

G. K. Choksi & Co.

Chartered Accountants

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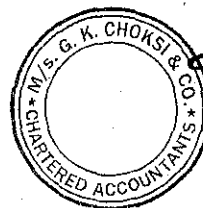
Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Gujarat Lease Financing Limited

1. We have audited the quarterly financial results of **GUJARAT LEASE FINANCING LIMITED** for the quarter ended 31st March, 2019 and the year to date results for the period 1st April, 2018 to 31st March, 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - ii. give a true and fair view of the net loss and other financial information for the quarter ended 31st March, 2019 as well as the year to date results for the period from 1st April, 2018 to 31st March, 2019.
4. Attention is invited to Note 4 of the statement indicates that the company incurred a net loss amounting to ₹ 20.80 lacs during the quarter (corresponding previous quarter ended 31st March, 2018 ₹.15.02 lacs) and as at 31st March, 2019, the accumulated losses exceeded its net worth and the Company's current liabilities exceeded its current assets. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the notes to the audited results for quarter and year ended 31st March, 2019.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants



SANDIP A. PARIKH

Partner

Mem. No. 40727

Place : Ahmedabad

Date : 28 MAY 2019

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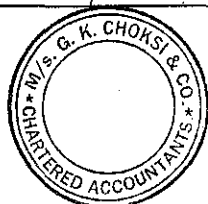
GUJARAT LEASE FINANCING LIMITED
 Hasubhai Chambers, Opp : Town Hall, Ellisbridge, Ahmedabad - 380 006.
 CIN : L65990GJ1983PLC006345

Part I

Statement of Audited Financial Results for the Quarter and Year ended on 31st March, 2019

(Rs. In lacs except per share data)

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited	Un-audited	Audited	Audited	Audited
	Income					
I	Revenue from Operations					
II	Other Income	1.13	1.17	0.47	24.45	7.21
III	Total Income (I+II)	1.13	1.17	0.47	24.45	7.21
	Expenses					
IV	(a) Employee Benefits Expense	2.42	2.07	2.31	8.45	8.93
	(b) Depreciation & Amortisation Expense	0.62	0.63	0.59	2.43	2.35
	(c) Legal and Professional Fees	4.78	1.98	10.80	7.13	13.48
	(d) Listing and Custodian Fees	1.21	-	-	8.47	7.13
	(e) Printing and stationery Expense	1.17	0.23	0.05	4.89	2.92
	(f) Postage Expense	3.60	0.01	0.01	4.90	1.44
	(g) Merger Expense	1.67	8.43	0.00	13.80	0.00
	(h) Other Expenses	2.99	2.07	1.73	9.31	7.94
	Total Expenses (IV)	18.46	15.42	15.49	59.38	44.19
V	Profit/(loss) before exceptional items and tax (III-IV)	(17.33)	(14.25)	(15.02)	(34.93)	(36.98)
VI	Exceptional Items	0.00	0.00	0.00	0.00	0.00
VII	Profit/(Loss) before tax (V+VI)	(17.33)	(14.25)	(15.02)	(34.93)	(36.98)
VIII	Tax Expense:					
	Current Tax	0.07	0.00	0.00	0.07	0.00
	Tax in respect of earlier years	3.40	0.00	0.00	3.40	0.00
	Deferred Tax	0.00	0.00	0.00	0.00	0.00
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	(20.80)	(14.25)	(15.02)	(38.40)	(36.98)
X	Profit/(Loss) from discontinued operations	0.00	0.00	0.00	0.00	0.00
XI	Tax expenses of discontinued operations	0.00	0.00	0.00	0.00	0.00
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)	0.00	0.00	0.00	0.00	0.00
XIII	Profit/(Loss) for the period (IX+XII)	(20.80)	(14.25)	(15.02)	(38.40)	(36.98)
XIV	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	(ii) Gain on measurement of equity instruments at FVTOCI	165.91	0.00	0.00	165.91	186.27
	(iii) Income tax relating to items that will not be reclassified to profit or loss	(12.58)	0.00	0.00	(12.58)	0.00
XV	Total Comprehensive Income for the period (XIII+XIV) Comprising Profit (Loss) and Other Comprehensive Income for the period)	132.53	(14.25)	(15.02)	114.93	149.29
XVI	Paid-up Equity Share Capital (Face value of Rs.10/- each)	2712.58	2712.58	2712.58	2712.58	2712.58
XVII	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	(3338.09)	(3453.02)
XVIII	Earnings per equity share Rs.10/- each (for Continuing operation):					
	(1) Basic	(0.08)	(0.05)	(0.06)	(0.14)	(0.14)
	(2) Diluted	(0.08)	(0.05)	(0.06)	(0.14)	(0.14)
XIX	Earnings per equity (for discontinued operation)					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-



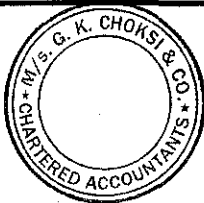
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Part II

Statement of Audited Assets and Liabilities as at 31st March,2019

(Rs.In Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
ASSETS		
NON- CURRENT ASSETS		
Property, plant and equipment	9.94	11.97
Financial Assets		
Investments	904.81	763.48
Other Financial Assets	11.00	18.03
Non-Current Assets	925.75	793.48
CURRENT ASSETS		
Financial assets		
Investments	-	-
Cash and cash equivalents	6.12	18.74
Current tax asset	3.56	6.90
Other Current assets	0.09	0.09
Current Assets	9.77	25.73
Total Assets	935.52	819.21
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	2,716.05	2,716.05
Other equity	(3,338.09)	(3,453.02)
Total Equity	(622.04)	(736.97)
NON- CURRENT LIABILITIES		
Financial liabilities		
Borrowings	1,500.00	1,500.00
Deferred Tax Liabilities	12.58	-
Non-Current Liabilities	1,512.58	1,500.00
CURRENT LIABILITIES		
Financial liabilities		
Trade payables	13.14	10.92
Other financial liabilities	28.98	26.86
Other current liabilities	1.15	16.99
Provisions	1.71	1.41
Current tax liabilities	-	-
TOTAL CURRENT LIABILITIES	44.98	56.18
TOTAL LIABILITIES	1,557.56	1,556.18
TOTAL EQUITY AND LIABILITIES	935.52	819.21

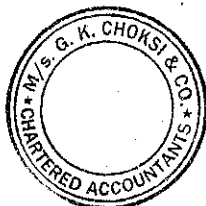


Notes to the Audited Financial Results for the Quarter and year ended 31st March, 2019

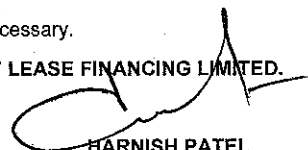
- 1 The Ind AS compliant financial results pertaining to the quarter ended 31.03.2019 and year ended 31.03.2019 has been considered. The management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affair in accordance with the Indian Accounting Standards (IND AS).
- 2 The board of directors of the company in their meeting held on 7th August, 2018 approved the scheme of Amalgamation between Gujarat Lease Financing Ltd. (Transferee Company) and GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. (Transferor Companies) for Amalgamation (hereinafter "Scheme" of the above mentioned companies with effect from 1st April, 2017 (being Appointed Date) as per the scheme tabled in the meeting. The Scheme was approved by National Company Law Tribunal (NCLT) vide its order dated 4th February, 2019 and filed with Registrar of Companies on 28th February, 2019.
Amalgamation of three wholly owned subsidiaries companies with Gujarat Lease Financing Ltd.:
 - (a) In the terms of the Scheme sanctioned by order dated 4th February, 2019 (notified on 28th February, 2019) of the National Company Law Tribunal, the Transferor Companies - GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. are being amalgamated with the Company with effect from 1st April, 2017 (that being the appointed date of the Scheme).
 - (b) In accordance with the Scheme
 - (i) All the assets, liabilities, rights and obligations of the Transferor Companies have been vested in Gujarat Lease Financing Limited (Transferee Company) with effect from 1st April, 2017 and have been recorded at their respective book values being commonly control entity.
 - (ii) GLFL Housing Finance Limited, GLFL Securities Ltd and GLFL International Ltd. being the wholly owned subsidiaries of Gujarat Lease Financing Limited (Transferee Company), the entire issued, subscribed and paid up equity capital of such companies is held by Transferee Company. Upon scheme become effective, the said shares of Transferor Companies will stand automatically cancelled and there will be no consideration.
 - (iii) The Investment of transferee company amounting to Rs.1585.00 Lacs consisting 16600007 equity shares of Rs.10/- each (1,36,00,007 shares fully paid up Rs.1360.00 Lacs and 3000000 equity shares partly paid up Rs. 225.00 Lacs) has been adjusted against the share capital of the transferor companies.
 - (iv) Transferor companies viz. GLFL Housing Finance Ltd., GLFL Securities Ltd and GLFL International Ltd. stand dissolved without being winding up.
 - (v) In terms of provisions contained in Ind AS 103 "Business Combinations" the company has given accounting effect of the scheme of amalgamation in the manner stated in the said accounting standard which has warranted restatement of corresponding number for the previous year. Further pursuant to such scheme the company technically falls within the definition of Investment Company as per the norms of NBFC. However considering the numbers as appeared in the company's audited financial statements of previous financial year (i.e. pre amalgamation number). It does not attract the provisions of NBFC since the income from financial assets does not exceed 50% of the total income. Therefore the company does not envisage the applicability of Section 45IA of Reserve Bank of India Act, 1934.
- 3 The above financial results of the Company were reviewed by the Audit Committee in its meeting held on May 28,2019. The Board of Directors in its meeting held on May 28,2019 approved the same.
- 4 During the quarter the Company continued to have no significant business operations. It has incurred losses of Rs.20.80 lacs during the quarter (corresponding previous quarter ended 31st March 2018:loss of Rs.15.02 lacs) and as at March 31, 2019 its accumulated losses exceed its paid-up capital and reserves by Rs. 622.04 Lacs (March 31, 2018: Rs. 736.97 Lacs). These conditions may cast a doubt on the Company's ability to continue as a going concern.

However, the Company is exploring avenues for restructuring of its capital and operations. In terms of the scheme of Compromise and arrangement sanctioned by High Court of Gujarat in 2004 borrowings from a promoter group company of Rs. 1,500 Lacs (March 31, 2018: Rs. 1,500 Lacs), would not be repaid before repayment of all other liabilities. Further, the said promoter group company continues to provide support to the Company. The assets of the Company continue to be stated at-least at their realisable values and the Company would continue its current activities atleast till such time it realises its investments and settles its obligations.

In view of the above, the standalone financial statements have been prepared on going concern basis and do not include any adjustments relating to recorded amounts and the classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.
- 5 Hon'ble High Court of Gujarat had sanctioned the scheme of compromise and arrangement between the Company and a consortium of 16 banks on 27th July, 2004 under section 391 of the Companies Act,1956 and the Company has made the payment in the accounting year 2004-05 to the banks as per the Court's order. However, the final Deed of Assignment of the charged assets in favour of banks is yet to be made.
- 6 The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961. In the absence of certainty supported by convincing evidence that there will be sufficient future taxable income available, the deferred tax assets arising from unabsorbed depreciation and carry forward losses under the Income-tax Act, 1961 have not been recognised.
- 7 As the company do not have any operations and considering the note 4 above, there are no reportable segment in accordance with the requirement of Ind AS 108 "Operating Segment" specified under Section 133 of the Companies Act, 2013.
- 8 The figures for quarter ended 31st March,2019 are balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto third quarter of the relevant financial year.
- 9 Figures of the previous quarter/period/year have been regrouped, wherever necessary.



FOR GUJARAT LEASE FINANCING LIMITED.


HARNISH PATEL
Director-in-Charge
DIN: 00114198