616
Contingent Provisions against Standard Assets	3,44,808	2,85,467
	<b>1,40,45,486</b>	<b>1,52,78,126</b>

#### 14. Equity Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
<b>Authorised</b>		
<b>Equity shares</b>		
50,00,000 (previous year 50,00,000) of Rs.10 each	5,00,00,000	5,00,00,000
	<b>5,00,00,000</b>	<b>5,00,00,000</b>

<b>Issued</b>		
<b>Equity shares</b> 30,00,300 (previous year 30,00,300) of Rs. 10 each	3,00,03,000	3,00,03,000
	<b>3,00,03,000</b>	<b>3,00,03,000</b>
<b>Subscribed and fully Paid up</b>		
<b>Equity shares</b> 30,00,300 (previous year 30,00,300) of Rs.10 fully paid up	3,00,03,000	3,00,03,000
<b>Grand total</b>	<b>3,00,03,000</b>	<b>3,00,03,000</b>

The reconciliation of the number of equity shares outstanding is set out below;

Particulars	As at 31 March 2021	As at 31 March 2020
	Number	Number
Shares outstanding at the beginning of the year	30,00,300	30,00,300
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	30,00,300	30,00,300

The details of shareholders holding more than 5% equity shares are set below;

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gowra Petrochem Private Limited	5,48,900	18.29%	5,48,900	18.29%

#### 15. Other Equity

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
<b>General Reserve</b>		
Balance at the beginning of the accounting period	37,99,609	37,99,609
Add: Profit/ (Loss) for the year	-	-
Less: Amount utilised		
Balance at the end of accounting period	37,99,609	37,99,609
<b>Statutory Reserve</b>		
Balance at the beginning of the accounting period	3,58,03,128	3,45,61,650
Add: Amount transferred from P&L A/c	14,75,035	12,41,478
Less: Amount utilised		
Balance at the end of accounting period	3,72,78,163	3,58,03,128
<b>Surplus / (deficit) balance in the statement of profit and loss</b>		
Balance at the beginning of the accounting period	5,95,06,655	5,75,41,042
Add: Amt transferred from P & L a/c	73,75,177	62,07,391
Less: Amount utilised		
- Dividend	30,00,300	30,00,300
- Dividend distribution tax	-	-
- Transfer to general reserve	-	-
- Depreciation adjustment	-	-
- Transfer to statutory reserve	14,75,035	12,41,478
Balance at the end of accounting period	6,24,06,496	5,95,06,655
<b>Total</b>	<b>10,34,84,269</b>	<b>9,91,09,392</b>

### 16. Revenue from Operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
Interest income	1,40,97,812	1,18,65,845
Interest from FDR	1,73,778	2,85,198
	<b>1,42,71,590</b>	<b>1,21,51,043</b>

### 17. Other Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
Dividend Income	2,700	4,368
Cheque Return Charges	4,000	17,500
Miscellaneous Receipts	1,17,400	30,135
Processing Charges	8,475	22,712
Rent Received	-	-
Interest on IT Refund	-	42,348
Profit on sale of Asset	18,63,516	8,77,416
Balances written back	-	12
Provision for Non Performing Assets and Doubtful Debts written back	12,86,871	4,48,138
	<b>32,82,961</b>	<b>14,42,629</b>

### 18. Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
Salaries & Allowances	26,32,200	26,12,200
Contribution to Provident Fund	1,37,256	1,30,130
Staff Welfare Expenses	4,233	10,017
Professional Tax	21,900	22,100
Gratuity	54,231	54,231
Medical Expenses	3700	813
Directors Remuneration	3,84,000	3,84,000
Bonus	2,19,350	2,19,350
	<b>34,56,870</b>	<b>34,32,841</b>

### 19. Finance Cost

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
Bank charges	5,168	5,390
Interest Others	31,520	12,165
	<b>36,688</b>	<b>17,555</b>



## 20. Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
News Paper & Publication expenses	42,290	46,830
Auditor's Remuneration	52,000	52,000
Directors Sitting Fees	75,000	72,500
Legal & Professional Charges	2,50,100	2,81,000
Miscellaneous Expenses	4,80,861	3,17,052
Postage, Telephones & Internet Charges	40,561	52,828
Printing & Stationery	11,012	28,406
Rates & Taxes	3,22,300	3,08,000
Rent	3,77,904	3,77,904
Repairs & Maintenance	6,400	6,945
Bad debts	26,87,373	2,94,250
GST	2,64,158	2,43,307
Subscription	40,939	61,078
Travelling & Conveyance Expenses	74,444	1,54,689
Vehicle Maintenance	57,936	71,564
	<b>47,83,279</b>	<b>23,68,353</b>

## 21. Current Tax

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
Provision for tax	15,52,521	14,59,058
	<b>15,52,521</b>	<b>14,59,058</b>

## NOTE 22: SIGNIFICANT ACCOUNTING POLICIES

### i. Background:

Gowra Leasing & Finance Limited ('The Company') is a company domiciled in India, with its registered office situated at 501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P Road, Begumpet, Secunderabad, Telangana-500003. The Company has been incorporated under the provisions of Companies Act applicable in India and its equity shares are listed on the BSE Ltd. in India. The Company is primarily involved in the business of leasing and finance.

### ii. Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise states.

The Financial Statements are presented in INR, which is also the Company's functional currency.

### iii. Compliance with Ind AS

The Financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

iv. Method of Accounting

- a. The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and provisions of the Companies Act, 2013.
- b. The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

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

Property, Plant and Equipment

Property, Plant and Equipment are initially recognized at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is calculated using the straight-line method to write down the cost of property, plant and equipment to their residual value over their estimated useful lives. Land is not depreciated. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

All assets are depreciated on a straight-Line Method (SLM) of depreciation, over the useful life of assets as prescribed under schedule II of the Companies Act, 2013 other than assets specified in a para below.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognized as of April 1, 2019 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible Assets:

The useful life of Intangible assets is assessed to be either finite or indefinite.

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognized as of April 1, 2019 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Impairment of Tangible and Intangible Assets other than goodwill

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

### Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) as the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the service rendered (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- a. Identification of contract(s) with customers;
- b. Identification of the separate performance obligation in the contract;
- c. Determination of transaction price;
- d. Allocation of transaction price to the separate performance obligation; and
- e. Recognition of revenue when (or as) each performance obligation is satisfied.

### Interest Income

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 behavioural life of loans given/taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

### Dividend Income

Dividend income (including from FVOCI investments) is recognized when the Company's right to receive the payment is established, it is probable that the economic benefit associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

### Investment Income

The gain/losses on sale of investments are recognized in the Statement of Profit and Loss.

### Sale of Services

Revenue from services is recognized as per the terms of the contract and on rendering of services.

### Investment Property

Investment Properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs.

Depreciation is recognized using straight line method so as to write off the cost of the investment property less their residual values over their useful life specified in schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period when the asset is derecognized.

On transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognized as of April 1, 2019 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### Employee Benefits:

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

b. **Defined Benefit Plans:**

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

c. **Short term Employee Benefits:**

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

**Investments**

All Investments have been stated at cost.

**Financial Instruments**

**Recognition of Financial Instruments**

Financial assets and financial liabilities are recognized, with exception of borrowing when the Company becomes a party to the contractual provisions of the financial instruments. Loans and advances and all other regular way purchases or sales of financial assets are recognized and derecognized on the trade date. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The Company recognizes borrowings when funds reach the Company.

**Financial Liabilities**

A financial liability is any liability that is :

- Contractual Obligation;
- To deliver cash or another financial asset o another entity; or
- To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourably to the entity; or
- A contract that will or may be settled in the entity's own equity instruments

All financial Liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Company has not designated any financial liabilities at FVTP.

**Derecognition of Financial Liabilities**

The Company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, would be recognised in profit or loss.

**Taxation**

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

**Provisions, Contingent Liabilities and Contingent Assets**

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

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

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

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

**24 Break up of Auditor's Remuneration**

	<u>For the year Ended 31.03.2021</u> <u>(Excl. of GST) (Rs.)</u>	<u>For the year ended 31.03.2020</u> <u>(Excl. of GST) (Rs.)</u>
1. Audit Fee	37000	37000
2. Tax Audit Fees	<u>15000</u>	<u>15000</u>
	<u>52000</u>	<u>52000</u>

**25 Directors' Remuneration: (in Rs.)**

	<u>For the year Ended 31.03.2021</u>	<u>For the year ended 31.03.2020</u>
1. Remuneration to Managing Director	<u>3,84,000</u>	<u>3,84,000</u>
	<u>3,84,000</u>	<u>3,84,000</u>
2. Directors' Sitting Fee	<u>75,000</u>	<u>72,500</u>

**26** The company does not have any non-cancellable lease arrangements. Office premises are taken on operating lease and such lease rentals are charged to revenue on accrual basis.

**27 Related Party Disclosures:**

Disclosures as required by the Accounting Standard (AS-18)

Related party disclosures are given below:

1. Names of related parties and description of the relationship

- |  |   |   |
|--|---|---|
| a. Related entity                        | : | 1. Gowra Palladium Private Limited  |
| b. Key Management Personnel              | : | 1. Shri G. Srinivas – Managing Director<br>2. Shri G. Lakshmi Prasad – Director<br>3. Shri D Suresh – Director<br>4. Shri T Shankar – Director<br>5. Shri G. Lakshminarayana – Director<br>6. Shri Sudheer Soma – Director<br>7. Smt. Madhumathi Suresh – Director<br>8. Shri A V Rama Krishna Rao – CFO<br>9. Shri Zafar Imam Khan – Company Secretary |
| c. Relatives of key Management Personnel | : | 1. Smt. G S Sabitha - Wife of G Srinivas<br>2. Shri G L Subbaram - Son of G Lakshminarayana<br>3. Smt. G L Ramadevi - Wife of G Lakshminarayana   |

2. Related Party Transactions:

(Amount in Rs.)

Nature of Transactions	Related Entities	Key Management Personnel	Relatives of Key Management Personnel	Total
<b>Rent Paid</b>				
- Shri G Srinivas		94,476 (94,476)		94,476 (94,476)
- Smt G L Ramadevi			94,476 (94,476)	94,476 (94,476)
- Shri G L Subbaram			94,476 (94,476)	94,476 (94,476)
- Smt. G S Sabitha			94,476 (94,476)	94,476 (94,476)
<b>Total</b>	-	<b>94,476</b> <b>(94,476)</b>	<b>2,83,428</b> <b>(2,83,428)</b>	<b>2,83,428</b> <b>(3,77,904)</b>

<b>Remuneration paid to Managing Director</b>				
- Shri G Srinivas		3,84,000		3,84,000
		(3,84,000)		(3,84,000)
<b>Remuneration paid to Company Secretary</b>		5,85,000		5,85,000
		(5,29,000)		(5,29,000)
<b>Remuneration paid to CFO</b>		8,64,500		8,64,500
		(8,64,500)		(8,64,500)
<b>Total</b>	-	<b>18,33,500</b>	-	<b>18,33,500</b>
		<b>(17,77,500)</b>		<b>(17,77,500)</b>
<b>Director's Sitting Fees</b>				
- Shri G. Lakshminarayana		15,000		15,000
		(20,000)		(20,000)
- Shri G Lakshmi Prasad		10,000		10,000
		(10,000)		(10,000)
-Shri D Suresh		20,000		20,000
		(20,000)		(20,000)
-Shri T. Shankar		20,000		20,000
		(10,000)		(10,000)
-Smt. Madhumathi Suresh		---		---
		(5,000)		(5,000)
-Shri Soma Sudheer		10,000		10,000
		(7,500)		(7,500)
<b>Total</b>	-	<b>75,000</b>	-	<b>75,000</b>
		<b>(72,500)</b>		<b>(72,500)</b>
<b>Interest Paid</b>				
- Shri G Lakshmi Prasad		4,998		4,998
		(10,258)		(10,258)
- Shri G Srinivas		25,907		25,709
		(--)		(--)
- Shri G Lakshminarayana		--		--
		(1,907)		(1,907)
<b>Total</b>	-	<b>30,905</b>	-	<b>30,905</b>
		<b>(12,165)</b>		<b>(12,165)</b>
<b>Loan Taken</b>				
- Shri G Lakshmi Prasad		11,00,000		11,00,000
		(24,00,000)		(24,00,000)
- Shri G Srinivas		22,00,000		22,00,000
		(--)		(--)
- Shri G Lakshminarayana		--		--
		(10,00,000)		(10,00,000)
<b>Total</b>	-	<b>33,00,000</b>	-	<b>33,00,000</b>
		<b>(34,00,000)</b>		<b>(34,00,000)</b>
<b>Loan Repaid</b>				
- Shri G Lakshmi Prasad		2,00,000		2,00,000
		(24,00,000)		(24,00,000)
- Shri G Srinivas		22,00,000		22,00,000
		(--)		(--)
- Shri G Lakshminarayana		--		--
		(10,00,000)		(10,00,000)
<b>Total</b>	-	<b>24,00,000</b>	-	<b>24,00,000</b>
		<b>(34,00,000)</b>		<b>(34,00,000)</b>
<b>Maximum Balance</b>				
- Shri G Lakshmi Prasad		11,00,000		11,00,000
		(24,00,000)		(24,00,000)
- Shri G Srinivas		22,00,000		22,00,000
		(--)		(--)
- Shri G Lakshminarayana		--		--
		(10,00,000)		(10,00,000)
<b>Total</b>	-	<b>24,00,000</b>	-	<b>24,00,000</b>
		<b>(34,00,000)</b>		<b>(34,00,000)</b>



<b>Loan Sanctioned in Ordinary Course of Business</b>				
<b><u>Interest Income</u></b>				
- Gowra Palladium Private Limited	45,00,001			<b>45,00,001</b>

\*. Figures in brackets represent previous year's figures.

- 28** Segment Reporting: During the year the company was engaged only in Investment and Financing activities and its activities were confined to India. Hence there are no reportable segments of the company.
- 29** No enterprise has been identified as a "supplier" under the micro, small and medium enterprises Development Act, 2006. The aforesaid identification has been done on the basis of information, to the extent provided by the vendors to the company.
- 30** Balances under the head Trade Receivables, Loans & Advances and other liabilities are subject to confirmation from the respective parties.
- 31** Impairment of Assets: The company has carried out an impairment test as per 'Accounting Standard – 28', issued by I.C.A.I on all the assets and no provision was required to be made towards impairment of assets for the year ending 31<sup>st</sup> March, 2021.
- 32** The company has provided for its gratuity liability on accrual basis on the basis of completed years of service as provided under the payment of Gratuity Act. However, the provisions of payment of Gratuity Act, do not apply to the company, since the company does not employ the requisite number of employees as required under the Payment of Gratuity Act.
- 33** Previous year figures have been regrouped/ recasted/ reclassified/ rearranged wherever deemed necessary to confirm with current year's classification.
- 34** Current Assets, Loans & Advances are approximately of the value as stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of the amount considered reasonably necessary.

<b>35</b> Expenditure in Foreign Currency	<u>2020-21</u> Nil	<u>2019-20</u> Nil
<b>36</b> Earnings in Foreign Exchange -FOB Value of Exports	Nil -	Nil -

"As per our Report of even dated attached"

For V. N. Purohit & Co.,  
Chartered Accountants  
Firm registration No. 304040E  
Sd/-

(Ramesh Kumar Mali)  
Partner  
Membership No.200998

Place: Hyderabad  
Date: 24 June, 2021

For Gowra Leasing & Finance Limited

Sd/- (Gowra Srinivas) Managing Director DIN : 00286986	Sd/- (Gowra Lakshmi Prasad) Director DIN : 00268271
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Sd/- (Zafar Imam Khan) Company Secretary	Sd/- (A V Rama Krishna Rao) CFO
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**SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY**

(As required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)  
**Financial Year 2020-21** (Rs.in lakhs)

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

\* Please see Note 1 below

	Assets Side :	Amount Outstanding
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
(a)	Secured	361.38
(b)	Unsecured	500.64
(3)	<b>Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities</b>	
(i)	Lease assets including Lease rentals under sundry debtors:	
(a)	Financial Lease	Nil
(b)	Operating Lease	Nil
(ii)	Stock on hire including hire charges under sundry debtors	
(a)	Assets on hire	Nil
(b)	Repossessed Assets	Nil
(iii)	Other Loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	Nil
(b)	Loans other than (a) above	Nil
(4)	<b>Break-Up of Investments</b>	
	<b>Current Investments:</b>	
1	<b>Quoted :</b>	
(i)	Shares:	
	(a) Equity	Nil
	(b) Preference	Nil
(ii)	Debtures and Bonds	Nil
(iii)	Units of mutual funds	Nil
(iv)	Government Securities	Nil
(v)	Other (Please specify)	Nil
2	<b>Unquoted :</b>	
(i)	Shares :	
	(a) Equity	Nil
	(b) Preference	Nil
(ii)	Debtures and Bonds	Nil
(iii)	Units of mutual funds	Nil
(iv)	Government Securities	Nil
(v)	Other (Please specify)	Nil
	<b>Loan Term Investments:</b>	
1	<b>Quoted :</b>	
(i)	Shares:	
	(a) Equity	1.77
	(b) Preference	Nil



	(ii)	Debentures and Bonds		Nil	
	(iii)	Units of mutual funds		Nil	
	(iv)	Government Securities		Nil	
	(v)	Other (Please specify)		Nil	
	2	<b>Unquoted :</b>			
	(i)	Shares :			
		(a) Equity		0.70	
		(b) Preference		Nil	
	(ii)	Debentures and Bonds		Nil	
	(iii)	Units of mutual funds		Nil	
	(iv)	Government Securities		Nil	
	(v)	Other (Please specify)		Nil	
<b>(5)</b>	<b>Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below</b>				
		<b>Category</b>	<b>Amount net of provisions</b>		
			<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	1	Related Parties **	Nil	Nil	Nil
	(a)	Subsidiaries	Nil	Nil	Nil
	(b)	Companies in the same group	Nil	Nil	Nil
	(c)	Other related parties	Nil	300.00	300.00
	2	Other than related Parties	200.64	361.38	562.02
		<b>Total</b>	<b>200.64</b>	<b>661.38</b>	<b>862.02</b>
<b>(6)</b>	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below</b>				
		<b>Category</b>	<b>Market Value / Break up or fair value or NAV</b>		<b>Book Value (Net of Provisions)</b>
	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	5.96		2.20
		<b>Total</b>	<b>5.96</b>		<b>2.20</b>

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

#### (7) Other Information

Particulars		Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	151.17
(ii)	Net Non-Performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	50.08
(iii)	Assets acquired in satisfaction of debt	340.95

#### Notes:

1.As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1988.

2.Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

3.All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For and on behalf of the Board of Directors  
Sd/-

Place: Secunderabad  
Date : 24-06-2021

(GOWRA SRINIVAS)  
Managing Director  
(DIN: 00286986)



**Gowra Leasing & Finance Limited**

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