

To,
The General Manager,
Department of Corporate Services
BSE Limited
1st Floor, P. J. Tower,
Dalal Street, Mumbai- 400 001.

Date: 6/10/2018

Dear Sir/Madam,

Sub: Annual Report for the FY.: 2017-18 -Reg.

Ref: Scrip Code- 538788 & ISIN: INE918C01011

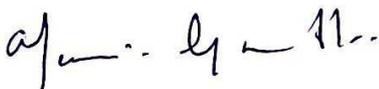
We hereby enclosed the Annual Report for the financial year, 2017-18 of Gilada Finance and Investments Limited under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the above on your records and oblige the same.

Thanking you,

Yours faithfully

FOR GILADA FINANCE & INVESTMENTS LIMITED



MONICA GANDHI
COMPANY SECRETARY & COMPLIANCE OFFICER
A-38976





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Annual General Meeting	: Saturday	29th September, 2018
Time	: 11.00 A.M.	
Venue	: Hotel Kanishka,	
	# 2, 2nd Main Rd, Gandhi Nagar, Bangalore - 560009, Karnataka	



GILADA FINANCE & INVESTMENTS LIMITED
CIN: U65100KA1994PLC013941

01

24th
Annual Report
2017-2018

NOTICE

To,

The Shareholders,

NOTICE is hereby given that the 24th Annual General Meeting of the members of GILADA FINANCE AND INVESTMENTS LIMITED will be held on Saturday, 29th September, 2018 at 11:00 A.M. at Hotel Kanishka, 2, 2nd Main Rd, Gandhi Nagar, Bengaluru - 560009 Karnataka, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2018 including Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the period ended 31st March, 2018 and the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.

Item No. 2 – Retirement by Rotation of

To appoint a director in place Mrs. Bindu Gilada (DIN: 00392976) who retires by rotation and, being eligible, offers herself for re-appointment.

Item No. 3 – Appointment of Statutory Auditor

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

"RESOLVED THAT pursuant to provisions of Sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof) and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. Gnanaba & Bhat (Firm Registration No. 0009395), Chartered Accountants, who have confirmed their eligibility in terms of the provisions of Section 141 of the Act and Rule 4 of Companies (Audit and Auditors) Rules, 2014 be and are hereby appointed as statutory auditors of the Company for a period of five (05) years to hold office from the conclusion of the 24th Annual General Meeting until the conclusion of the 29th Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors of the Company in place of the resigning auditors M/s. Agiwal P. & Associates, Chartered Accountants (Firm Registration No. 0000515)."

SPECIAL BUSINESS:

Item No. 4 – Appointment of Mr. A. Ramanathan as an Independent Director

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

'RESOLVED THAT Mr. A. Ramanathan (DIN 02645247) who was appointed by the Board of Directors as an additional director under section 161(1) of the Companies Act, 2013 and who vacates his office at this Annual General Meeting and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013, as amended, has been received in the prescribed manner, be and is hereby appointed as an Independent Director of the Company pursuant to section 149 of the Companies Act, 2013 and Rules made thereunder, for a period of five years with effect from 30th May, 2018 upto 29th May, 2023.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. A. Ramanathan be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.'

Item No. 5 – Payment of Managerial Remuneration

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

'RESOLVED THAT pursuant to the resolution passed at the Board of Directors Meeting held on 28th May 2016 and the enabling provisions of the Companies Act, 2013 read with Schedule V to the Act and the Rules made thereunder including any statutory modification or reenactment thereof and subject to the Securities Exchange Board of India (Listing Obligations and

Disclosure Requirements)(Amendment)Regulation, 2018, the approval of the Members of the Company be and is hereby accorded for the payment of the Managerial Remuneration to Mr. Rajgopal Gilada together with Mr. Sampathkumar Gilada, in excess of the 5% (Five Percent) of the net profits of the Company.

RESOLVED FURTHER THAT the said approval of the members of the Company shall be valid only till the expiry of the term of such Directors i.e. till 30th June 2021.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion to enable this resolution.'

By the order of the Board

For GILADA FINANCE AND INVESTMENTS LIMITED

Monica Geeta Gandhi
(COMPANY SECRETARY & COMPLIANCE OFFICER)
M. No. : 38976

Date: 11.08.2018
Place: Bengaluru

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

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

Name	Bindu Gilada
DIN	00392976
Age	52 Years
Date of Appointment	02/03/2015
Qualification	B.A.
Expertise in Specific Functional Area	As Director of several companies, Ms. Bindu Gilada has rich experience in Human Resource Management, Governance and Compliance related matters.
Directorship and Partnership	<ol style="list-style-type: none"> 1. Rajvaibhav Enterprises Private Limited 2. Vijayalakshmi Hydro Power Private Limited 3. Shankarlal Gilada & Sons Private Limited 4. Gita Refractories Private Limited
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2018	NIL
(i) Audit Committee	
(ii) Stakeholders Relationship Committee	
(iii) Nomination and Remuneration Committee	
Number of shares held in the company	1,10,000 shares

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY**
2. *The instrument (s) appointing the proxy, if any, shall be deposited at registered office of the Company at #105 R R Takt, 37 Bhoopasandra Main Road, Sanjaynagar, not less than forty eight hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxy shall not have any right to speak at the meeting.*
3. *The explanatory statement pursuant to section 102 of the Companies Act, 2013 ("the Act") in respect of businesses set out above in resolution nos. 3, 4 and 5 are annexed.*
4. *A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.*
5. *The copies of the Annual Report and Notice of Annual General Meeting (AGM) are being sent to those members, through electronic mail (e-mail), who have registered their e-mail IDs with the Depository Participant (DP) or Registrar and Share Transfer Agent (RTA). Members are requested to update their preferred e-mail ID with DP/RTA, as the case may be, which will be used by the company for future communication.*
6. *The Company is pleased to provide remote e-voting facility (e-voting) to its members for voting on the resolutions placed before the members at this AGM. The members desirous of availing this e-voting facility are requested to read the instructions in relation to e-voting given after this section and comply with the instructions to cast their vote electronically. Members who are not able to avail the remote e-voting facility may cast their votes through postal ballot, being dispatched along with this notice of the AGM. Members are requested to read the instructions in the postal ballot form for casting the vote through postal ballot. The members who have not casted their vote through e-voting or through ballot can physically cast their vote through poll at the Annual General meeting.*
7. *A member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a member casts his/her vote by both the modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.*
8. *The Chairman of the Annual General Meeting shall at the end of discussion on all the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer by use of physical Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility or postal ballot.*
9. *The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casts at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later two than days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes casts in favour or against, if any, to the chairman or a person authorised by him in writing, who shall countersign the same and declare the results of the voting forthwith.*
10. *The results declared along with the report of the Scrutinizer shall be placed on the Company and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of the result by the chairman or the person authorised by him in writing.*
11. *The results shall also be immediately forwarded to the stock exchanges where the shares of the company are listed. In addition, the results shall also be displayed on the Notice Board of the Company at the registered office at #105 R R Takt, 37, Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094.*



GILADA FINANCE & INVESTMENTS LIMITED
CIN: L45910KA1994PLC015481

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12. *Members/Proxies are requested to bring their copy of the Annual Report and the attendance slip sent herewith, duly filled, to the AGM.*
13. *The Register of Members and Share Transfer Books of the company will remain closed from Saturday, 22nd September, 2018 to Saturday, 29th September, 2018 (both days inclusive).*
14. *Members are requested to intimate the Registrar and Share Transfer Agent of the Company at- Canbank Computer Services Limited, 218, J P Royal, 1st Floor, 14th Cross, 2nd Main, Sampige Road, Malleshwaram, Bengaluru- 560003, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect equity shares held in dematerialized form.*
15. *Section 20 of the Companies Act, 2013 permits service of documents to members by a company through electronic mode. Accordingly, as a part of the Green initiative, electronic copy of the Annual Report for financial year 2017-18 is being sent to all members who have requested for a physical copy of the same. Further, in terms of SEBI Circulars No. CIR/CFD/DIL/7/2011 dated 05.10.2011 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the physical copy of Abridge Annual Report is being sent through permitted mode to all others members who have not registered their e-mail ID. Members may also note that the Annual Report for the financial year 2017-18 will also available on the company's website www.gfil.co.in for download.*
16. *The shareholders are requested to communicate all their correspondence to :*

*Gilada Finance and Investments Limited,
#105 RR Takt, 37 Bhoopasandra Main Road,
Sanjaynagar, Bangalore- 560094, Karnataka,
OR*

*Canbank Computer Services Limited,
J P Royal, 1st Floor, 14th Cross, 2nd Main,
Sampige Road, Malleshwaram, Bengaluru- 560003, Karnataka*

17. *All the documents referred to in accompanying Notice are open for inspection at the Company's Registered office at:*

*Gilada Finance and Investments Limited,
#105 RR Takt, 37 Bhoopasandra Main Road,
Sanjaynagar, Bangalore- 560094, Karnataka,*

VOTING THROUGH ELECTRONIC MEANS:

1. In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies(Management and Administration) Rules, 2014, as amended by the Companies(Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members electronic voting(e-voting) facility to exercise their right to vote on resolutions proposed to be considered at the Twenty-Fourth Annual General Meeting(AGM) by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through a physical ballot paper shall be made available at the AGM and the members attending the meeting, who have not cast their vote by remote e-voting or by postal ballot, shall only, be able to exercise their right to vote at the meeting through physical ballot paper.
3. The members who have cast their vote by remote e-voting or postal ballot may also attend the meeting but shall not be entitled to cast their vote again at the meeting.
4. The remote e-voting period commence on Wednesday, 26th September, 2018 at 9:00 A.M and ends on Friday, 28th September 2018 at 5:00 P.M. During this period, member of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 21st September, 2018, being cut-off date, may cast their vote by remote e-voting. The remote e-voting module shall be blocked by NSDL after 5:00 PM on 28th September, 2018. Vote casted once by the member shall not be allowed to be changed subsequently.
5. Any queries or grievances in relation to the electronic voting may be addressed to the registered office of the company or may be e-mailed to md@giladagroup.com or cs@giladagroup.com.
6. The process and manner for remote e-voting are as under:
 - (A) Step 1: Log into NSDL's e-voting system at URL:<http://www.evoting.nsdl.com/>
 - (B) Step 2: Cast your vote electronically on NSDL's e-voting system

Details on Step 1 are as mentioned below:
How to log-in to NSDL e-voting website?

 1. Visit the e-voting website of NSDL. Open web browser by typing the following URL:<http://www.evoting.nsdl.com/> either on a personal computer or a mobile.
 2. Once the home page of e-voting is launched, click on the icon 'Login' which is available under "Shareholders" section.
 3. A new screen will open. You will have to enter your User ID, your password and a verification code as shown on the screen. Alternately, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at URL:<http://www.evoting.nsdl.com/> using your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
 4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your USER ID is
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****

<p>b) For members who hold shares in demat account with CDSL</p>	<p>16 digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****</p>
<p>c) For members holding shares in physical form</p>	<p>EVEN number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is xxxx then your user ID is xxxxxxxx**</p>

1. Your password details are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL evoting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter your initial password and the system will force you to change your password.
 - c) How to retrieve your 'initial password'
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
2. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - i. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 are as mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution] Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer by e-mail to sand.associate52016@gmail.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222—990 or send a request at evoting@nsdl.co.in

The voting rights of Members shall be in proportion to their Shares of the paid up Equity Share Capital of the Company as on the cut-off date of 21st September, 2018.

Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or ravi@ccsl.co.in or canbankrta@ccsl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

Mr. Varun Nashine, Practicing Company Secretary, Pune (PCS No.:17975) has been appointed by the Board as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

ANNEXURE TO NOTICE

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

Item No. 3:

In accordance with the provisions of Section 139 of the Companies Act, 2013 ('Act') read with Rule 6 of The Companies (Audit and Auditors) Rules, 2014, every Company shall appoint Statutory Auditors to hold office for one term of five years. The Act further makes it mandatory to rotate the statutory auditors after ten consecutive years, in case of a firm of auditors. Further with regard to rotation of Auditors, wherever necessary, the companies are required to comply with the provisions of Section 139(2) of the Act by the year 2017 i.e. within three years from the date of commencement of the 'Act'.

The members may note that M/s. Agiwal P. & Associates, Chartered Accountants (Firm Registration No. 000051S) have been the statutory auditors of the Company but due to their preoccupation into other activities they will not be able to continue as the Statutory Auditors of the Company.

M/s. Gnanoba & Bhat (Firm Registration No. 000939S), Chartered Accountants have been identified for appointment as the Statutory Auditors of the Company. Being eligible for appointment under the provisions of the Companies Act, 2013, they have furnished their consent to act as the Statutory Auditors, in terms of the second proviso to Section 139 of the Act and also provided a certificate to the effect that their appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act. The Board of Directors, on the recommendation of the Audit Committee, at the board meeting held on 11th August, 2018 proposed the appointment of M/s. Gnanoba & Bhat as the Statutory Auditors of the Company for a period of five years from the conclusion of the 24th Annual General Meeting until the conclusion of the 29th Annual General Meeting of the Company.

The Board recommends the resolution for approval by the Members of the Company. None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the aforesaid Ordinary Resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Item No. 4:

Mr. A. Ramanathan (DIN 02645247)

Mr. A. Ramanathan, 70, was appointed by the Board of Directors of the Company at its meeting held on 30th May, 2018 as an additional director in the capacity of Independent Director with effect from 30th May, 2018. He holds office until the ensuing Annual General Meeting under section 161(1) of the Companies Act, 2013.

He has submitted the declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that he meets the criteria of independence as provided in section 149(6) and regulation 16 of SEBI Listing Regulations, 2015. Mr. A. Ramanathan is not disqualified from being appointed as a Director in terms of section 164 of the Act.

In respect of the appointment of Mr. A. Ramanathan, a notice in writing in the prescribed manner, as required by section 160 of the Companies Act, 2013 (as amended) and Rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

According to section 152 of the Companies Act, 2013, read with Schedule IV to the Companies Act, 2013, in the opinion of the Board, the proposed appointment of Mr. A. Ramanathan as an Independent Director fulfils the conditions specified in the Act and the Rules made thereunder as also the SEBI Listing Regulations, 2015 and that the proposed appointment of Mr. A. Ramanathan is independent of the Management.

Brief Profile

Mr. A. Ramanathan, possess wide experience in Microfinance, Financial Inclusion, and Banking. He has his skills at designing and directing of non-conventional Training Programme and Process Intervention Techniques and facilitating employees to find internal solutions to problems without externalizing issues.

He has been the Chief General Manager, Micro Credit Innovations Department, NABARD Mumbai. He has also been the faculty at the eminent Bankers Institute of Rural Development, Lucknow and holds many international credentials.

Board Memberships

Samasta Micro Finance Ltd., Bangalore
Village Financial Services Private Limited, Kolkata
M Power Micro Finance Pvt. Ltd., Mumbai
Hindustan Microfinance Pvt. Ltd., Mumbai
Asirvad Microfinance Pvt. Ltd., Chennai
Unnati Microfinance Pvt. Ltd., New Mumbai
Five Star Business Finance Pvt. Ltd., Chennai
Five Star Housing Finance Pvt. Ltd.

Committee Positions

Asirvad Microfinance Pvt. Ltd., Chennai
Five Star Business Finance Pvt. Ltd., Chennai

None of the Directors or Key Managerial Personnel or their relatives, except Mr. A. Ramanathan, is directly or indirectly concerned or interested, financially or otherwise, except to the extent of their respective shareholding, if any, in the Company.

The Board commends this ordinary resolution set out in item No. 4 of the Notice for approval by shareholders.

Item No. 5:

Payment of Managerial Remuneration

Mr. Rajgopal Gilada and Mr. Sampathkumar Gilada were appointed as the Managing Director and Whote Time Director of the Company respectively, w.e.f. 01.07.2016 for a term of five years.

With the advent of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulation, 2018 dated 9th May 2018, it is mandatory to seek the members approval by way of special resolution for the payment of managerial remuneration in excess of the 5% of the net profit of the Company.

Mr. Rajgopal Gilada and Mr. Sampathkumar Gilada are interested in the said resolution.

The Board commends this special resolution set out in item No. 5 of the Notice for approval by shareholders.

By the order of Board

For GILADA FINANCE AND INVESTMENTS LIMITED

Monica Geeta Gandhi

(COMPANY SECRETARY & COMPLIANCE OFFICER)

M. NO. : 38976

DATE: 11.08.2018

PLACE: BENGALURU

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. FINANCIAL PERFORMANCE OF THE COMPANY

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

Particulars	2017-18	2016-17
Total Income	2,60,07,434.62	2,54,31,435.25
Total Expenditure	1,02,55,754.26	80,77,683.74
Profit Before Exceptional and Extraordinary Items and Tax	1,57,51,680.36	1,73,53,751.51
Exceptional Item	41,33,846.00	39,62,707.00
Profit Before Tax	1,16,17,834.36	1,33,91,044.51
Tax Expense:		
(i) Current Tax	32,25,522.00	42,79,126.00
(ii) Deferred Tax	-	-
Profit/(Loss) for the period	83,92,312.36	91,11,918.51
Earnings per Equity Share:		
(i) Basic	2.39	2.59
(ii) Diluted	2.39	2.59

2. BUSINESS OVERVIEW:

Your Company's revenue from operations increased to Rs.2,59,57,848.62 in the year 2017-2018 from Rs.2,51,14,077.25 in the previous year at growth rate about 3.36%. Further, during the year under review your Company has earned a net profit after taxation of Rs.83,92,312.36/- as compared to Rs. 91,11,918.51/- in the previous year.

Your Directors are confident of further improving the performance and growth of the Company in the ensuing years to face new challenges and competitive environment. Your Company will respond to the competitive challenges by enhancing customer focus, by building more efficient network, by ensuring adequate preparedness to take maximum advantage of the opportunities and aggressively pursuing them.

3. TRANSFER TO RESERVES:

Your Company has transferred a sum of Rs.16,78,462.47 to Statutory Reserve as required under the Reserve Bank of India Act, 1934. The Company has not transferred any amount to General Reserve during the year under review.

4. DIVIDEND:

Your Company has distributed an interim dividend of Rs. 0.25/- (2.50%) per equity share of face value of Rs.10 each to shareholders, who were on the register of members of the Company as on the closing hours of business on 6th March, 2018, being the record date fixed by the Board of Directors for this purpose. Interim dividend was paid on 8th March, 2018.



Reliable
Renewable
Responsible

GILADA FINANCE & INVESTMENTS LIMITED
CIN: L65910KA1994PLC015981

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24th
Annual Report
2017-2018

ANNEXURE TO NOTICE

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

Item No. 3:

In accordance with the provisions of Section 139 of the Companies Act, 2013 ('Act') read with Rule 6 of The Companies (Audit and Auditors) Rules, 2014, every Company shall appoint Statutory Auditors to hold office for one term of five years. The Act further makes it mandatory to rotate the statutory auditors after ten consecutive years, in case of a firm of auditors. Further with regard to rotation of Auditors, wherever necessary, the companies are required to comply with the provisions of Section 139(2) of the Act by the year 2017 i.e. within three years from the date of commencement of the 'Act'.

The members may note that M/s. Agiwal P. & Associates, Chartered Accountants (Firm Registration No. 0000515) have been the statutory auditors of the Company but due to their preoccupation into other activities they will not be able to continue as the Statutory Auditors of the Company.

M/s. Gnanoba & Bhat (Firm Registration No. 0009395), Chartered Accountants have been identified for appointment as the Statutory Auditors of the Company. Being eligible for appointment under the provisions of the Companies Act, 2013, they have furnished their consent to act as the Statutory Auditors, in terms of the second proviso to Section 139 of the Act and also provided a certificate to the effect that their appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act. The Board of Directors, on the recommendation of the Audit Committee, at the board meeting held on 11th August, 2018 proposed the appointment of M/s. Gnanoba & Bhat as the Statutory Auditors of the Company for a period of five years from the conclusion of the 24th Annual General Meeting until the conclusion of the 29th Annual General Meeting of the Company.

The Board recommends the resolution for approval by the Members of the Company. None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the aforesaid Ordinary Resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Item No. 4:

Mr. A. Ramanathan (DIN 02645247)

Mr. A. Ramanathan, 70, was appointed by the Board of Directors of the Company at its meeting held on 30th May, 2018 as an additional director in the capacity of Independent Director with effect from 30th May, 2018. He holds office until the ensuing Annual General Meeting under section 161(1) of the Companies Act, 2013.

He has submitted the declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that he meets the criteria of independence as provided in section 149(6) and regulation 16 of SEBI Listing Regulations, 2015. Mr. A. Ramanathan is not disqualified from being appointed as a Director in terms of section 164 of the Act.

In respect of the appointment of Mr. A. Ramanathan, a notice in writing in the prescribed manner, as required by section 160 of the Companies Act, 2013 (as amended) and Rules made thereunder, has been received by the Company, regarding his candidature for the office of the director.

According to section 152 of the Companies Act, 2013, read with Schedule IV to the Companies Act, 2013, in the opinion of the Board, the proposed appointment of Mr. A. Ramanathan as an Independent Director fulfils the conditions specified in the Act and the Rules made thereunder as also the SEBI Listing Regulations, 2015 and that the proposed appointment of Mr. A. Ramanathan is independent of the Management.

Brief Profile

Mr. A. Ramanathan, possess wide experience in Microfinance, Financial Inclusion, and Banking. He has his skills at designing and directing of non-conventional Training Programme and Process Intervention Techniques and facilitating employees to find internal solutions to problems without externalizing issues.

He has been the Chief General Manager, Micro Credit Innovations Department, NABARD Mumbai. He has also been the faculty at the eminent Bankers Institute of Rural Development, Lucknow and holds many international credentials.

Board Memberships

Samasta Micro Finance Ltd., Bangalore
Village Financial Services Private Limited, Kolkata
M Power Micro Finance Pvt. Ltd., Mumbai
Hindustan Microfinance Pvt. Ltd., Mumbai
Asirvad Microfinance Pvt. Ltd., Chennai
Unnati Microfinance Pvt. Ltd., New Mumbai
Five Star Business Finance Pvt. Ltd., Chennai
Five Star Housing Finance Pvt. Ltd.

Committee Positions

Asirvad Microfinance Pvt. Ltd., Chennai
Five Star Business Finance Pvt. Ltd., Chennai

None of the Directors or Key Managerial Personnel or their relatives, except Mr. A. Ramanathan, is directly or indirectly concerned or interested, financially or otherwise, except to the extent of their respective shareholding, if any, in the Company.

The Board commends this ordinary resolution set out in item No. 4 of the Notice for approval by shareholders.

Item No. 5:

Payment of Managerial Remuneration

Mr. Rajgopal Gilada and Mr. Sampathkumar Gilada were appointed as the Managing Director and Whote Time Director of the Company respectively, w.e.f. 01.07.2016 for a term of five years.

With the advent of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulation, 2018 dated 9th May 2018, it is mandatory to seek the members approval by way of special resolution for the payment of managerial remuneration in excess of the 5% of the net profit of the Company.

Mr. Rajgopal Gilada and Mr. Sampathkumar Gilada are interested in the said resolution.

The Board commends this special resolution set out in item No. 5 of the Notice for approval by shareholders.

By the order of Board

For GILADA FINANCE AND INVESTMENTS LIMITED

Monica Geeta Gandhi

(COMPANY SECRETARY & COMPLIANCE OFFICER)

M. NO. : 38976

DATE: 11.08.2018

PLACE: BENGALURU

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. FINANCIAL PERFORMANCE OF THE COMPANY

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

Particulars	2017-18	2016-17
Total Income	2,60,07,434.62	2,54,31,435.25
Total Expenditure	1,02,55,754.26	80,77,683.74
Profit Before Exceptional and Extraordinary Items and Tax	1,57,51,680.36	1,73,53,751.51
Exceptional Item	41,33,846.00	39,62,707.00
Profit Before Tax	1,16,17,834.36	1,33,91,044.51
Tax Expense:		
(i) Current Tax	32,25,522.00	42,79,126.00
(ii) Deferred Tax	-	-
Profit/(Loss) for the period	83,92,312.36	91,11,918.51
Earnings per Equity Share:		
(i) Basic	2.39	2.59
(ii) Diluted	2.39	2.59

2. BUSINESS OVERVIEW:

Your Company's revenue from operations increased to Rs.2,59,57,848.62 in the year 2017-2018 from Rs.2,51,14,077.25 in the previous year at growth rate about 3.36%. Further, during the year under review your Company has earned a net profit after taxation of Rs.83,92,312.36/- as compared to Rs. 91,11,918.51/- in the previous year.

Your Directors are confident of further improving the performance and growth of the Company in the ensuing years to face new challenges and competitive environment. Your Company will respond to the competitive challenges by enhancing customer focus, by building more efficient network, by ensuring adequate preparedness to take maximum advantage of the opportunities and aggressively pursuing them.

3. TRANSFER TO RESERVES:

Your Company has transferred a sum of Rs.16,78,462.47 to Statutory Reserve as required under the Reserve Bank of India Act, 1934. The Company has not transferred any amount to General Reserve during the year under review.

4. DIVIDEND:

Your Company has distributed an interim dividend of Rs. 0.25/- (2.50%) per equity share of face value of Rs.10 each to shareholders, who were on the register of members of the Company as on the closing hours of business on 6th March, 2018, being the record date fixed by the Board of Directors for this purpose. Interim dividend was paid on 8th March, 2018.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT i.e. AFTER 31ST MARCH, 2018 BEFORE DATE OF SIGNATURE OF DIRECTORS' REPORT:

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

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY.

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

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

The Company has no subsidiaries. Further during the year no joint ventures or associate companies were incorporated.

8. RBI GUIDELINES:

The Company fulfills all the norms and standards applicable to NBFCs as set out by Reserve Bank of India (RBI). Your Company is well capitalized and has a capital adequacy ratio as required by non-deposit accepting NBFCs as prescribed by RBI.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(i) Ms. Bindu Gilada (DIN: 00392976) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.

(ii) Mr. Narayandas Jaju (DIN: 03166712) resigned as the Independent Director of the Company with effect from 30th May, 2018. The Board places on record its appreciation for the services rendered by Mr. Narayandas Jaju during his tenure as a member of the Board and its Committees.

(iii) The Board of Directors has appointed Mr. A. Ramanathan (DIN: 02645247) as Additional (Independent) Director with effect from 30th May, 2018. The Board recommends his appointment as Independent Director of the Company for a period of five consecutive years and accordingly resolutions seeking approval of the members for the appointment of Independent Director have been included in the Notice of forthcoming Annual General Meeting of the Company.

(iv) Mr. Prashant Banerjee was appointed as the Chief Executive Officer of the Company with effect from 15th November, 2017.

(v) CS Ashok Kumar resigned as the Company Secretary of the Company with effect from 9th May, 2018. The Board places on record its appreciation for the services rendered by him.

(vi) CS Monica Geeta Gandhi (M. No. 38976) was appointed as Company Secretary & Compliance Officer of the Company with effect from 10th July, 2018.

10. NUMBER OF BOARD & COMMITTEE MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Five(5) Board Meetings, four(4) Audit Committee Meetings, four(4) Nomination and Remuneration Committee Meetings, one (1) Stakeholders Relationship Committee Meeting, and one(1) Independent Directors Meeting were convened and held, the details of which are furnished in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

11. BOARD EVALUATION:

Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board

shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as

- Board dynamics and relationship
- Information flows
- Decision making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committee and individual directors. Schedule IV of the Companies act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under Section 134(3) (p) of the Companies Act, 2013. The evaluation all directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report. The Board has approved the evaluation results as collated by the nomination and remuneration committee.

Further, Mr. Prashant Banerjee CEO of the Company submitted a Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the Board of Directors in its meeting held on 30th May, 2018.

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

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

The Company has not re-appointed any Independent Director after completion of five years.

13. REMUNERATION POLICY:

The ratio of remuneration of each director to the median of employees' remuneration as per section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Board's report and shown below. There was no increase in the remuneration payable to the Executive Directors - Mr. Sampath kumar Gilada and Mr. Rajgopal Gilada during the year under review. The variable component of the salary of executive director is linked to the performance targets for the Company in terms of revenue and for other employees; the Company has a defined performance targets linked to the consolidated statement of Profit and Loss, in addition to their performance. The increments in the pay to the employees are in consonance to average Industry standards and requirement to recognize the critical talents. In order to ensure that remuneration reflects company performance, the performance pay to the employees is linked to the organization performance. There are no employees receiving remuneration in excess of the remuneration received by the Executive Directors. The ratio of the remuneration of the executive director to the median remuneration of the employees of the Company for the year ended 31st March, 2018 is given below.

Name of the Director	Remuneration paid during 2017- 2018	Ratio to Median Remuneration
Mr. Sampath Kumar Gilada, Executive Director	6,00,000	3.57
Mr. Rajgopal Gilada, Managing Director	12,00,000	7.14



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14. AUDITORS:

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the Annual General Meeting of the Company held on 23rd September 2017 had appointed M/s. Agiwal P. & Associates (Firm Registration No. 0000515), Chartered Accountants as Statutory Auditors of the Company from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting, covering one term of five consecutive years, but due to his pre-occupations, the said auditor has resigned from the office of the Statutory Auditors.

Thereafter, the appointment of M/s. Gnanoba & Bhat, Chartered Accountants, was considered and is proposed for the approval of the members at the ensuing Annual General Meeting scheduled to be held on 29th September 2018. If approved, the aforesaid auditors shall hold office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting.

Further, in view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7th May 2018, ratification of auditors' appointment is no longer required. However, under section 142 of the Companies Act, 2013, a proposal shall be put up for approval of members for authorizing the Board of Directors of the Company to fix Auditors' remuneration at every subsequent Annual General Meeting.

The Statutory Audit Report for the year 2017-18 does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

15. DISCLOSURE ABOUT COST AUDIT:

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

16. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Companies Act, 2013, and the Rules made thereunder, the Company has appointed CS Varun Nashine, Practising Company Secretary (Membership No. 49574), to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for the year 2017-18 as issued by him in the prescribed form MR-3 is annexed to this Report as Annexure III. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor.

17. INTERNAL FINANCIAL CONTROLS:

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

18. VIGIL MECHANISM :

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

19. RISK MANAGEMENT POLICY:

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

Your company has been rendering services with respect to lending of loans and advances. The Company has to manage various risks. These risks include Credit Risk, Liquidity Risk, Interest Rate Risk and Operation Risk. Being cognizant of this fact, the company has robust risk governance and has built an effective risk management framework. The company strongly believes that effective risk management can be a strategic differentiator and hence will remain focused on continuously strengthening its risk management systems.



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The Risk Management Committee review and monitor these risk at periodical intervals. The company manages credit risk through stringent credit norms established through several years of experience in this line of business and continues to follow the time tested practice of personally assessing every borrower, before committing to a credit exposure. This process ensure that the expertise in lending operations acquired by the Company over decades is put to best use and acts to mitigate credit risk. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles.

Operational risks arising from inadequate or failed internal process, people and systems or from external events are adequately addressed by the internal control systems and continuously reviewed and monitored by a dedicated team of people. Process improvements and quality control are on-going activities and built into the employee's training modules.

20. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

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

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

22. DEPOSITS:

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

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

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

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

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

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

Your Directors draw attention of the members to Note 14 to the financial statements which sets out related party disclosures.

25. CERTIFICATE ON CORPORATE GOVERNANCE REPORT:

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

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year 2017-18. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

The Managing Director & CEO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of the SEBI Listing Regulations, 2015.

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

26. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of this Annual Report for the year ended 31st March, 2018, has been provided in ANNEXURE- V in this Annual Report.

27. AUDIT COMMITTEE:

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

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

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

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

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

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

a) Conservation of energy

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

(b) Technology absorption

(i)	the efforts made towards technology absorption	Technology absorption is not applicable. The Company has not incurred any expenditure on research and development during the year under review.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	
	(b) the year of import;	

	(c) whether the technology has been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

© Foreign exchange earnings and Outgo

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

30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

31. HUMAN RESOURCES

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

32. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

33. PARTICULARS OF EMPLOYEES

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

34. SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

35. ACKNOWLEDGEMENTS:

Your Directors wish to express a deep sense of gratitude for the continued support, co-operation and guidance received from the Central and State Government Departments, Reserve Bank of India, Registrar of Companies –Bangalore, Karnataka, Banks and customers during the year under review. The Directors wish to thank the Company's customers, vehicle manufacturers, vehicle dealers and shareholders for their continued support. The Directors also thank the employees of the Company for their contribution to the company's operations during the year under review.

For and on behalf of the Board of Directors

GILADA FINANCE AND INVESTMENTS LIMITED

MR. RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

MR. SAMPATH KUMAR GILADA
DIRECTOR
DIN: 02144736

DATE : 11.08.2018
PLACE: BANGALORE



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CIN: L65910KA1994PLC015981

ANNEXURE INDEX

Annexure	Content
i.	<i>Annual Return Extract in MGT 9</i>
ii	<i>a) Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, b) The Company's policy on Related Party Transactions as required under the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015.</i>
iii.	<i>MR-3 Secretarial Audit Report</i>
iv.	<i>Annual Report on Corporate Governance</i>
v.	<i>Management Discussion and Analysis Report</i>
vi	<i>Auditors' certificate on Corporate Governance Report</i>

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L65910KA1994PLC015981
2.	Registration Date	26/07/1994
3.	Name of the Company	GILADA FINANCE AND INVESTMENTS LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares/Non-Government Company
5.	Address of the Registered office & contact details	# 105 R RTakt, 37 Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094, Karnataka & Telephone : 080 - 4062 0000 Fax No. : 080 -4062 0008 Email : p.banerjee@giladagroup.com
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Canbank Computer Services Limited, # 2018, J P Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross) Malleshwaram, Bangalore- 560 003, Karnataka Telephone No.: 080 – 43469661/ 62/ 64/65 Fax No. : 080 – 23469667 E-mail : canbankrta@cctl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Other Credit Granting – Financial Services	64920	99.81

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	9,82,500	68,400	10,50,900	29.92	10,50,900	-	10,50,900	29.92	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	10,13,400	-	10,13,400	28.85	10,13,00	-	10,13,400	28.85	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	19,95,900	68,400	20,64,300	58.77	20,64,300	-	2064300	58.77	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	500	-	500	0.01	500	-	500	0.01	
c) Central Govt									
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	500	-	500	0.01	500	-	500	0.01	-

2. Non-Institutions									
<i>a) Bodies Corp.</i>									
<i>i) Indian</i>	2,10,203	42,000	2,52,203	7.18	2,01,000	35,500	2,36,500	6.73	0.62
<i>ii) Overseas</i>	-	-	-	-	-	-	-	-	-
<i>b) Individuals</i>									
<i>i) Individual shareholders holding nominal share capital up to Rs. 2 lakh</i>	2,27,740	4,69,491	6,97,231	19.85	2,76,999	4,03,491	6,80,490	19.37	0.02
<i>ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh</i>	3,35,840	1,50,000	4,85,840	13.83	3,43,597	1,50,000	4,93,597	14.05	0.06
<i>c) Others (Hindu Undivided Families)</i>	4,726	-	4,726	0.13	13,091	-	13,091	0.37	0.65
<i>Non Resident Indians</i>	7,500	-	7,500	0.21	7,166	-	7,166	0.20	0.05
<i>Overseas Corporate Bodies</i>	-	-	-	-	-	-	-	-	-
<i>Foreign Nationals</i>	-	-	-	-	-	-	-	-	-
<i>Clearing Members</i>	-	-	-	-	-	-	-	-	-
<i>Trusts</i>	-	-	-	-	-	-	-	-	-
<i>Foreign Bodies - D R</i>	-	-	-	-	-	-	-	-	-
Sub-total (B){2):-	7,86,009	6,61,491	14,47,500	43.23	8,52,009	5,95,491	14,47,500	41.21	-0.05
Total Public Shareholding (B)=(B){1)+ (B){2)	7,86,509	6,61,491	14,48,000	43.25	8,52,509	5,95,491	14,48,000	41.23	-0.05
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	27,82,409	7,29,891	35,12,300	100.00	29,16,809	5,95,491	35,12,300	100.00	-



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B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sampath Gilada	5,100	0.145	-	5,100	0.145	-	-
2	Sangeeta S Gilada	1,43,500	4.086	-	1,43,500	4.086	-	-
3	Gowrajadevi Gilada	1,89,000	5.381	-	91,000	2.591	-	-1.08
4	Shankarlal Gilada	1,70,000	4.840	-	1,70,000	4.84	-	-
5	Rajashree Gilada	2,29,900	6.546	-	2,62,900	7.485	-	0.13
6	Bindu Gilada	1,10,000	3.132	-	1,10,000	3.132	-	-
7	Sampathkumar Gilada	1,15,600	3.291	-	1,15,600	3.291	-	-
8	Rajgopal Gilada	37,800	1.051	-	1,52,800	4.35	-	0.76
9	Vaibhav Gilada	50,000	1.42	-	0	0	-	-
10	Shankarlal Gilada & Sons Pvt. Ltd	10,13,400	28.85	-	10,13,400	28.85	-	-
	Total	20,64,300	58.77	-	20,64,300	58.774	-	-0.19

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	20,64,300	58.774	20,64,300	58.774
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
	At the end of the year	20,64,300	58.774	20,64,300	58.774

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
1	MALU PLANTATION & RESORTS LIMITED	2,01,000	5.72	2,01,000	5.72
2	KAMLABAI M.SONI	62,000	1.77	62,000	1.77
3	GEETA D PATIL	52,400	1.49	52,400	1.49
4	MADANLAL SONI	52,300	1.49	52,300	1.49
5	GOVIND JOSHI	52,000	1.48	52,000	1.48
6	UMADEVI JOSHI	46,756	1.33	46,756	1.33
7	NAMRATA MALU	44,300	1.26	38,305	1.09
8	HANUMANDAS JOSHI	35,700	1.02	35,700	1.02
9	BHARAT H SHAH	35,640	1.01	35,640	1.01
10	MANDHANA LEAFIN LTD	35,500	1.01	35,500	1.01
	TOTAL	6,12,240		6,12,240	

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,52,900	4.35	3,83,500	10.92
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
	At the end of the year	1,52,900	4.35	3,83,500	10.92

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: Nil

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Rajgopal Gilada	Sampatkumar Gilada	----	----	
1	Gross salary	12,00,000	6,00,000	-	-	18,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	12,00,000	6,00,000			18,00,000
	Ceiling as per the Act	REMUNERATION WITHIN LIMITS PRESCRIBED BY THE ACT				

B. Remuneration to other directors: Nil

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

A	Particulars of Remuneration	Key Managerial Personnel			
		CEO - Prashant Banerjee	CS Monica Gandhi	CFO	Total
1	Gross salary	25,00,000	9,03,455	-	34,03,455
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	25,00,000	9,03,455	-	34,03,455

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					NIL
Compounding					
B. DIRECTORS					
Penalty					
Punishment					NIL
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					NIL
Compounding					

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

MR. RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

MR. SAMPATH KUMAR GILADA
DIRECTOR
DIN: 02144736

DATE : 11.08.2018
PLACE: BANGALORE

ANNEXURE TO DIRECTORS' REPORT

Form No. AOC-2

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

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

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

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

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

(a) Name(s) of the related party and nature of relationship	Details are provided Note 14 to the financial statements as at 31st March, 2018.
(b) Nature of contracts/arrangements/ transactions	The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature. Details are provided Note 14 to the financial statements as at 31st March, 2018.
(c) Duration of the contracts / arrangements/ transactions	Based on the agreements /mutual business arrangements entered into from time to time.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Based on the agreements /mutual business arrangements entered into from time to time.



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(e) Date(s) of approval by the Board, if any:

The related party transactions are at arm's length basis, accordingly necessary approvals have been obtained, wherever applicable.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GILADA FINANCE AND INVESTMENTS LIMITED

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

SAMPATH KUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 11.08.2018
PLACE: BANGALORE



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ANNEXURE TO DIRECTORS' REPORT

Policy on Related Party Transactions

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

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

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GILADA FINANCE AND INVESTMENTS LIMITED

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

SAMPATKUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 11.08.2018

PLACE: BANGALORE

Annexure-III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

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

To,

The Members,

GILADA FINANCE AND INVESTMENTS LIMITED

Corporate Identity Number:L65910KA1994PLC015981

Registered Office: # 105, R R Takt,

37, Boopasandra Main Road, Bangalore-560094.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2018, 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 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed 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, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
 - (v) The Non Banking Financial Company (NBFC) norms and standards as identified by Reserve Bank of India Act, 1934 as applicable to the Company.

During the period under review and based on the assurances, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- I. During the year under review, provisions of section 179 & 117 of the Companies Act, 2013 was not properly complied with.

Subject to observations as aforesaid, we further report that:

- *The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.*
- *Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system found to exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.*
- *Majority decision was carried through while the system permits the views of dissenting member views could be captured and recorded as part of the minutes.*

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

There were no other specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except issuance of share warrants. However, proper and complete compliance with regards to its issuance has been observed by the Company.

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. On examination of the relevant documents and records in pursuance thereof, on test-check basis we further report that we have relied on the information and representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws, and Regulations to the extent applicable to the Company.

We further report that, Based on the information provided on <http://www.bseindia.com> 3512300 equity shares of Gilada Finance & Investments Limited (Scrip Code: 538788) are listed with BSE Limited (Bombay Stock Exchange) and admitted to dealings on the Exchange in the list of 'T' Group Securities effective from November 19, 2014.

Place: Pune

Date: 11/08/2018

For SAND & Associates

Practicing Company Secretaries

(Varun Nashine)

Partner

C.P. No. 17975 | M. No. 49574

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 Secretarial Audit Report of GILADA FINANCE AND INVESTMENTS LIMITED
dated 11th August 2018**

To,
The Members,
GILADA FINANCE AND INVESTMENTS LIMITED
Corporate Identity Number: L65910KA1994PLC015981
Registered Office: # 105, R R Takt
37, Bhoopasandra Main Road, Bangalore-560094

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SAND & Associates
Practicing Company Secretaries

(Varun Nashine)
Partner
C.P. No. 17975 | M. No. 49574

audits / investigations, whistle blower policy, monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on an arm's length basis, scrutiny of inter-corporate loans and investments, besides recommending the appointment / removal of the statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process, periodic review of statutory compliances and overseeing other matters specified for the review by Audit Committee under the Listing Agreement.

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

Composition and Meeting:

As at 31st March, 2018, the Audit Committee Comprised of:

Sl.No.	Name	Particulars	No. of meetings attended
1.	Mr. Basantkumar Girdhardas Mahota	Non-Executive Independent Director	4
2.	Mr. K. V. Prabhakar	Non-Executive Independent Director	4
3.	Mr. Sampat Kumar Gilada	Executive Promoter Director	4

The Committee met 4 times during the financial year 2017-2018. There are no recommendations of the Audit Committee which have not been accepted by the Board.

(ii) Nomination and Remuneration Committee:

Terms of Reference

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

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

Composition and Meeting:

As at 31st March, 2018 the Nomination and Remuneration Committee Comprised of-

Sl.No.	Name	Particulars	No. of meetings attended
1.	Mr. Basanthkumar Mahota	Non-Executive Independent Director	4
2.	Mr. K. V. Prabhakar	Non-Executive Independent Director	3
3.	Mr. Rajgopal Gilada	Executive Promoter Director	4



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

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

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

The Committee met Four(4) times during the financial year 2017-2018.

Performance evaluation:

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

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

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

The Directors expressed their satisfaction with the evaluation process.

Details of Remuneration paid to the Directors:

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

a. Executive Directors:

All elements of remuneration package i.e. salary, benefits; bonuses etc paid to Executive Directors during the financial year 2017-2018 are detailed herein below-

Name of Director	Salary	Perquisites & Allowances	Total
Mr. Sampath Kumar Gilada	6,00,000	-	6,00,000
Mr. Rajgopal Gilada	12,00,000	-	12,00,000

Notes:

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

b. Non-Executive Directors

The Non-executive directors are not paid any sitting fees for attending the meetings of the Board of Directors of the Company and committees thereof.

- (iii) Stakeholders Relationship Committee:

Terms of Reference

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

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

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

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

Composition and Meeting:

As at 31st March, 2018 the Stakeholders Relationship Committee Comprised of:

Sl.No.	Name	Particulars	No. of meetings attended
1.	Mr. Basantkumar Mohota	Non-Executive Independent Director	1
2.	Mr. K.V. Prabhakar	Non-Executive Independent Director	1
3.	Mrs. Bindu Gilada	Non-Executive Non-Independent Director	1



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The Committee met once during the financial year 2017-2018.

The minutes of the Committee Meetings are circulated to the Board, discussed and taken note of. The Company has been receiving various correspondences from the shareholders and the required information/documents are promptly furnished to the shareholders. No complaints were received from the shareholders during the financial year 2017-2018.

7. General Body Meeting:

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

Year	Location	Date	Time
2014-15	Hotel Kanishka, No.2, II Main Road, Gandhinagar, Bangalore- 560 009	Sep. 30th 2015	11:00 A.M
2015-16	Hotel Kanishka, No.2, II Main Road, Gandhinagar, Bangalore- 560 009	Sep. 24th 2016	11:00 A.M
2016-17	Hotel Chalukya Complex, #44th Race Course Road, Bangalore - 560001	Sep. 23rd 2017	11:00 A.M

(i) One Special resolution regularizing the Directorship of Mr. K. V. Prabhakar on the Board of the Company was passed in the Annual general Meeting of the Company held on Sep. 23rd 2017.

(ii) During the financial year 2017-18, the Company has passed one resolution by way of postal ballot for the issuance of Share Warrants.

8. Code of Conduct:

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

9. Auditors Certificate on Corporate Governance:

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

10. Vigil Mechanism:

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

11. Disclosures:

■ Related Party Transactions:

All related party transactions that were entered into during the financial year were on an arm's length basis and

were in the ordinary course of business. There were no material transactions with related parties i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of company at large.

Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in Note 8 of the financial statements in the annual report.

■ **Compliance with Statutory / legal requirements:**

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

■ **Compliance with Accounting Standards:**

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

■ **Compliance of mandatory requirements:**

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

12. Means of Communication:

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

13. General Shareholders' Information:

a. Annual General Meeting;

Year	Location	Date	Time
2017-2018	Hotel Kanishka, 2, 2nd Main Rd, Gandhi Nagar, Bengaluru, Karnataka 560009	Sep. 29th 2018	11:00 A.M

(a)	Mutual Funds/UTI	0	0	0	0	0	0	0	-	-
(b)	Financial Institutions/Banks	1	500	500	0.01	0.01	0	0	-	-
(c)	Central Government/state Governments	0	0	0	0	0	0	0	-	-
(d)	Venture Capital Funds	0	0	0	0	0	0	0	-	-
(e)	Insurance Companies	0	0	0	0	0	0	0	-	-
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	-	-
(g)	Foreign venture Capital	0	0	0	0	0	0	0	-	-
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-
(i)	Any Others (specify)	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions	0	0	0	0	0	0	0	-	-
	TOTAL (FFI)	0	0	0	0	0	0	0	-	-
	Foreign Mutual Funds	0	0	0	0	0	0	0	-	-
	Foreign Financial Institutions/ Banks	0	0	0	0	0	0	0	-	-
	Stressed Assets Stabilization Fund	0	0	0	0	0	0	0	-	-
	State Finance Corporation	0	0	0	0	0	0	0	-	-
	Sub-Total (B)(1)	1	500	500	0.01	0.01	0	0	-	-
2	Non Institutions									
(a)	Bodies Corporate	18	251903	209903	7.17	7.17	0	0	-	-
(b)	Individuals									
	i) Individual Share holders holding nominal share capital up to Rs. 2 lakh	1166	680490	276999	19.37	19.37	0	0	-	-
	ii) Individual Share-holders holding nominal share capital in excess of Rs. 2lakh	12	493597	343597	14.05	14.05	150000	4.17	-	-
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	-	-
(d)	Any other (Specify)									
	Trust	0	0	0	0	0	0	0	-	-
	TOTAL (Trust)	0	0	0	0	0	0	0	-	-
	Director and their relatives	0	0	0	0	0	0	0	-	-
	Foreign Nationals	0	0	0	0	0	0	0	-	-
	Escrow Account	0	0	0	0	0	0	0	-	-
	Market maker	0	0	0	0	0	0	0	-	-
	Non-resident Indian	5	7166	7166	0.20	0.20	0		-	-

	O.C.Bs	0	0	0	0	0	0	0	-	-
	Societies	0	0	0	0	0	0	0	-	-
	Clearing members	4	1253	1253	0.04	0.04			-	-
	Shares in transit	0	0	0	0	0	0	0	-	-
	Hindi Undivided Family	12	13091	13091	0.37	0.37			-	-
	Foreign Corporate Bodies	0	0	0	0	0	0	0	-	-
	Partnership Firm	0	0	0	0	0	0	0	-	-
	Custodian of Enemy Property	0	0	0	0	0	0	0	-	-
	Foreign Collaborators	0	0	0	0	0	0	0	-	-
	ESOPs/ESOS/ESPS/ Employee Shareholders	0	0	0	0	0	0	0	-	-
	Sub-Total (B)(2)	1217	1447500	852009	41.21	41.21	150000	4.17	-	-
	Total Public Shareholding B=(B)(1)+(B)(2)	1218	1448000	852509	41.23	41.23	150000	4.17	-	-
	Sub-Total (A+B)	1227	3512300	2916809	100	100	-	-	-	-
(c)	Shares held by Custodian against Depository receipt have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	-	-
2	Public	0	0	0	0	0	0	0	-	-
	Grand Total (A+B+C)	1227	3512300	2916809	100	100	0	0	-	-

The distribution of shareholding as on 31.03.2018 is as under:

No. of shares	No. of shareholders	% of total shareholders	No. of shares held	% of total shares
Up to 5000	1045	85.17	2788210	7.94
5001 to 10000	60	4.89	503770	1.43
10001 to 20000	41	3.34	614040	1.75
20001 to 30000	19	1.55	484500	1.37
30001 to 40000	13	1.05	456990	1.30
40001 to 50000	4	0.33	188000	0.54
50001 to 100000	14	1.14	887280	2.53
100001 & above	31	2.53	29200210	83.14
Total	1227	100.00	35123000	100.00

j. Dematerialization of shares and liquidity:

The trading in the Company's equity shares is permitted only in Demat form. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Service Limited (CDSL) for maintaining and facilitating transaction of the Company's shares in electronic mode. The ISIN No. allotted to the Company's equity shares is INE918C01011.

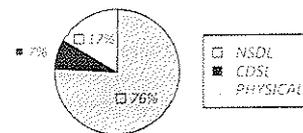
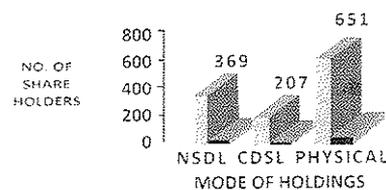
The details of dematerialization of shares are as specified hereunder:

CATEGORY	No. OF HOLDERS	%
NSDL	369	30.07
CDSL	207	16.87
DEMAT	576	46.94

PHYSICAL	651	53.06
TOTAL	1227	100.00

CATEGORY	No. OF HOLDERS	%
NSDL	2658456	75.69
CDSL	258353	7.36
DEMAT	2916809	83.05

PHYSICAL	595491	16.95
TOTAL	3512300	100.00



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

K. Financial Year:

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

l. Outstanding GDRs:

Not Applicable. There are no outstanding GDRs/ADRs/as on 31.03.2018.

m. Plant Locations:

The Company has no Plants.

n. Address for correspondence:

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

Non-Mandatory Requirements:

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

Green initiative in Corporate Governance:

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



GILADA FINANCE & INVESTMENTS LIMITED
CIN: L65910KA1994PLC015951

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24th
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2017-2018

physical mode, the shareholders may give a positive consent in writing to RTA for receiving by electronic mode.

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

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

SAMPATH KUMAR GILADA
DIRECTOR
DIN: 02144736

Date: 11.08.2018
Place: Bangalore

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

❖ Industry Structure Developments:

The macroeconomic view of the industry demonstrates that FY2017-18 began uncertainly with the economy still dealing with the impact of demonetisation of Rs. 500 and Rs. 1,000 bank notes. Further, second quarter (July-September 2017) saw considerable disruption in economic activity on account of teething troubles that accompanied the rollout of the Goods and Services Tax (GST). The third quarter, however, has shown an uptick — posting 7.2% GDP growth vis-a-vis the same quarter in the previous year.

The Indian economy expanded 7.7% year-on-year in the first three months of 2018, higher than a downwardly revised 7% advance in the previous quarter and beating market forecasts of a 7.3% growth. It is the highest growth rate since the second quarter of 2016, boosted by a jump in investment. Moreover, market interest rates have begun to harden. Bank lending rates have started rising; and other market driven interest rates such as that of the benchmark 10-year Government security have seen significant volatility during January-March 2018.

The Non-Banking Financial Companies (NBFCs) have evolved as an important segment of Indian financial system, which operate across a variety of segments, including investments in stocks, car and commercial vehicle financing, loans against property, gold loans, unsecured retail loans, leasing, hire purchase, deposit-taking, etc. Globally, there would be several classes of entities allowed to do these businesses — for example, credit unions, savings institutions, personal credit institutions, leasing companies, etc. NBFCs are fast emerging as an important sector of Indian accounts for around 12% of the assets of the total financial system, has emerged as a vital intermediary for financing and has provided strong competition to banks and financial institutions. NBFCs are undoubtedly complementary to banking system, capable of absorbing shocks and spreading risk in times of financial distress.

The important role played by NBFCs as innovators, serving unbanked and under-banked geographies and customer segments and services not provided by banks, it is imperative that the growth and development of the sector be accorded some degree of priority. In India, NBFCs have commendable contributions towards Government's agenda of financial inclusion. NBFC sector has to some extent, have been successful in filling up the gap in offering credit to retail customers in underserved and unbanked areas. The increased competencies in market segments that is usually under-served by banks such as the non-salaried category, low-income households, small businesses and rural areas have helped NBFCs grow faster than traditional banks. The profitability of few players has also impacted by following the RBI's regulatory changes for NBFCs that came in about a year. Besides, some players have also been feeling the heat of the overall slowdown in the economy.

The NBFC sector has been witnessing a consolidation process in the last few years, wherein the weaker NBFCs are gradually exiting, paving the way for a stronger sector. This trend can be understood by the number of NBFCs registered with RBI going down to 11,402 in 2018 from 12,134 witnessed in 2014. However, the decline in the number of registered NBFC is mainly due to cancellation of certificates of registration and migration of non-banking finance companies that accept public deposits (NBFC-D) to the non-deposit-taking category. RBI is revising its guidelines for NBFCs and reducing regulatory uncertainty. These guidelines are a step towards the union of regulations between the banks and large NBFCs. Furthermore, the guidelines will also improve the eligibility of NBFCs to avail specialized banking licenses.

❖ Economic Outlook of Indian Economy:

The outlook on NBFCs' retail credit marks an upward growth of about 17-19% for FY18 and said the growth trend is expected to hold in the current financial year also.

j. Dematerialization of shares and liquidity:

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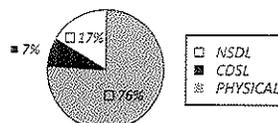
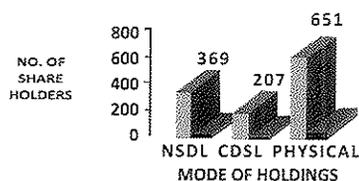
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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GILADA FINANCE AND INVESTMENTS LIMITED

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

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❖ Economic Outlook of Indian Economy:

The outlook on NBFCs' retail credit marks an upward growth of about 17-19% for FY18 and said the growth trend is expected to hold in the current financial year also.

The total managed NBFC-retail credit stood at around Rs 7 trillion as on December 31, 2017 (Rs 6.1 trillion in March 2017), posting a year-on-year growth of 18.3 per cent, compared with nearly 15.5 per cent in FY17 and 19 per cent in FY16.

(source: Economic Times)

The growth was supported by a healthy uptick witnessed in some key asset classes namely, commercial vehicles (CV), unsecured credit (including microfinance) and SME credit; these segments together accounted for about 60 per cent of the total NBFC-retail credit as of December 2017.

The credit growth had dipped, post demonetisation, and remained subdued because of the uncertainties around the impact of GST implementation. However, the key target borrower segments of NBFCs - self-employed borrowers and small businesses - were impacted, as a sizeable share of their business was based on cash transactions. Perhaps, with some stabilisation of the GST processes and demand improvement, credit growth rose sharply in the third quarter of FY18, it is expected that the same trend shall hold in coming quarters as well.

The SME credit (including loan against property) segment continued to witness deterioration in asset quality, however, the pace has slowed, as lenders are cautious of the evolving credit trend in the segment. The commercial vehicle segment, on the other hand, buoyed by sharp portfolio growth resulting from a healthy vehicle demand, improved on a quarter-on-quarter basis.

❖ **Outlook of Gilada Finance and Investments Limited:**

Your Company is working with twin focus of increasing the book size as well as improving upon the quality. As your Company is into micro-SME & Vehicle Finance loans, the growth projections for economy would augur well for the Company. The growing economy would allow opportunities for the micro-SME service as well as micro-SME manufacturing entities along with increased demand for vehicles for logistics.

The outlook of the company's growth to be robust for the financial year 2018-19, while your company is one of the large players in the Vehicle Financing in North Karnataka, it has started to carved a niche for itself in the fiercely competitive small & micro-loan segment in the city of Bengaluru.

The disruption in the repayment behavior post demonetization in the rural areas still has an adverse effect albeit decreased severity.

As part of our efforts to grow the business, your company has open a new branch at Peenya, Bengaluru with a focus on addressing credit requirements of small & micro entrepreneurs. Your Company also plans to augment the branch count before the end of FY19, however the same shall be done following a "wait & watch approach" and post a proper analysis of the operating branch. Your company shall maintain its focus on small & micro loan products. On account of this segment being the fastest growing for several other financial players your Company is also strategizing and hopes to become successful in this field and is considered a serious player in the years to come.

❖ **Opportunities And Threats:**

At present the financial landscape is riddled with high amount of NPAs for the banking sector, fear about negative fallouts of trade wars between the superpowers and a weak rupee, however, the Indian Economy has shown resilience and the growth story is continuing. As, the banks have become overly prudent in lending, NBFCs have stepped into their place and are aggressively growing. Apart from the NBFCs and NBFC – MFIs, the Small Finance Banks (SFBs) – erstwhile NBFCs & NBFC-MFIs have also started to make forays in the lending space. These entities are nimble-footed and compete for the same clientele as your company with significantly larger resources. However, your Company hopes to use its niche play to have robust increase in its loan book.

As stated last year, over the medium term, however, along with an increase in demand, a supportive operating environment and a stable or soft interest rate regime are factors which could support NBFCs ability to improve profitability and shareholder returns.

❖ **Segment-wise Performance:**

The Company concentrates its operations in single segment namely vehicle and consumer financing. Hence, there are no additional disclosures required under "Accounting Standard - 17 'Segment Reporting'".

The Company operates primarily in India; hence there is no other significant geographical segment that requires disclosure.

❖ **Risks and Concerns:**

The customers' profile is an important aspect for the business of the Company. The Credit Bureaus have helped to a certain extent in identifying the risk associated with a customer and improving the asset quality of the Company thereby reducing credit risk.

Dealers play a big role in directing customers to financiers. Our Company makes reasonable incentive payments to the dealers and our prompt services have rendered us a financier of choice for the dealers. Our Company has been financing vehicles only of selected manufacturers available in the market.

Any increase in interest rates may result in increasing cost of borrowings which can adversely affect our profitability.

A Company's growth is directly linked to its strong and committed workforce. With the training and development activities, higher recruitment, better incentive schemes etc., the Company has been trying to control employee attrition. With more competitors coming in, willing to grow at any cost, the Company continues to lose some of its loyal work force, which no doubt impacts the business in the short term, but the Company has worked towards ensuring that these temporary setbacks do not affect the overall growth plans of the Company.

Further, change in regulatory requirements for NBFCs from time to time, can have a bearing on the running of the Company. The overall economic slowdown and its impact on service sector is also a cause of concern.

The Company has put in place a Risk Management Policy to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In the opinion of the Board there exist no risks, which may threaten the existence of the Company.

❖ **Internal Control Systems And Their Adequacy:**

Effective internal controls are necessary for building up an efficient organization. Our Company has adequate internal control systems in place to ensure accuracy, transparency and accountability in its operations.

The company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

The company has appointed M/s. E and A Associates, Chartered Accountants, to conduct internal audit covering all areas of operations. The reports are placed before the audit committee of the Board. The audit committee reviews the performance of the audit and compliance functions.

Any internal control weaknesses, non-compliance with statutes and suggestions on improvements in existing practices form part of internal audit report. A quarterly report of the various compliances is also placed before the

Audit Committee. The Audit Committee reviews the internal audit report and the compliance report and ensures that observations pointed out in these reports are addressed in a timely and structured manner by the Management. The internal audit report is reviewed by the Statutory Auditors while performing audit functions to confirm that there are no transactions conflicting with the interests of the Company and regulatory stipulations.

❖ **Financial Performance:**

During the financial year under review, your company has made substantial disbursements and was able to improve its margins and detailed financial performance has been given in Director's Report.

❖ **Material Developments In Human Resources:**

The Company being in the growth trajectory requires more manpower to carry on its operations. Our Company has always been able to attract and retain good talent. The majority of the recruitments during the year under review have been for executives at collection and sales levels. The Company has reasonable salary structure and attractive incentives to retain talent and help the employees to build a career in the Company. To maintain competency and to improve the analytical abilities of employees for gearing them to face challenges, proper training and development is imparted by the Company before the employee takes up any responsibility. The company continues to place high importance on its human resources and enjoys cordial relationships at all levels.

❖ **Cautionary Statement:**

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

BY AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR GILADA FINANCE AND INVESTMENTS LIMITED

RAJGOPAL GILADA
MANAGING DIRECTOR
DIN: 00307829

SAMPATH KUMAR GILADA
DIRECTOR
DIN: 02144736

DATE: 11.08.2018
PLACE: BANGALORE



Reliable
Renewable
Responsible

GILADA FINANCE & INVESTMENTS LIMITED
CIN: L65910KA1994PLC015981

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2017-2018

ANNEXURE-VI

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

Gilada Finance and Investments Ltd

105 R RTakt, 37 Bhoopasandra Main Road,

Sanjaynagar, Bangalore- 560094,

We, Agiwal P & Associates, Chartered Accountants (Firm's Registration No.:000051S), as Statutory Auditors of GILADA FINANCE AND INVESTMENTS LIMITED ("The Company"), having its Registered office at # 105 R RTakt, 37 Bhoopasandra Main Road, Sanjaynagar, Bangalore- 560094, have examined the compliance of conditions of Corporate Governance by the Company for the financial years ended March 31, 2018 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchange(s).

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

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

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

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

**For Agiwal P & Associates,
Chartered Accountants
(Firm's Registration No.000051S)**

**CA P. K. Agiwal
(Proprietor)
M. No.085210
Date: 11.08.2018
Place: Bangalore**

INDEPENDENT AUDITOR'S REPORT

To the Members of GILADA FINANCE & INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of "GILADA FINANCE & INVESTMENTS LIMITED", which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure - A statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B and

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 (B) (6) (A) to the financial statements;

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

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

For AGIWAL P & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 000051S

(P K AGIWAL)
PROPRIETOR
M. No. 085210

Place : Bangalore
Date : 30th May, 2018

ANNEXURE –A TO THE AUDITOR’S REPORT

1. (a) *The Company has maintained proper records showing full particulars including quantitative details & situation of the fixed assets, except details like year of purchase, cost of purchase etc are not readily available.*
- (b) *All the fixed assets have been physically verified by the management during the year under audit, and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company & the nature of its fixed assets. No material discrepancies were noticed on such verification.*
- (c) *According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the Company.*
2. *The nature of the Company’s business / activities during the year does not involve inventories & accordingly clauses (II) & (III) of paragraph 3 of the Companies (Auditors Report) order 2016 are not applicable to the Company.*
3. (a) *In the ordinary course of business of financing, the company has given loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year was not determined by the management, since they are in the nature of current accounts and repayable on demand. The yearend balance of loan given to such parties was Rs. 196.35 lakhs, which is within the maximum limits prescribed under section 185 & 186 of the Companies Act 2013 and under RBI Directions to Non Banking Financial Companies and not prejudicial to the Company’s interest.*
- (b) *There are no written terms & conditions on which loans granted to Companies, Firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, However, no irregularities of repayment of principal amount & interest amount by the parties were noticed.*
- (c) *Since there are no written terms & conditions on which loans granted to Companies, firms / other parties listed in the register maintained under section 189 of the Companies Act, 2013, and since they are in the nature of current accounts repayable on demand, there are no overdue amounts of loans granted.*
4. *In our opinion & explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, with respect to loans and investment made.*
5. *In our opinion & according to the information & explanations given to us, the company is not required to comply with the directions issued by Reserve Bank of India under Non Banking Financial Companies (Reserve Bank) Directions, 1998, with respect to public deposits, since no deposits have been accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.*
6. *The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the nature of business of Company, since the Company is not into manufacturing activity.*
7. (a) *The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess & other material statutory dues applicable to it. However, we are informed that the provisions of the Employees Provident Fund & Employees State Insurance Scheme are not yet applicable to the Company.*
According to the information & explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance income tax, sales tax, service tax, customs duty, excise duty, value added tax cess & other material statutory dues were in arrears, as at 31-3-2018 for a period of more than 6 months from the date they became payable.
- (b) *According to the information & explanations given to us, except income tax, no dues of sale tax, customs duty, service tax, excise duty, value added tax & cess which have not been deposited on account of any dispute.*

There is a disputed income tax liability of Rs. 4,71,077/- for AY 06-07, which is under appeal with Commissioner of Income Tax (Appeals)-I, Bangalore. The dispute is on account of disallowability of deduction claimed under section 10(23G) and expenses disallowed u/s 14A and u/s 37 of the I.T. Act.

8. In our opinion & according to the information & explanations given to us, the company had generally not defaulted in repayment of dues to a Financial Institution, Bank or debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, Paragraph 3 (IX) of the order is not applicable.
10. According to the information & explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information & explanation given to us and based on our examination of the records of the Company and in the opinion of the management, the Company is not required to obtain any requisite approval since, managerial remuneration paid or provided is in accordance with the provisions of Sec.197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act wherever applicable and details of such transactions has been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment/private placement of 9 lakh share warrant of Rs.10 each at a premium of Rs.45 per share during the year under audit, against total offer of 15 lakh share warrant to promoters group & non promoters group. The company had complied with the provisions of Section 42 of the Companies Act, 2013 in respect of private placement of shares.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly paragraph 3 (xv) of the order is not applicable.
16. According to the information and explanations given to us, the Company has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.

For AGI WAL P & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 000051S

(PK AGI WAL)
PROPRIETOR
M. No. 085210

Place : Bangalore
Date : 30th May, 2018

ANNEXURE –B TO THE AUDITOR’S REPORT

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

We have audited the Internal Financial controls with reference to financial statements over financial reporting of Gilada Finance & Investments Ltd as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over financial Reporting

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



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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accounts of India.

PLACE : BANGALORE
DATE : 30th May, 2018

For AGIWAL P & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 000051S

PKAGIWAL
PROPRIETOR
M.No. 085210

Name of the Company : GILADA FINANCE & INVESTMENTS LTD.
BALANCE SHEET AS AT MARCH 31, 2018

(Rupees)

Particulars	Note No.	Figures as at the end of current year (FY 17-18)	Figures as at the end of previous year (FY 16-17)
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	35123000.00	35123000.00
(b) Reserves and surplus	2	116908641.60	110375486.24
(c) Money received against share warrants		12375000.00	NIL
(2) Share application money pending allotment		NIL	NIL
(3) Non-current liabilities			
(a) Long-term borrowings		NIL	NIL
(b) Deferred tax liabilities (Net)		1196457.00	1196457.00
(c) Other Long term liabilities		NIL	NIL
(d) Long-term provisions		NIL	NIL
(4) Current liabilities			
(a) Short-term borrowings	3	0.00	3091500.00
(b) Trade payables	4	3849850.56	1816792.42
(c) Other current liabilities		NIL	NIL
(d) Short-term provisions	5	687230.95	323877.00
TOTAL		170140180.11	151927112.66
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets			
(i) Tangible assets	6	1705639.58	1365718.00
(ii) Intangible assets		NIL	NIL
(iii) Capital work-in-progress		NIL	NIL
(iv) Intangible assets under development		NIL	NIL
(b) Non-current investments	7	1857000.00	550000.00
(c) Deferred tax assets (net)		NIL	NIL
(d) Long-term loans and advances	8	90086145.01	106686583.46
(e) Other non-current assets	8A	2284123.00	NIL
Current assets			
(a) Current investments		NIL	NIL
(b) Inventories	9	38500000.00	38500000.00
(c) Trade receivables		NIL	NIL
(d) Cash and cash equivalents	10	29807689.26	1556394.15
(e) Short-term loans and advances	11	5899583.26	3268417.05
(f) Other current assets		NIL	NIL
See Notes on Accounts and Significant Accounting Policies	18		
TOTAL		170140180.11	151927112.66

See accompanying notes to the financial statements

As per our report of even date attached

For AGIWAL P.& ASSOCIATES

CHARTERED ACCOUNTANTS

FR No. 0000515

P.K AGIWAL PROPRIETOR

M No. 085210

Place : Bangalore

Date : 30th May, 2018

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

(SAMPATHKUMAR GILADA)
WHOLE TIME DIRECTOR
DIN: 02144736

(PRASHANT BANERJEE)
CHIEF EXECUTIVE OFFICER

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Name of the Company : GILADA FINANCE & INVESTMENTS LTD.
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rupees)

Particulars	Note No.	Figures as at the end of current year (FY 17-18)	Figures as at the end of previous year (FY 16-17)
I. Revenue from operations	12	25957848.62	25114077.25
II. Other income	13	49586.00	317358.00
III. Total Revenue (I + II)		26007434.62	25431435.25
IV. Expenses:			
Cost of materials consumed		NA	NA
Purchases of Stock-in-Trade		NA	NA
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		NA	NA
Employee benefits expense	14	5064544.00	4683991.00
Finance costs	15	150278.95	554041.00
Depreciation and amortization expense	6	468442.00	229816.00
Other expenses	16	4572489.31	2609835.74
Total expenses		10255754.26	8077683.74
V. Profit before exceptional and extraordinary items and tax (III-IV)		15751680.36	17353751.51
VI. Exceptional items	17	4133846.00	3962707.00
VII. Profit before extraordinary items and tax (V - VI)		11617834.36	13391044.51
VIII. Extraordinary Items		NIL	NIL
IX. Profit before tax (VII- VIII)		11617834.36	13391044.51
X Tax expense:			
(1) Current tax		3225522.00	4279126.00
(2) Deferred tax		NIL	NIL
XI Profit (Loss) for the period from continuing operations (IX-X)		8392312.36	9111918.51
XII Profit/(loss) from discontinuing operations		NIL	NIL
XIII Tax expense of discontinuing operations		NIL	NIL
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		NIL	NIL
XV Profit (Loss) for the period (XI + XIV)		8392312.36	9111918.51
XVI Earnings per equity share:			
(1) Basic		2.39	2.59
(2) Diluted		2.39	2.59
See Notes on Accounts and Significant Accounting Policies	18		

See accompanying notes to the financial statements

FOR AND ON BEHALF OF BOARD OF DIRECTORS

As per our report of even date attached

For AGIWAL P.& ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 0000515

P.K AGIWAL PROPRIETOR
M No. 085210

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

(SAMPATHKUMAR GILADA)
WHOLE TIME DIRECTOR
DIN: 02144736

(PRASHANT BANERJEE)
CHIEF EXECUTIVE OFFICER

Place : Bangalore
Date : 30th May, 2018

PARTICULARS	AS ON 31 / 3 / 2018 Rs.	AS ON 31 / 3 / 2017 Rs.
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NOTE NO. 1 :
SHARE CAPITAL :

AUTHORISED :

6000000 Equity shares of Rs.10/- each	60000000.00	40000000.00
(Previous Year 4000000 Equity shares of Rs.10/- each)		

ISSUED, SUBSCRIBED AND PAID UP

35,12,300 Equity Shares of Rs. 10/- each	35123000.00	35123000.00
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Details of shareholding more than 5% of total paid up capital

As on 31/03/2018

As on 31/03/2017

Sl. No.	Name of the Shareholder	No. of Shares	% of Shares	No. of Shares	% of Shares
1.00	Malu Plantation and Resorts Ltd.	201000	5.72	201000	5.72
2.00	Smt.Gowarajadevi Gilada	NIL	NIL	179000	5.10
3.00	Smt.Rajashree Gilada	262900	7.49	229900	6.55
4.00	Shankarlal Gilada & Sons (P)Ltd.	1013400	28.85	1013400	28.85
	TOTAL	1477300	42.06	1623300	46.22

NOTE NO. 2 :

RESERVES AND SURPLUS :

a) Capital Reserve

Revaluation Reserve (On Revaluation of Capital Asset (Land at Gulbarga) into Stock in trade)	38158293.54	38158293.54
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TOTAL (A) 38158293.54 38158293.54

b) Statutory Reserve (Under RBI Act)

Opening Balance	17576641.00	15754257.00
Add : Transferred during the year	1678462.47	1822384.00

TOTAL (B) 19255103.47 17576641.00

c) SURPLUS IN PROFIT AND LOSS ACCOUNT

Opening Balance	54640551.70	47116289.19
Add : Net Profit after Tax during the year	8392312.36	9111918.51
Less/(Add) : Provisions - Additional /(Reversal) for bad & doubtful debt	836266.00	225394.00
Less : Transferred to Statutory Reserve Fund (20%)	1678462.47	1822384.00
Less/(Add) : Additional / (Reversal) of Contingent Provision against Standard Assets	48940.00	25952.00
Less : Dividend Distribution Tax paid during the year on declaration of Interim Dividend	178756.00	NIL
Less Interim dividend paid:	893075.00	NIL
Less: Income tax paid for earlier years		16618.00

TOTAL (C) 59495244.59 54640551.70

TOTAL (A)+(B)+(C) 116908641.60 110375486.24



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PARTICULARS	AS ON 31 / 3 / 2018 Rs.	AS ON 31 / 3 / 2017 Rs.
NOTE NO. 3 :		
1. SHORT TERM BORROWINGS - SECURED :		
(a) Loans repayable on demand from others		
1. Life Insurance Corporation (Demand Loan on Security of Key man Insurance Policies)	NIL	2991500.00
TOTAL (A)	<u>0.00</u>	<u>2991500.00</u>
2. SHORT TERM BORROWINGS - UNSECURED :		
(1) Loans and Advances from related parties		
From Directors :	NIL	NIL
From Others :		
Intercompany Deposits / Loans	NIL	NIL
(2) From :		
Other Deposits (Agents Deposit)	NIL	100000.00
TOTAL (B)	<u>0.00</u>	<u>100000.00</u>
TOTAL (A + B)	<u>0.00</u>	<u>3091500.00</u>
NOTE NO. 4 :		
TRADE PAYABLES :		
Sundry Creditors	3849850.56	1816792.42
TOTAL	<u>3849850.56</u>	<u>1816792.42</u>
NOTE NO. 5 :		
SHORT TERM PROVISIONS :		
Others		
GST Payable	80240.00	NIL
T D S Payable	162933.20	88921.00
Provision against Standard Assets	186016.00	234956.00
Dividend Payable	258041.75	NIL
TOTAL	<u>687230.95</u>	<u>323877.00</u>



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GILADA FINANCE & INVESTMENTS LIMITED
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GILADA FINANCE & INVESTMENTS LTD.

**NOTE NO. 6 :
FIXED ASSETS AND DEPRECIATION**

Particulars of the Fixed Assets	Gross Block		Depreciation				Net Block		
	As at 3/31/2017	Additions (Deletions)	As at 3/31/2018	Upto 3/31/2017	Rate	For the year	Up to 31/03/2018	As at 3/31/2018	As at 3/31/2017
1. Gulbarga & Bidar									
I. Plant and Machinery									
1. Office Equipments	400997.00	11000.00	411997.00	335582.00	13.91%	9988.00	345570.00	66427.00	65415.00
2. Computer Systems	1143548.00	67500.00	1211048.00	1002097.00	40%	70815.00	1072912.00	138136.00	141451.00
3. Two wheelers	459300.00	57057.00	516357.00	355671.00	25.89%	36786.00	392457.00	123900.00	103629.00
4. UPS System	137880.00		137880.00	95185.00	13.91%	5939.00	101124.00	36756.00	42695.00
5. Mobile Phones	235263.00	47217.00	282480.00	59042.00	13.91%	29027.00	88069.00	194411.00	176221.00
6. Software A/c	442750.00	221375.00	664125.00	24781.00	40%	235740.00	260521.00	403604.00	417969.00
II. Furniture & Fixtures									
1. General	1498614.00	37182.00	1535796.00	1080276.00	18.10%	80147.00	1160423.00	375373.00	418338.00
TOTAL (1)	4318352.00	441331.00	4759683.00	2952634.00		468442.00	3421076.00	1338607.00	1365718.00
2. Bangalore									
I. Plant and Machinery									
1. Computer System	-	194700.00	194700.00	-	40.00%	-	0.00	194700.00	-
2. Mobile Phones	-	4142.00	4142.00	-	13.91%	-	0.00	4142.00	-
3. UPS System	-	85790.00	85790.00	-	13.91%	-	0.00	85790.00	-
II. Furniture & Fixtures									
1. General	-	82400.58	82400.58	-	18.10%	-	0.00	82400.58	-
TOTAL (2)	0.00	367032.58	367032.58	0.00		0.00	0.00	367032.58	0.00
TOTAL (1) + (2)	4318352.00	808363.58	5126715.58	2952634.00		468442.00	3421076.00	1705639.58	1365718.00

PARTICULARS	AS ON 31 / 3 / 2018 Rs.	AS ON 31 / 3 / 2017 Rs.
NOTE NO. 7 :		
NON CURRENT INVESTMENTS :		
Other Investments		
a) Investment in Property (Land and residential building at Vijayapura)	1307000.00	NIL
b) Investment in Equity Instruments / Preference Shares / Govt /Trust /Securities /Debentures /Bonds / Mutual Funds	550000.00	550000.00
Total Quoted Investments	NIL	NIL
Share Application Money	NIL	NIL
Market Value of Quoted Investments	NIL	NIL
Details of Total Unquoted Investments	<u>550000.00</u>	<u>550000.00</u>

As on 31/03/2018

As on 31/03/2017

Sl. No.	Name of the Company	No. of Shares	Amount	No. of Shares	Amount
1	Mahesh Vidyabhavan Shares	5000.00	50000.00	5000.00	50000.00
2	Soumya Minerals (P) Ltd. Share	50000.00	500000.00	50000.00	500000.00
			550000.00		550000.00
TOTAL				1857000.00	550000.00

NOTE NO. 8 :

LONG TERM LOANS AND ADVANCES :

(a) Loans and Advances to related parties (Unsecured, considered good)

Rajvaibhav Enterprises Pvt Ltd	5000000.00	5000000.00
Sahyadri Renewable Energy Pvt Ltd	<u>14635362.01</u>	<u>17244846.59</u>
TOTAL (a)	<u>19635362.01</u>	<u>22244846.59</u>

(b) Loans and Advances to others

Mortgaged Land Loans (Secured, considered good)	8048763.00	2679447.00
Hypothecated Loans (Secured, considered good)	59613865.00	83287868.87
Business Loans (Unsecured, Considered good)	5150000.00	NIL
	72812628.00	85967315.87
Less : Provision for Bad & Doubtful debts	<u>2361845.00</u>	<u>1525579.00</u>
TOTAL (b)	<u>70450783.00</u>	<u>84441736.87</u>
TOTAL (a + b)	<u>90086145.01</u>	<u>106686583.46</u>

NOTE NO. 8A :

Other Non-Current Assets

(a) Pre-operative Expenditures

Peenya Branch Salary	1377915.00	NIL
Consultancy Charges	837652.00	NIL
Peenya Branch Rent & Maintenance	<u>68556.00</u>	<u>NIL</u>
	<u>2284123.00</u>	<u>NIL</u>

NOTE NO. 9 :

INVENTORIES :

Stock in Trade (Land at Guibarga)	38500000.00	38500000.00
TOTAL	<u>38500000.00</u>	<u>38500000.00</u>

PARTICULARS	AS ON 31 / 3 / 2018 Rs.	AS ON 31 / 3 / 2017 Rs.
NOTE NO. 10 :		
CASH & CASH EQUIVALENTS :		
Cash in Hand	190658.03	111023.03
Balances with Banks	29617031.23	1445371.12
TOTAL	<u>29807689.26</u>	<u>1556394.15</u>
NOTE NO. 11 :		
SHORT TERM LOANS AND ADVANCES :		
(a) TDS Receivable & Advance Tax	4331044.00	4372206.00
Less : Provision for Current income Tax	3225522.00	4279126.00
	1105522.00	93080.00
(b) Other Loans & Advances		
Sundry Debtors	4712397.26	3135337.05
Sundry Deposits & Advances	81664.00	40000.00
TOTAL	<u>5899583.26</u>	<u>3268417.05</u>
NOTE NO. 12 :		
REVENUE FROM OPERATIONS		
Interest on Loans and Advances (Tax deducted at source Rs. 506044/- Previous year Rs.347206/-)	6161952.99	3660595.00
Finance Charges on Hypothecated Loans	18685677.63	20501412.50
Processing Fees / Service Charges & Other Charges	984668.00	952069.75
Baldebts Recovered	125550.00	NIL
TOTAL	<u>25957848.62</u>	<u>25114077.25</u>
NOTE NO. 13 :		
OTHER INCOME		
Rent Income	30400.00	37460.00
Interest on F.D. with Bank	19186.00	26114.00
Interest on IT refund	NIL	253784.00
TOTAL	<u>49586.00</u>	<u>317358.00</u>
NOTE NO. 14 :		
EMPLOYEES BENEFITS		
Office Salaries/Bonus	3252544.00	2589969.00
Director's Salary	1800000.00	1800000.00
Key Man's Insurance Premium	NIL	269022.00
Gratuity & Annuity Fund	NIL	25000.00
Director's Meeting Fees	12000.00	NIL
TOTAL	<u>5064544.00</u>	<u>4683991.00</u>
NOTE NO. 15 :		
FINANCE COSTS		
Interest to Banks	703.95	2053.00
Interest to Others	NIL	252838.00
Interest to LIC	149575.00	299150.00
TOTAL	<u>150278.95</u>	<u>554041.00</u>



GILADA FINANCE & INVESTMENTS LIMITED
CIN: L65910KA1994PLC015981

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PARTICULARS	AS ON 31 / 3 / 2018 Rs.	AS ON 31 / 3 / 2017 Rs.
NOTE NO. 16 :		
OTHER EXPENSES		
Advertisement Expenses	174626.00	188955.00
Annual General Meeting Expenses	30869.00	11000.00
Auditor's Remuneration	147500.00	115000.00
Bank Commission & Charges	77393.06	43748.94
Computer Maintenance	98330.00	27090.00
Deepawali Pooja Expenses	63353.00	64459.00
Electricity Expenses	41026.00	32609.00
Internal audit fees	74000.00	46000.00
Legal Expenses	205089.00	258795.00
Office / Misc. Expenses	246029.00	136554.00
Office Rent and Maintenance	527210.00	230500.00
Postage and Telegraph Expenses	28806.00	32110.00
Printing and Stationery	200096.80	114196.00
Professional & Consultancy Charges	131368.00	150000.00
Prompt Payment Discount 2%	89518.00	68504.00
ROC Filing Fees	191574.00	168147.00
Share Listing and Share Transfer Expenses	669765.87	312072.00
Telephone Expenses	172661.58	135053.80
Travelling and Conveyance	324648.00	119827.00
Vehicle Maintenance	486154.00	107715.00
Web Hosting Charges	14212.00	NIL
Brokerage & Commission Expenses	20000.00	29000.00
Donation expenses	24000.00	24500.00
Hire Purchase Expenses	310302.00	NIL
MD house rent	120000.00	120000.00
Professional Tax/Property Tax	3405.00	NIL
Staff welfare	74303.00	74000.00
Subscription & Membership Fees	26250.00	NIL
TOTAL	4572489.31	2609835.74
EXCEPTIONAL ITEMS		
Loss on Sale of seized vehicle	2668459.00	67259.00
Bad Debts written off	1465387.00	3895448.00
TOTAL	4133846.00	3962707.00

NOTE 18.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting :

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies(Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India(SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

1.1 Use of Estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2. Income Recognition :

Revenue is being recognised in accordance with the Guidance Note on Accrual Basis of Accounting & Accounting Standard on Revenue Recognition issued by the Institute of Chartered Accountants of India and also as per Non Banking Financial Companies, RBI Direction, 1998. Accordingly, wherever there are uncertainties in the realisation of income, the same is not accounted for till such time the uncertainty is resolved. The income is also not recognised on Non Performing Assets of the Company, as identified under RBI Directions, 1998.

2.1 Income from Hypothecated Loans :

In respect of Hypothecated Loan agreements, the income is being accounted on accrued basis by applying the implicit rate in the transactions on the amount financed for the period of agreement. Income on Non performing Hypothecated loans (NPA's) are not recognized during the year.

2.2 Income from Delayed Payment Charges, Service Charges, Processing charges, Over Due interest, Penal Interest etc., are accounted on receipt basis.

2.3 Dividend Income, if any is accounted for on receipt basis.

2.4 Interest Income from Mortgaged Land Loans / Inter Corporate Loans :

Interest Income on loans given is recognised on accrual basis except when there is uncertainties about the recovery exists. Interest income on Non Performing Mortgaged Land Loan Accounts (NPA's) is not recognised during the year.

3 Expenses :

The company provides for all expenses on accrual basis.

4 Fixed Assets : (Tangible & Intangible) :

All Fixed assets have been valued at historical costs in accordance with the accounting standards issued by I.C.A.I.

5 Depreciation :

Depreciation on Fixed Assets have been provided on the basis of useful life as estimated by the Management on technical advice, in the absence of certain details of each item under different kinds of fixed assets are not readily available.

6 Investments :

- (a) *The Company changed its accounting policy in respect of Investment in property during financial year 2011-12. Investment in Capital Asset (i.e Land at Gulbarga) revalued and held as stock in trade effective 31st March, 2012, on the basis of valuation report given by approved valuer. This change in accounting policy resulted into creation of revaluation reserve to the extent of Rs.381/58 lakhs.*
- (b) *Long term unquoted /quoted investments in shares are stated at cost & provision for diminution in the value of Long Term Investments is made only if, such decline is other than temporary, in the opinion of the management.*

7 Hypothecated Loans :

Hypothecated Loans are stated at net of unmatured / unaccrued finance charges.

8 Provision for Taxation :

Provision for taxation has been made after considering disallowances, exemptions and deductions as per the laws laid down and interpreted by various authorities.

9 Contingent Liabilities :

Liabilities though contingent in nature are provided for, if there are reasonable prospects of such liabilities maturing. Other contingent liabilities not acknowledged as debt, are disclosed by way of a note.

10 Stock of Shares :

The stock of shares held as Long term investments have been valued as per Non Banking Financial companies, RBI Directions, 1998 and Accounting Standard - 13 on Accounting for investments issued by ICAI and the same is as certified by the management.

11 Retirement Benefits :

Since the Company does not provide any kind of retirement benefits to any of its employees, no provision is made for retirement benefits by the Company.

12 Other Accounting Policies :

These are consistent with the generally accepted accounting practices.

13 Repossessed Hypothecated Stock :

The repossessed stock has not been valued & accounted in the books of accounts of the Company. However, the Company maintains separately a Seized Vehicles Register, recording the date of seizure, release and sale of Seized Vehicle in it.

14. Stock in Trade (Investment in Property) :

- (a) *Investment in Land at Gulbarga is treated as Stock in trade effective from 31st March, 2012, at fair market value certified by approved valuer, resulting into creation of revaluation reserve to the extent of Rs.381/58 lakhs.*
- (b) *Investment in Land & Building at Vijayapura, acquired against partial settlement of dues from commission agent at Vijayapura is treated as long term investment and stated at cost.*

15. Impairment of Assets :

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

16. Provisions and Contingencies :

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in Point No. 6 of part B. Contingent assets are not recognized in the financial statements.

B. NOTES ON ACCOUNTS

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

2. Auditors remuneration includes the following :

	As on 31/3/2	As on 31/3/2017
Statutory Audit Fees	59000.00	46000.00
Tax Audit and Tax matters	59000.00	46000.00
Various Certifications & Representative services	29500.00	23000.00
TOTAL	147500.00	115000.00

3. Particulars in respect of Shares/Securities held as Long term Investments.

(A) Unquoted Long term Investments

	No. of Shares		Amount	
	As on	As on	As on	As on
	31-3-18	31-3-17	31-3-18	31-3-17
(1)Soumya Minerals (P) Ltd.	50000	50000	500000	500000
(2)Mahesh Vidyabhavan Ltd.	5000	5000	50000	50000
TOTAL (A)	55000	55000	550000	550000

(B) Quoted Long term Investments

(1)Shares	NIL	NIL	NIL	NIL
(2)Debentures	NIL	NIL	NIL	NIL
(3)Share Application Money (Pending Allotment)	NIL	NIL	NIL	NIL
TOTAL (B)	NIL	NIL	NIL	NIL
GRAND TOTAL(A+B)	55000	55000	550000	550000

(Aggregate Market value of Quoted Investments is Rs.NIL Previous year Rs.NIL).

4. During the year, as and when required, Loans and advances are given to and taken from the Directors / Companies/firms and other parties, in which Directors are interested. Since the accounts were operated as current accounts, repayable on demand, it is impossible for the Management to quantify the maximum amount of unsecured loans given and taken. However, Balance outstanding at the yearend together with corporate guarantee given does not exceeds the limit prescribed under section 185 & 186 of the Companies Act, 2013 & under RBI Directions to NBFC's.

4. Previous year's figures have been regrouped / recast / rearranged / reclassified, wherever required.
5. Contingent Liabilities & Commitments
 - A. Contingent Liabilities
 - a. Claims against the Company not acknowledged as debt :-
 1. Disputed Income Tax Liability for AY 06/07 - Rs. 4,71,077/- (On account of disallowance of deduction claimed u/s 10 (23G) and expenses disallowed u/s 14A and u/s 37 of the I.T. Act.
 - b. Guarantees :- NIL
 - c. Other Money for which the Company is contingently liable :- NIL
 - B. Commitments
 - a. Estimated amount of contacts remaining to be executed on capital account and not provided for :- NIL
 - b. Un called liability on shares and other investments partly paid :- NIL
 - c. Other Commitments :- NIL
7. Interest on unsecured loans and advances in the nature of loans, taken and/ or given have been provided, wherever stipulation to that effect exists.
8. In the opinion of the management, there is no diminution in the value of investments made in Buildings / Properties / Unquoted shares, held as Long term investments. The book balance of few quoted shares, which were fully written off as loss assets in earlier years, are there in physical as well as in demat form in the name of the Company.
9. In the opinion of the Board, the realisable value of the Current Assets, Loans and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
10. Loans/Investments / Guarantees taken together to single group of parties i.e. Firms & Companies under the same management are within the limit prescribed under RBI Directions, 1998 to NBFC's and the limits prescribed under section 185 & 186 of the Companies Act, 2013.
11. The Company had registered & complied under Goods and services Tax Act w.e.f 04/03/2018.
12. Earnings per share has been computed as below as required by Accounting standard- 20 on Earnings per share issued by the Institute of Chartered Accounts of India.

		31-3-2018	31-3-2017
Profit after tax (Rs. in lakhs)	(a)	83-92	91-12
No. of shares (in lakhs)	(b)	35-12	35-12
Basic earnings per share	(a/b)	2-39	2-59
Diluted earnings per share	(a/b)	2-39	2-59

13. As per accounting standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, no amount has been provided against deferred tax Asset / Liability, in view of amount involved is not material.
14. The transactions with related parties as per section 188 of the Companies Act, 2013 and as per Accounting Standard-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, are furnished below :

Sl. No.	Related party's name	Relationship	Amount Nature of Transaction	Interest Outstanding As on 31-3-18 (Rs. in lakhs)	paid/ (Received)
1.	Gita Refractories (P) Ltd.	Associate Concern	Loan taken & given as & when required	NIL	NIL
2.	Prestress Wire Industries	"	---- do -----	NIL	(15-15)
3.	Rajvaibhav Enterprises Private Limited	"	---- do -----	50-00Dr.	(12-00)
4.	Sahyadri Renewable Energy (P) Ltd.	"	---- do -----	146-35 Dr.	(23-25)
15.	The Company had assigned keyman Insurance policy to Rajgopal Gilada (Managing Director) at surrender value of the policy minus loan taken against the same policy.				
16.	A separate schedule to the Balance sheet as required under NBFC (RBI) Directions, 1998 is given in Annexure – A.				

For AGI WAL P. & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 0000515

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

P.K AGI WAL
PROPRIETOR
M No. 085210

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

Place : Bangalore
Date : 30th May, 2018

(SAMPATHKUMAR GILADA)
WHOLE TIME DIRECTOR
DIN: 02144736

(PRASHANT BANERJEE)
CHIEF EXECUTIVE OFFICER

AUDITOR'S REPORT ON CASH FLOW STATEMENT

To,

*The Board of Directors
Gilada Finance & Investments Limited
#105 R R Takt, 37 Bhoopasandra Main Road,
Bangalore-560094, Karnataka*

We have examined the attached Cash Flow Statement of Gilada Finance & Investments Limited for the year ended March 31st 2018. The statement has been prepared by the Company in accordance with the requirements of Listing Agreements executed with the stock exchange where the shares of the company are listed and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of May 30, 2018 to the members of the Company.

**For AGIWAL P. & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 0000515**

**P.K.AGIWAL
PROPRIETOR
M.No. 085210**

**PLACE : BANGALORE
DATE : 30th May, 2018**

GILADA FINANCE & INVESTMENTS LIMITED

ANNEXURE - A :

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

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

Sl.No.	Particulars	Amount Outstanding
2.	Assets Side : Break-up of Loans & Advances including bills receivables (Other than those included in (4) below) :	
	(a) Secured	80-48
	(b) Unsecured	196-35
3.	Break-up of leased Assets & stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	NIL
	(b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	NIL
	(b) Repossessed Assets	NIL
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	647-63

Sl.No.	Particulars	Amount Outstanding
4.	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Unquoted :	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	Long Term Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Unquoted :	
	(i) Shares : (a) Equity	5-50
	(b) Preference	NIL
	(ii) Debentures & Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL

5. Borrower group-wise classification of assets financed as in (2) and (3) above :

	Category	Amount (Net of provisions)		
		Secured	Unsecured	Total
1.	Related Parties			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	196-35	196-35
	(c) Other related parties	NIL	NIL	NIL
2.	Other than related parties	704-50	NIL	704-50
	TOTAL	704-50	196-35	900-85

6. Investor group-wise classification of all investments (current & long term) in shares & securities (both quoted & unquoted) :

	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	NIL	NIL
	(c) Other related parties	NIL	NIL
2.	Other than related parties	5-50	5-50
	TOTAL	5-50	5-50

8. Other Information :

	Category	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	NIL
	(b) Other than related parties	180-41
	(ii) Net Non-Performing Assets	
	(a) Related parties	NIL
	(b) Other than related parties	156-80
	(iii) Assets acquired in satisfaction of debt	NIL

ANNEXURES FORMING PART OF THE FORM 3 CD

ANNEXURE B :

Details of Payments made to persons specified in Section 40A (2) (b)

Sl. No.	Name of the Person	Nature of Payment	Amount(Rs.)
1	Shri Gopal Industries	Office Rent	12000.00
2	Sampath Gilada	Whole time Director's Salary	600000.00
3	Rajgopal Gilada	Managing Director's Salary	1200000.00
4	Smt.Sangeeta Gilada	Salary	300000.00



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GILADA FINANCE & INVESTMENTS LTD.

NOTE NO. 6 :
FIXED ASSETS AND DEPRECIATION

Sl. No.	Name of the Person	Address	PAN No.	Opening Balance	Receipts by Chq./Dd's	Payments by Chq./Dd's	Credits Other than Chq./Dd's	Debits Other than Chq./Dd's	Closing Balance	Maximum Outstanding	Account Squared up or not
1.	Rajvaibhav Enterprises Ltd.(Hoskote)	# 105, "RR Takt" 37, Bhoopandra Main Road, Sanjaynagar, Bangalore - 560 094.	AABCR3405Q	(50000000)	-	-	1200000	1200000	(50000000)	(50000000)	No Pvt.,
2	Prestress Steel LLP	A2 & 3, "Shivsharan Sankiran", Khuba Plot, Court Road, Gulbarga - 585 101.	AATFP0931A	NIL	26542826	19100000	622211	8065037	NIL	26542826	Yes
3	Gita Refractories Pvt., Ltd.	# 105, "RR Takt" 37, Bhoopandra Main Road, Sanjaynagar, Bangalore - 560 094.	AAACG5273C	NIL	-	-	373736	373736	NIL	373736	Yes
4	Sahyadri Renewable Energy (P) Ltd.	# 105, "RR Takt" 37, Bhoopandra Main Road, Sanjaynagar, Bangalore - 560 094.	AAICS2640H	(17244847)	NIL	NIL	5944208	3334723	(14635362)	(17244847)	No

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	FY 2017-18		FY 2016-17	
A. CASH FLOW FROM OPERATING ACTIVITIES :				(In Rs.)
Net Profit (Loss) before Taxation and extraordinary item Adjustment For :		11617834		13391044
Depreciation	468442		229816	
Investments Income (Dividend)	NIL		NIL	
				229816
Operating Profit / (Loss) before Working Capital changes		12086276		13620860
Adjustments For :				
Trade Receivables (Long term loans)	16600438		6668330	
Short term loans & advances	2631166		1694147	
Inventories	NIL		NIL	
Trade Payables	2033058		749721	
Short-term borrowings	3091500		121600	
Other current liabilities/provisions	149494	12761336	663050	8397406
Cash Generated From Operations		24847612		5223454
Income Tax Paid relating to current year	3500000		3700000	
Dividend distribution tax paid	178756	3678756	NIL	3700000
Cash Flow Before Extraordinary Items		21168856		1523454
Extraordinary Items :				
Pre-Operative Expenses on Expansion		2284123		NIL
Net Cash Flow from operating activities (A)		18884733		1523454
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		808363		989388
Sale of Fixed Assets				3000
Acquisition of Companies				NIL
Purchase of Investments		1307000		NIL
Sale of Investments				NIL
Income from Investments (Dividend)				NIL
				986388
Net Cash from (Used in) Investing Activities (B)		(2115363)		(986388)



Reliable
Renewable
Responsible

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	FY 2016-17		FY 2016-17	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of Share Capital		12375000		NIL
Proceeds from Long Term Borrowing				NIL
Repayment of Finance Lease Liabilities				NIL
Dividends Paid		893075		NIL
Net Cash from (Used in) Financing activities (C)		11481925		NIL
Net Increase / (Decrease) in cash and cash equivalents :		28251295		537066
Cash and Cash equivalents at the beginning of the year		1556394		1019328
Cash and Cash equivalents at the end of the year		29807689		1556394

For AGIWAL P.& ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 000051S

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

P.K AGIWAL PROPRIETOR
M No. 085210

(RAJGOPAL GILADA)
MANAGING DIRECTOR
DIN: 00307829

Place : Bangalore
Date : 30th May, 2018

(SAMPATHKUMAR GILADA)
WHOLE TIME DIRECTOR
DIN: 02144736

(PRASHANT BANERJEE)
CHIEF EXECUTIVE OFFICER



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FORM NO. MGT-11

PROXY FORM

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

Name of the Member(s) :		
Registered Address :		
E-mail Id:	Folio No /Client ID :	DP ID:

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

Name	E-mail Id:
Address :	
Signature or Failing him	

Name	E-mail Id:
Address :	
Signature or Failing him	

Name	E-mail Id:
Address :	
Signature or Failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the Saturday, 29th September, 2018 at 11:00 a.m. at Hotel Kanishka, #2, 2nd Main Rd, Gandhi Nagar, Bengaluru- 560009 Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Tick the relevant item for which the proxy is appointed	
		For	Against
1.	Adoption of financial statement including Balance Sheet, Profit & Loss as at 31st March 2018, report of Director's and Auditor's for the financial year 31st March, 2018		
2.	To appoint a director in place Ms. Bindu Gilada (DIN: 00392976) who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Appointment of M/s. Gnanoba & Bhat, Chartered Accountants as Statutory Auditors of the Company		
4.	To appoint Mr. A. Ramanathan (DIN: 02645247) as Independent Director of the Company		
5.	Payment of Managerial Remuneration		

* Applicable for investors holding shares in Electronic form.

Signed this _____ day of _____ 2018

Affix
Revenue
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder

Across Revenue Stamp

Note:

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