



2012 - 2013



GALADA FINANCE LIMITED

BOARD OF DIRECTORS

Justice P Bhaskaran	Chairman
Mr. J Ashok Galada	Managing Director
Mr. Naveen Galada	Executive Director
Mr. S Venkatakrishnan	Director
Mr. K Ramu	Director

BANKERS

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

AUDITORS

M/s. Chandarana & Sanklecha,
Chartered Accountants,
II Floor, 137, Nainiappa Naicken Street,
CHENNAI 600 079

**REGISTERED AND
CORPORATE OFFICE**

“SHANTI SADAN” Old No.4 (New No. 7)
Shaffee Mohammed Road, Thousand Lights
CHENNAI 600 006
Tel : 28294830, 43099009, 28294831
Telefax : 28294830

**REGISTRARS AND SHARE
TRANSFER AGENTS**

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

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NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS

Notice is hereby given that the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on Saturday, the 27th July 2013 at 4.00 p.m. at The Registered Office of the company at "SHANTI SADAN" Old No.4, New No.7, Shaffee Mohammed Road, Thousand Lights, Chennai 600 006 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2013 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and the Auditors thereon;
2. To declare dividend;
3. To appoint a Director in place of Shri S. Venkata Krishnan who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri K. Ramu who retires by rotation and being eligible, offers himself for re-appointment;
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration. The retiring Auditors M/s. Chandarana & Sanklecha Chartered Accountants are eligible for re-appointment.

By order of the Board

Place : Chennai,
Date : 30th May 2013

J. ASHOK GALADA
Managing Director

NOTES :-

1. A Member entitled to attend and vote at the meeting of the Company shall be entitled to appoint any other person, whether a Member or not, as his/her proxy to attend instead of himself/herself. Such proxy shall not be entitled to vote except on a poll. A form of proxy is enclosed. Proxy form, in order to be effective, should be lodged with the Company at any time not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th July 2013 to 27th July 2013 (both days inclusive).
3. Members are requested to communicate their change of address if any, quoting their respective folios to the Company's Share Transfer Agent M/s. Cameo Corporate Services Ltd., 'Subramanian Buildings', No.1, Club House Road, Chennai 600 002.

ANNEXURE TO THE NOTICE

THE INFORMATION IN RESPECT OF ITEM NO. 2 AND 3 PURSUANT TO SEBI CODE FOR CORPORATE GOVERNANCE ABOUT DIRECTORS SEEKING RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING ARE FURNISHED HEREUNDER :-

Particulars	Item No. 2	Item No. 3
Name of the Director	S. VENKATAKRISHNAN	K. RAMU
Date of Birth	21.05.1929	15.11.1955
Date of appointment	27.10.1994	11.04.1996
Qualification and experience in specific functional areas	Retired I.A. & A. S. from Central Govt. He has been closely associated with the Company for more than a decade	L.L.B. Advocate He has been actively associated with the Company for more than a decade
List of Companies in which outside Directorships held.	1. Shriram Housing Finance & Development Company Ltd. 2. Novachem Laboratories Ltd. 3. Madras Shoe Fabric Co. Ltd. 4. Shriram Credit Company Ltd. 5. Shriram Trade Finance Ltd. 6. Shriram Investments Holdings Limited	Nil
Chairman/Member of the Committee of the Board of Directors of the Company.	1. Chairman of the Share Holder/Investor Grievance Committee. 2. Member of the Audit Committee of the Board of Directors	1. Member of Audit Committee of the Board of Directors.
Chairman/Member of the Committee of the other Companies in which he is a Director	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting their **TWENTY SEVENTH ANNUAL REPORT** together with the Audited Accounts of the Company for the year ended March 31, 2013.

01. FINANCIAL RESULTS

The financial results for the year ended 31st March 2013 are given below

Description	For the year ended 31.3.2013 (Rs. in lakhs)	For the year ended 31.3.2012 (Rs. in lakhs)
Total Income	191.73	178.90
Less Expenditure	119.73	110.71
Profit before Depreciation and Taxes	72.00	68.19
Less Depreciation	22.43	21.73
Profit before Tax	49.57	46.46
Less Income Tax	16.00	16.00
Deferred Tax	(1.19)	(1.89)
Profit After Tax	34.76	32.35
Less : Extra Ordinary items—		
Provn for diminution in the value of investments	6.77	5.64
Profit for the year	27.99	26.71
Balance Brought Forward from Previous Year	82.65	61.44
Amount available for appropriation	110.64	88.15
APPROPRIATION		
Transfer to Statutory Reserve	5.60	5.50
Proposed Dividend and Tax Thereon	21.06	
Balance carried to Balance Sheet	83.98	82.65
	110.64	88.15

02. DIVIDEND

The Directors recommend a Dividend of Re. 0.60ps per share (6%) on the paid up capital of Rs. 300 Lakhs absorbing a sum of Rs. 18.00 Lakhs towards Dividend and Rs. 3.06 Lakhs towards tax thereon for the financial year ending 31st March 2013. The dividend will be paid to all those equity shareholders whose names appear in the Register of Members as on 27th July 2013.

03. INDUSTRY STRUCTURE AND DEVELOPMENTS

The industrial growth in India is showing signs of recovery and the Indian economy is poised for steady growth in the years to follow.

04. BUSINESS REVIEW

During the year under report, the Company extended hire purchase finance to the tune of Rs. 396.38 lakhs and financing under leasing to the tune of 32.27 lakhs and other credit financing of Rs.16.29 lakhs.

The total income of the Company is at Rs. 191.73 lakhs during the year under review as against Rs.178.90 lakhs in the previous financial year; and the profit before tax during the year under review is at Rs. 49.57 lakhs as compared to Rs. 46.46 lakhs in the previous financial year; and that profit after tax during the year under review is at Rs. 27.99 lakhs as compared to Rs. 26.71 lakhs in the previous financial year.

05. OUTLOOK

The outlook for the Company looks encouraging.

06. OPPORTUNITIES, CHALLENGES, RISKS AND CONCERNS

With the Indian economy showing signs of recovery, it is expected that there would be abundant opportunities for the growth of NBFC Sector.

Competition from private and public sector banks in the retail financing and competitive interest rates are challenges to the industry.

With strong and dynamic management, experienced and skilled staff, retention of customers, improvement of assessment procedures and quality of appraisal, the Company is confident of converting challenges into opportunities.

Any operational risk, market risk and interest rate risk can have adverse impact on the operations of the Company. Through continuous emphasis on cost control and cost reduction measures and taking corrective action wherever necessary, the Company will minimize the risk.

07. DEPOSITS

As on 31st March 2013, there were 89 depositors for a value of Rs. 123.34 lakhs.

Your Company has complied with the requirements under the guidelines issued by the Reserve Bank of India for Non-Banking Financial Companies.

08. INFORMATION REQUIRED UNDER NON-BANKING FINANCIAL COMPANIES ACCEPTANCE OF PUBLIC DEPOSITS (RESERVE BANK) DIRECTIONS, 1998

The total number of accounts of public deposit of the company which have not been claimed by the depositors or not paid by the company after the date on which the deposit became due for repayment was NIL.

The total amount due under such accounts remaining unclaimed or unpaid beyond the dates referred to above was NIL.

09. DIRECTORS

Shri S. Venkata Krishnan and Shri. K. Ramu directors retire by rotation and being eligible, they offer themselves for re-appointment.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March 2013, the applicable accounting

standards have been followed along with proper explanation relating to material departures;

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

That the Directors have prepared the accounts for the financial year ended 31st March 2013 on a 'going concern' basis.

11. AUDITORS

M/s. Chandarana & Sanklecha, Chartered Accountants, the Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

12. EMPLOYEES

Your Directors wish to convey their appreciation of services rendered by the employees at all levels.

13. PARTICULARS REQUIRED UNDER SECTION 217(2A) OF COMPANIES ACT, 1956

There were no employees who were in receipt of the remuneration for the year ended 31.3.2013 as prescribed under Section 217 (2A) of the Companies Act, 1956 and hence annexure as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not attached.

14. INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

The Company has no activity relating to conservation of energy or technical absorption. There were no foreign exchange earnings or outgo during the year under review.

15. REGULATORY STATEMENT

In conformity with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31st March 2013 is annexed to the Accounts.

16. COMMON AGENCY FOR SHARE REGISTRY WORK

M/s. Cameo Corporate Services Ltd., at 'Subramanian Building', No.1, Club House Road, Chennai 600 002 are the Common Agency for physical and electronic share registry work of the Company.

17. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled "Corporate Governance" is attached to this Annual Report.

The certificate of Statutory Auditors dated 30st May 2013 in line with Clause 49 of the Listing Agreement with the Stock Exchange is annexed to and forms a part of the Directors' Report.

18. CAUTIONARY STATEMENT

Management Discussion and Analysis forming part of this report is in compliance with Corporate Governance Standards incorporated in the listing agreement with Stock Exchange and such statements may be "forward-looking" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation and other relevant factors.

19. ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the continued assistance and co-operation received from Company's, Bankers, Customers, Advisors, Auditors and Depositors during the year under review.

For and on behalf of the Board

JUSTICE P BHASKARAN
Chairman

Place : Chennai

Date : 30th May 2013

01. Corporate Philosophy on Code of Governance

Galada Finance Limited (GFL) remains committed in practicing the principles of good corporate governance over the years. The Board of Directors firmly believes in the values of transparency, professionalism, accountability and integrity.

02. Board of Directors

The Composition and category of the Board of Directors is as under :-

S.No.	Category	Name of the Director
I.	Promoter and Executive Directors	Mr J Ashok Galada Mr Naveen Galada
II.	Independent and Non-Executive Directors	Justice P Bhaskaran Mr S Venkatakrishnan Mr K Ramu

03. Number and Dates on which the Board Meetings were held:-

Four Board Meetings were held during the financial year 2012-2013. The dates on which the meetings were held are as follows:-

30th May 2012, 28th July 2012, 26th October 2012 and 31st January 2013.

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

Name of the Director	Attendance particulars		No. of Directorships and Committee Memberships Chairmanships		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Justice P Bhaskaran	4	Present	-	-	-
S. Venkatakrishnan	4	Present	6	-	-
K. Ramu	4	Present	-	-	-
J. Ashok Galada	4	Present	3	-	-
Naveen Galada	3	Present	3	-	-

05. Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between Galada Finance Limited and its Directors for the year ended 31st March 2013.

Transactions with related parties as per the requirements of Accounting Standard (AS 18) – 'Related Party Disclosures' are disclosed in Notes on accounts in the Annual Report for 2012-2013.

06. Material pecuniary relationship or transactions with Non-Executive Directors :-

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

07. Remuneration of Directors : Sitting fees, Salary, Perquisites and Commission

Remuneration paid or payable to Directors during 2012 - 2013.

Name of the Director	Sitting Fees	Commission on profits	Salary & Allowances	Contribution	Perquisites to	Total PF
Justice P Bhaskaran	8,000/-	N.A.	N.A.	N.A.	N.A.	8,000
S Venkatakrishnan	8,000/-	N.A.	N.A.	N.A.	N.A.	8,000
K Ramu	8,000/-	N.A.	N.A.	N.A.	N.A.	8,000
J Ashok Galada	Nil	Nil	15,00,000	Nil	Nil	15,00,000
Naveen Galada	Nil	Nil	Nil	Nil	Nil	Nil

08. Code of conduct

A report on the compliance aspect of the Code of Conduct given by the Managing Director who is the CEO has been given at the end of this report.

09. Committees of the Board

i) Audit Committee

The Audit Committee comprises of Justice P Bhaskaran, Mr S Venkatakrishnan and Mr K Ramu all independent and non-executive Directors of the Company with Justice P Bhaskaran as its Chairman.

The role, terms of reference, authority and powers of the Audit Committee are in conformity with the requirements of Companies Act, 1956 and listing agreement.

The Committee held four meetings during the year 2012-2013 on the following dates – 30th May 2012, 28th July 2012, 26th October 2012 and 31st January 2013. The attendance of the Audit Committee is as under:-

Name of the Member	Attendance particulars
Justice P Bhaskaran	4
S Venkatakrishnan	4
K Ramu	4

The scope of the Audit Committee includes:

- a) Review of the Company's financial reporting process, financial statements and financial/ risk management policies.
- b) Review of the adequacy of internal control systems and the adequacy of the internal audit function.
- c) Discussion with the management and external auditors on the audit plan for the financial year and a joint post-audit review of the same.

ii) Remuneration Committee

Remuneration Committee as contemplated under the listing agreement is not presently required and will be constituted in due course.

iii) Shareholders/Investors Grievance Committee

The Company has a Shareholders/Investors Grievance Committee comprising of Mr S Venkatakrishnan, Independent and Non-Executive Director as Chairman with Mr J Ashok Galada and Mr Naveen Galada being the other two Members.

The Committee is vested with the requisite powers and authorities to specifically look into redressal of shareholder and investor grievances.

2 (Two) shareholders/Investors Grievance committee Meeting was held during the financial year 2012-2013 on 10th April 2012 and 5th November 2012.

S. No.	Name of the Member	Total No of Meetings	Meetings attended
1.	Mr. S. Venkata krishnan	02	02
2.	Mr. J. Ashok Galada	02	02
3.	Mr. Naveen Galada	02	02

10. Investors Grievances :-

The company has not received any grievances/complains from the investors during the financial year 2012-2013:-

The dematerialization requests from the shareholders were carried out within the stipulated time period and no certificates were pending for dematerialization as the end of the financial year 31st March 2013.

11. Secretarial Audit Report regarding reconciliation of capital

As required by the regulations of SEBI, the issued and listed capital of the Company is reconciled with the aggregate of the number of shares held by the investors in physical mode and in the electronic mode. A Certificate is obtained on a quarterly basis to this effect from a Company Secretary in whole time Practice and submitted to the Madras Stock Exchange where the Company's shares are listed. No discrepancies were found or reported by the Secretarial Auditor between the issued and the listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories for the financial year under report.

The Committee inter alia approves the issue of duplicate certificate and reviews all matters connected with the securities transfer. The Committee also looks into redressing the shareholders/investors complaints.

The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement of the quality of investor services.

12. Management

Disclosures by Management to the Board

- All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years : NIL
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 7 of Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges for the employees to report concerns about unethical behavior.
- No person has been denied access to the Audit Committee.

13. Shareholders information

i) Means of communication

The Company publishes its quarterly and annual results in the Trinity Mirror issue in English and Makkal Kural issue in vernacular language.

ii) Investor Grievances

As mentioned earlier, the Company has a duly constituted Shareholders/Investors Grievance Committee for redressing shareholders and investor complaints.

iii) Share Transfer

The Company has appointed M/s. Cameo Corporate Services Ltd. as Common Agency for providing Share Transfer work and Depository Services through NSDL and CDSL.

iv) General Body Meetings.

The details of last three Annual General Meetings are given below :-

No. of AGM	Date and Time	Venue
24 th AGM	31 st July 2010 4.00 p.m.	South India Hire Purchase Association Nahar Hall, Desabandhu Plaza, First Floor No.47, Whites Road, Royapettah, Chennai 14
25 th AGM	30 th July 2011	Regd Office at "SHANTI SADAN" O.No.4, N.No.7 Shaffee Mohammed Road, Thousand Lights, Chennai 600 006
26 th AGM	28 th July 2012	Regd Office at "SHANTI SADAN" O.No.4, N.No.7 Shaffee Mohammed Road, Thousand Lights, Chennai 600 006

Passing of resolutions by Postal Ballot

No items were passed by resolutions through postal Ballot during the financial year 2012-2013 at the forthcoming Annual General Meeting also, there is no item on the agenda that needs approval by Postal Ballot.

Extraordinary General Meeting

No Extraordinary General Meeting was held by the Company during the financial year ended 31st March 2013.

v) Additional shareholder information
a) 27th Annual General Meeting

Date : 27th July 2013 Time : 4.00 p.m.

Venue : THE REGISTERED OFFICE, "SHANTI SADAN" Old No.4, New No.7,
Shaffee Mohammed Road, Thousand Lights, Chennai 600 006

b) Financial calendar

Financial year 1st April to 31st March

Results	For the year ended 31 st March 2013 was announced on	For the year ending 31 st March 2014 will be announced by
- First Quarter	28 th July 2012	31 st July 2013
- Second Quarter	26 th October 2012	31 st October 2013
- Third Quarter	31 st January 2013	31 st January 2014
- Fourth Quarter and Annual	30 th May 2013	31 st May 2014

c) Book closure

The Book closure period is from 16th July 2013 to 27th July 2013 (both days inclusive).

d) Listing on Stock Exchange

The Company's equity shares are listed on the Madras Stock Exchange.

The ISIN Number (Demat) is INE243E01010.

e) Stock Market Data

During the year under review, no transaction has taken place in the equity shares of the Company on the Madras Stock Exchange where the Company's shares are listed.

f) Distribution of shareholding by ownership as on 31st March 2013

Category	No. of shares	Percentage of share holding
A. PROMOTER'S HOLDING		
1. Promoters*		
- Indian promoters	13,86,367	46.21%
- Foreign promoters	Nil	Nil
2. Persons acting in concert#	Nil	Nil
Sub-total	13,86,367	46.21%
B. NON-PROMOTERS HOLDING		
3. Institutional Investors		
a. Mutual Funds	Nil	Nil
b. Banks, Financial Institutions, Insurance companies (Central/ State Government Institutions/ Non-Government Institutions)	Nil	Nil
c. Foreign Institutional Investors	Nil	Nil
4. Others	Nil	Nil
a. Private Corporate Bodies	11,600	0.39%
b. Indian Public	16,02,033	53.40%
c. NRIs/OCBs	Nil	Nil
d. Any other (Please specify)	Nil	Nil
Sub total	16,13,633	53.79%
GRAND TOTAL	30,00,000	100.00%

 g) Distribution of shareholding by size as on 31st March 2013

Share holding of Nominal value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to total	(in Rs.)	% to total
(1)		(2)	(3)	(4)	(5)
Upto -	5,000	230	49.6760	8,92,000	2.9733
5,001 -	10,000	103	22.2462	8,77,000	2.9233
10,001 -	20,000	28	6.0475	4,24,330	1.4144
20,001 -	30,000	27	5.8315	6,93,000	2.3100
30,001 -	40,000	12	2.5918	4,36,000	1.4533
40,001 -	50,000	03	0.6479	1,37,000	0.4567
50,001 -	1,00,000	08	1.7279	5,82,000	1.9400
1,00,001	AND ABOVE	52	11.2312	2,59,58,670	86.5289
TOTAL		463	100.000	3,00,00,000	100.0000

h) Dematerialisation of shares

As at 31st March 2013, equity shares numbering 18,64,500 of Rs.10/- each (62.15% of the total number of shares) is in dematerialized form.

14. Outstanding GDRs/ADRs/Warrants or Convertible Instruments

NotApplicable

15. Address for correspondence

i) Registrars and Share Transfer Agents

M/s. Cameo Corporate Services Ltd. 'Subramanian Building', No.1, Club House Road, CHENNAI - 600 002

Phone : 28460390; Fax : 28460129; Grams : Cameo;

E-mail : cameo@cameoindia.com; Website : www.cameoindia.com

ii) Registered and Corporate Office of the Company

Galada Finance Limited, "Shanti Sadan", Old No.4, New No.7, Shaffee Mohamed Road, Thousand Lights, Chennai 600 006

Phone : 28294830, 43099009, 28294831 Fax: 28294830

For GALADA FINANCE LIMITED

J ASHOK GALADA
MANAGING DIRECTOR

Declaration on Code of Conduct

As required by Clause 49(1D) of the Listing Agreement, it is hereby affirmed that all the Board Members and Senior management personnel have complied with the Code of Conduct of the Company.

Place : Chennai

Date : 30th May 2013

J ASHOK GALADA
MANAGING DIRECTOR CUM CEO

COMPLIANCE CERTIFICATE

The Members,
Galada Finance Limited,
"Shanti Sadan", Old No.4 (New No.7),
Shaffee Mohamed Road,
Thousand Lights, CHENNAI 600 0006

Company Registration No. 12826

Dear Sirs,

I have examined the registers, records, books and papers of M/s. Galada Finance Limited as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 4 (Four) times respectively on 30/05/2012, 28/07/2012, 26/10/2012 and 31/01/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members or Debenture holders from 16/07/2012 to 28/07/2012 (both days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March 2012 was held on 28th July 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.

- iv) As there were no instances falling within the purview of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules 2001, the Company has not transferred the amounts in unpaid dividend account, application money for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
- v) Generally complied with the requirements of Section 217 of the Act.
14. The Board of directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
 15. The Company has not appointed any Managing Director/Whole-time director during the financial year.
 16. The Company has not appointed any sole selling agents during the financial year.
 17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
 18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The Company has not issued any shares, debentures or other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has complied with the applicable directions issued by the Reserve Bank of India in respect of deposits accepted including unsecured loans taken amounting to Rs.1.12 lakhs raised by the Company during the year and the Company has filed statement in lieu of advertisement as required with the Reserve Bank of India.
 24. The amount borrowed by the Company from Directors, Public, Financial Institutions, banks and others during the financial year ended 31st March 2013 is within the borrowing limits of the Company and that necessary resolution as per Section 293(1)(d) of the Act have been passed in duly convened Annual/Extraordinary General Meeting.
 25. The Company has made loans and advances or given guarantees or provided securities to other bodies corporate in compliance with the provision of the Act and has made entries in the Register kept for the purpose..
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of Memorandum with respect to name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
 30. The Company has not altered its articles of association during the year under scrutiny.
 31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
 32. The Company has not received any money as security from its employees during the financial year.
- The Company has not deducted any contribution towards Provident Fund during the financial year.

Place : Chennai
Date : 30th May 2013

Signature : Sd/-
Name of the Company } T S RAJU
Secretary }
C.P. No. } 2745

ANNEXURE A

Registers as maintained by the Company

01. Register of Members under Section 150 of the Companies Act, 1956;
02. Register of Managing Directors, Manager, Secretary and Directors under Section 303(2) and 304 of the Companies Act, 1956;
03. Register of Directors Shareholdings under Section 307 of the Companies Act, 1956;
04. Minutes Book of Board of Directors under Section 193 of the Act;
05. Minutes Book of proceedings of General Meetings under Section 193 and 196 of the Companies Act, 1956;

ANNEXURE B

Forms of returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March 2013

01. Form 66 being Form for submission of Compliance Certificate with the Registrar under Section 383A(1) of the Companies Act, 1956 for the financial year ending on 31/03/2012 was filed vide Challan SRN P88540943 dated 21/08/2012
02. Form 23AC being form for filing Balance Sheet and other documents with the Registrar for the financial year ending on 31/03/2012 and 23ACA being form for filing Profit and Loss Account and other documents with the Registrar for the financial year ending on 31/03/2012 under Section 220 of the Companies Act, 1956 was filed vide Challan SRN P89303416 dated 03/10/2012;
03. Form 20B being form for filing Annual Return by a Company having a share capital with the Registrar for the financial year ending on 31/03/2012 under Section 159 of the Companies Act, 1956 was filed vide Challan SRN P88949870 dated 17/09/2011
04. Form 8 under Section 135 of the Companies Act, 1956 for creation of charges made on 28/02/2013 in favour of L & T Finance Limited was filed vide Challan SRN B71065577 dated 25/03/2013

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, the Auditors Certificate is given as annexure to the Directors' Report.

ANNEXURE TO THE DIRECTORS REPORT

Auditors' Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement

TO THE MEMBERS OF GALADA FINANCE LIMITED

We have examined the compliance of conditions of Corporate Governance by Galada Finance Limited for the year ended on 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring

the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

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

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

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

Place : Chennai
Date : 30th May 2013

INDEPENDENT AUDITOR'S REPORT

To the Members of

Galada Finance Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Galada Finance Limited, which comprise the Balance Sheet as at March 31, 2013, 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 Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss Account, of the profit of the company for the year ended on that date and
- c) in the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e) On the basis of written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of section 274(1)(g) of the Act.

For CHANDRANA & SANKLECHA

Chartered Accountants

FRN: 000557S

Bharat Raj Sanklecha

Proprietor

Membership No. : 27539

Place: Chennai

17 Date: 30.05.2013

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Galada Finance Limited on the accounts of the company for the year ended 31st March, 2013.

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

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. The Company has a regular programme of verification of its fixed assets at reasonable intervals. Though all the assets have not been physically verified by the management during the year, the company's programme of verification of such assets, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- c. In our opinion, the company has not disposed of a substantial part of its fixed assets, which will affect the going concern status of the company.
2. Being a Non Banking finance company, the matters in connection with verification, reporting and all other related matters on inventory are not applicable.
3. a. The Company has neither granted nor taken any loan, secured or unsecured, to/from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b. Since there are no such loans, the comments regarding terms and conditions, repayment of the principal amount, interest thereon and overdue amount are not required.
4. In our opinion, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for its business activities. In our opinion, there is no continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301, exceeding the value of Rs. Five lakhs, in respect of any party during the year.
6. The company has accepted fixed deposits from the public and has complied with directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed there under wherever applicable. 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.
7. In our opinion, the company has adequate internal audit system commensurate with the size and nature of its business.
8. Being a Non-banking finance company, the maintenance of cost records as prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956 are not applicable to the company.
9. a. According to the information and explanations given to us the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax,

Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with appropriate authorities. We further state that, no undisputed amount payable in respect of the afore said dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.

b. Statutory dues not deposited on account of any dispute are NIL

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by the audit and in the immediately proceeding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or Banks.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi or mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
14. In respect of investments, proper records have been maintained by the company for the transactions and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name, except to the extent of the exemption, if any, granted under section 49 of the Companies Act, 1956.

15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanation given to us, the terms have been applied for the purposes for which they were obtained.
17. According to the information and explanation given to us and on overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
18. According to the information and explanation given to us, during the year under audit, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures and hence no securities and charges are required to be created in respect thereof.
20. The company has not raised any money by way of public issue during the year.
21. According to the information and explanation given to us, during the course of checks carried out by us, no frauds on or by the company has been noticed by us or reported to us during the year under report.

For CHANDARANA & SANKLECHA
Chartered Accountants
Firm No.000557S

Bharat Raj Sanklecha
Proprietor
Membership No.27539

Place : Chennai

Date : 30.05.2013



GALADA FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note No.	As at 31 st March, 2013 in Rs.	As at 31 st March, 2012 in Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	30,000,000	30,000,000
(b) Reserves and surplus	3	21,002,884	20,309,731
		51,002,884	50,309,731
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term borrowings	4	10,164,126	10,529,000
(b) Deferred tax liabilities (net)		209,000	328,000
(c) Other Long Term liabilities	5	6,312,301	5,374,032
		16,685,427	16,231,032
(4) Current liabilities			
(a) Short-term borrowings	6	25,625,226	32,214,579
(b) Other current liabilities	7	17,675,051	20,761,371
(c) Short-term provisions	8	4,278,910	2,200,000
		47,579,187.49	55,175,950
TOTAL EQUITY AND LIABILITIES		115,267,498	121,716,713
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	13,164,488	11,018,407
(b) Non-current investments	10	13,560,179	15,158,701
(d) Long-term loans and advances	11	424,517	251,517
		27,149,184	26,428,625
(2) Current assets			
(a) Cash and cash equivalents	12	1,373,878	1,468,345
(b) Short-term loans and advances	13	86,744,436	93,819,743
		88,118,314	95,288,088
TOTAL ASSETS		115,267,498	121,716,713

Notes to the Accounts 1 to 19

As per our report of even date attached

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

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J.Ashok Galada
Managing Director

Naveen Galada
Executive Director

Place : Chennai
Date : 30th May 2013

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	Note No.	As at 31 st March, 2013 in Rs	As at 31 st March, 2012 in Rs.
REVENUE			
I. Revenue from operations	14	18,445,941	17,545,481
II. Other Income	15	727,276	344,453
III. Total Revenue (I+II)		19,173,217	17,889,934
IV. Expenses			
Employee Benefits Expenses	16	2,369,705	2,203,549
Finance Costs	17	6,402,971	5,434,715
Depreciation and amortisation expenses		2,243,339	2,173,798
Other Expenses	18	3,200,376	3,432,234
Total Expenses		14,216,391	13,244,296
V. Profit before exceptional and extraordinary items and tax (III-IV)		4,956,826	4,645,638
VI. Extraordinary Items - Provision for diminution in Value of Investments		676,763	563,567
VII. Profit before Tax (V-VI)		4,280,063	4,082,071
VIII. Tax Expense			
(1) Current Tax		1,600,000	1,600,000
(2) Deferred Tax		(119,000) 1,481,000	(189,000) 1,411,000
IX. Profit after Tax (VII-VIII)		2,799,063	2,671,071
Earning per share-Basic & Diluted		0.93	0.89

Notes to the Accounts 1 to 19

As per our report of even date attached

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

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

J.Ashok Galada
Managing Director

Naveen Galada
Executive Director

Place : Chennai
Date : 30th May 2013

Notes forming part of the financial statements
Note 1 - Significant Accounting Policies
a) Basis of preparation of Financial Statements

The accounts have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and the Regulations, as applicable to the Non Banking Finance Companies, issued by the RBI.

b) Recognition of Income and Expenditure

- i) The company accounts for income and expenditure on accrual basis except otherwise stated.
- ii) Finance Charges in respect of Hire Purchase, Vehicle loan & Hypothecation transactions are apportioned over the period of agreement by Internal Rate of Return basis.
- iii) The company has followed the Prudential norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies
- iv) Interest on overdue Lease rentals, loans and hire purchase instalments accounted for on receipt basis.

c) Fixed Assets and Depreciation :

- i) Fixed Assets are stated at historical cost less accumulated depreciation.
- ii) Depreciation on assets has been provided on written down value method as prescribed by Schedule XIV to the Companies Act, 1956.

d) Investments :

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

Note 2 Share capital

Particulars	As at 31 st March, 2013		As at 31 st March, 2012	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs.10 each with voting rights	4,000,000	40,000,000	4,000,000	40,000,000
(b) Issued Equity shares of Rs.10 each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
(c) Subscribed and fully paid up Equity shares of Rs.10 each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
Total	3,000,000	30,000,000	3,000,000	30,000,000

Note 2.1

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

Note 2.2

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

Name of the Shareholder	No. of shares held as on 31 st March 2013		No. of shares held as on 31 st March 2012	
	No. of shares	%	No. of shares	%
Galada Trades Ltd	199,100	6.64	199,100	6.64
Galada Housing Ltd	364,600	12.15	364,600	12.15
Ashok Kumar Galada HUF	222,300	7.41	218,800	7.29
Vinita Galada	169,100	5.64	169,100	5.64
Prithvi Softech Limited	225,000	7.50	-	-

Note 3 Reserves and surplus

Particulars	As at 31 st March, 2013 in Rs.	As at 31 st March, 2012 in Rs.
(a) Statutory reserve (As per Section 45-1C of the Reserve Bank of India Act, 1934)		
Opening balance	5,980,000	5,430,000
Add: Transferred from surplus in Statement of Profit and Loss Statement	560,000	550,000
Closing balance	6,540,000	5,980,000
(b) General reserve brought forward	6,064,739	6,064,739
Addition during the year	-	-
Closing balance	6,064,739	6,064,739
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	8,264,992	6,143,921
Add: Profit / (Loss) for the year	2,799,063	2,671,071
Less: Transferred to Statutory reserve	560,000	550,000
Closing balance	10,504,055	8,264,992
Less: Dividend and Tax	2,105,910	--
Closing balance	8,398,145	8,264,992-
Total	21,002,884	20,309,731

Note 4 Long-term borrowings

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Unsecured loan - Fixed Deposits	6,889,000	10,529,000
Secured Loan - From Banks (Secured by Car)	810,278	-
Term Loan from others (Secured by Hypothication of Agreement of Debtors)	2,464,848	-
Total	10,164,126	10,529,000

Note 4.1 Fixed Deposits from Directors

31st March 2013 1,200,000

31st March 2012 1,300,000

Note 5 Other Long term liabilities

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Interest accrued but not due	456,415	207,646
Advances & Deposits	5,855,886	5,166,386
Total	6,312,301	5,374,032

Note 5.1 Interest accrued on deposit from Directors

31st March 2013 230,949

31st March 2012 83,089

Note 6 Short-term borrowings

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Secured loan from Indian Bank (Secured by hypothecation of agreements of debtors, Personal guarantees of directors & collateral security of property of director and relatives.)	14,591,807	25,944,234
Secured loan from others (Secured by pledge of shares)	2,813,841	3,157,345
Unsecured loan - Fixed Deposits	5,445,000	3,113,000
Secured Loan - From Bank (Secured by Car)	421,155	
Term Loan - From others (Secured by Hypothication of Agreement of Debtors)	2,353,423	
Total	25,625,226	32,214,579

Note 6.1 Fixed Deposits from Directors

 31st March 2013 - 100,000

 31st March 2012 - NIL

Note 7 Other current liabilities

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Unmatured hire charges	8,467,880	2,001,799
Advance interest	4,347,405	14,260,899
Advances & deposits	4,241,592	4,076,540
Sundry creditors for others	243,582	103,097
Sundry creditors for expenses	220,841	177,291
Interest accrued but not due	153,751	141,745
Total	17,675,051	20,761,371

Note 7.1 Interest accrued on deposit from Directors

 31st March 2013 - 1,332

 31st March 2012 - NIL

Note 8 Short-term provisions

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Provision:		
a) For bad and doubtful debts		
i) On NPA	2,006,286	2,023,553
ii) On Standard Assets	166,714	176,447
	2,173,000	2,200,000
b) Dividend & Tax	2,105,910	-
Total	4,278,910	2,200,000



DESCRIPTION	Gross block at cost				Depreciation				Net Block	
	Balance as at 1 st April, 2012	Additions	Disposals	Balance as at 31 st March, 2013	Balance as at 1 st April, 2012	Additions	Deductions	Balance as at 31 st March, 2013	Balance as at 31 st March, 2013	Balance as at 1 st April, 2012
	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.	in Rs.
Tangible Assets										
(a) Freehold Land	467,390	-	-	467,390	-	-	-	-	467,390	467,390
(b) Plant and Machinery	804,951	13,000	-	817,951	650,324	62,596	-	712,920	105,031	154,533
(c) Furniture and Fixtures	1,476,784	-	-	1,476,784	1,288,395	26,313	-	1,314,708	162,076	145,385
(d) Vehicles	1,485,270	1,757,915	464,601	2,778,584	568,300	410,801	208,143	770,958	2,007,626	959,976
(e) Office equipment	1,354,763	28,250	-	1,383,013	1,110,773	36,634	-	1,147,407	235,606	244,082
Assets on Lease										
(a) Furniture and Fixtures	619,875	-	-	619,875	370,439	45,148	-	415,587	204,288	249,436
(b) Vehicles	2,481,636	-	1,161,650	1,319,986	1,440,757	413,316	781,363	1,072,710	247,276	1,068,409
(c) Equipment	10,519,166	3,227,000	-	13,746,166	2,762,440	1,248,531	-	4,010,971	9,735,195	7,729,196
Total	19,209,835	5,026,165	1,626,251	22,609,749	8,191,428	2,243,339	989,506	9,445,261	13,164,488	11,018,407
Previous year	17,314,978	2,747,621	852,764	19,209,835	6,665,091	2,173,798	647,461	8,191,428	11,018,407	10,649,887

NOTE 10 NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2013			As at 31 st March, 2012	
	Face value (In Rs.)	Holding (no. of shares)	Cost (Rs. in Lakhs)	Holding (no. of shares)	Cost (Rs. in Lakhs)
Investment in Equity Instruments: Fully paid					
Other Companies					
Quoted					
ADANI PORTS & SEZ LTD	10	2,500	540,423	2,500	540,423
ARVIND LTD	10	1,00	109,500	1,000	109,500
ASHOK LEYLAND	1	13,000	490,200	13,000	490,200
AVANTEL SOFTECH	10	1,500	118,500	1,500	118,500
BALAJI TELEFILMS LTD.	2	1,000	174,800	1,000	174,800
BANK OF MAHARASHTRA	10	2,500	145,196	3,000	174,235
BHEL	10	800	269,335	800	269,335
BOMBAY DYEING	2	1,500	204,345	1,500	204,345
CHESLIND TEXTILE	10	5,000	175,170	5,000	175,170
DLF LIMITED	2	1,000	577,256	1,000	577,256
ESSAR OIL LIMITED	10	1,600	283,293	1,600	283,292
FEDDERS LLOYD	10	1,100	125,803	1,100	125,803
FOUR SOFT	10	5,000	370,310	5,000	370,310
GANGOTHRI TEXTILES	5	500	11,900	500	11,900
GNFC	10	389	35,710	389	35,710
GRAUER & WEIL (I) LTD	1	38,000	298,935	38,000	298,935
GVK POWER	1	4,000	312,800	4,000	312,800
HCL INFOSYSTEMS	2	333	78,496	333	78,496
HOUSE OF PEARL FINANCE LIMITED	10	-	-	500	42,500
IFCI LIMITED	10	30,500	2,201,548	30,500	2,201,548
INDIA BULLS REAL ESTATE	2	2,500	846,920	2,500	846,920
INDIA CEMENT	10	3,300	528,191	3,300	528,191
INDIA GLYCO	10	-	-	1,000	197,350
JAIN STUDIO LIMITED	10	7,420	309,903	7,420	309,903
JHAGADIA COPPER LTD	10	1,000	24,000	1,000	24,000
KAKATIYA CEMENT	10	8,500	898,171	8,500	898,171
KESORAM INDUSTRIES LTD	10	2,100	775,707	2,100	775,707
KINETIC MOTOR COMPANY	10	2,000	141,135	2,000	141,135
KOTHARI PRODUCTS	10	745	633,214	745	633,214
MANAPURAM FINANCE	2	3,000	189,300	3,000	189,300
MEDIAVEDIO(MVL)	10	600	25,650	600	25,650
MEGA SOFT (VISUAL SOFTWARE)	10	1,216	195,450	1,216	195,450
MERCATORS LINES LIMITED	1	1,000	94,500	1,000	94,500
MOSER BAER	10	1,750	287,475	1,750	287,475
MTNL LTD	10	1,000	176,824	1,000	176,824
NHPC	10	1,000	36,900	1,000	36,900
NTPC	10	500	115,611	500	115,611
OIL INDIA LTD	10	1,250	740,000	500	740,000
ORIENT HOTEL	1	570	19,084	570	19,084
POWER GRID CORPN	10	3,000	404,650	3,000	404,650

PUNJ LYODS	2	500	263,50	500	263,500
RELIANCE POWER LTD	10	400	268,560	400	268,560
SAKTHI SUGAR	10	500	32,925	500	32,925
SHREE RAM URBAN INFRASTRUCTURE LTD 10		500	219,998	500	219,998
SUBROS	2	-	-	1,000	50,600
TATA GLOBAL	1	-	-	1,000	135,400
TATA METALIK	10	500	75,050	500	75,050
TECH MAHINDRA	10	300	229,116	900	992,272
TELE DATA INFO	2	1,000	71,990	1,000	71,990
TELEDATA MARINE SOLUTION	2	500	-		
TELEDATA TECHNOLOGY SOLUTION	2	500	-		
TVS ELECTRONIC	10	2,000	119,553	2,000	119,553
UNITECH	2	1,500	190,875	1,500	190,875
GLENMARK PHARMACEUTICALS LTD	1	100	52,745	-	-
ING VYSYA BANK LTD	10	300	170,100		
GRUH FINANCE LTD	2	300	73,440	-	
			14,734,057		15,655,816
Unquoted					
BIHAR ALLOYS	10	200	2,000	200	2,000
GUPTA CARPET	10	360	11,425	360	11,425
KAYPEE MANTEX	10	100	1,000	100	1,000
KOCHAR OIL MILL LTD	10	100	1,200	100	1,200
S.N.S.LEASING	10	100	650	100	650
TUNGABADRABULP BOARD STD	10	150	750	150	750
W.I.E..ENGINEERNG	10	100	2,500	100	2,500
ZEN GLOBAL FINANCE	10	5,000	75,000	5,000	75,000
			94,525		94,525
			14,828,582		15,750,341
Less: Aggregate Provision for diminution in value of investments			2,668,403		1,991,640
			12,160,179		13,758,701
<u>Investment in Govt. Securities</u>					
9.38% West Bengal SDL	100		200,000		200,000
8.26% UP SDL	100		100,000		100,000
8.47% UP SDL	100		300,000		300,000
8.32% TN SDL	100		190,000		190,000
8.26% GOI Bond	100		150,000		150,000
7.99% MAHA SDL	100		100,000		100,000
9.01% J & K SDL	100		200,000		200,000
8.19% GOI Bond	100		60,000		60,000
8.79% MAHA SDL	100		100,000		100,000
			1,400,000		1,400,000
Total Non-Current Investments			13,560,179		15,158,701
Aggregate Cost of Quoted Shares			14,734,057		15,655,816
Aggregate market value of listed and quoted investments			6,272,502		7,464,601
Aggregate Cost of unquoted Shares			94,525		94,525

Note 11 Long-term loans and advances

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Unsecured, considered good		
Advances & Deposits	424,517	251,517
	424,517	251,517

Note 12 Cash and cash equivalents

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
(a) Cash on hand	856,844	833,252
(b) Balances with banks		
In current accounts	301,842	350,93
In Fixed Deposit Accounts	615,192	600,000
Total	1,373,878	1,468,345

Note 12.1

All Fixed Deposits will be maturing within one year.

Note 13 Short-term loans and advances

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Secured, considered good		
Hypothecation Loans	2,094,365	2,227,431
Vehicle loans	30,734,051	70,791,653
Stock on hire	48,108,455	16,047,439
Unsecured, considered good		
Equipment lease rent receivable	111,567	413,489
Deposits	1,961,191	2,090,001
Loans	2,999,550	1,603,130
Interest Accrued but not due	57,448	46,551
Other loans & advances		
Income Tax (Net of provision)	677,809	600,049
	86,744,436	93,819,743

Note 14 Revenue from operations

Particulars	As at 31st March, 2013 In Rs.	As at 31st March, 2012 In Rs.
Income from Financing Operations		
Interest Receipts	9,097,277	9,951,777
Hire Purchase Profit	5,887,451	3,831,407
Document Charge	12,500	14,500
Lease Rentals	3,421,713	3,742,927
NPA Provisions & Bad Debts Recovered	27,000	4,870
Total	18,445,941	17,545,481

Note 15 Other Income

Particulars	As at 31st March, 2013 In Rs.	As at 31st March, 2012 In Rs.
Dividend Receipts	157,027	190,848
Interest on Govt Securities	184,613	91,530
Interest on Bank FD	-	31,497
Profit on sale of Assets	158,255	-
Miscellaneous Income	227,381	30,578
Total	727,276	344,453

Note 16 Employee Benefits

Particulars	As at 31st March, 2013 In Rs.	As at 31st March, 2012 In Rs.
Salary, Bonus & Commission	787,600	625,600
Managerial Remuneration	1,500,000	1,500,000
Staff Welfare Expenses	82,105	77,949
Total	2,369,705	2,203,549

Note 17 Finance Costs

Particulars	As at 31st March, 2013 In Rs.	As at 31st March, 2012 In Rs.
Interest Expense		
Loan from Bank	3,922,264	3,257,293
Fixed Deposits	1,748,940	1,347,449
Other Interest	632,989	693,260
	6,304,193	5,298,002
Loan Processing Fees	82,951	-
Bank Charges	15,827	136,713
Total	6,402,971	5,434,715

Note 18 Other Expenses

Particulars	As at 31st March, 2013 in Rs.	As at 31st March, 2012 in Rs.
Office Rent	492,000	528,000
Bad Debts	585,683	506,515
Office Expenses	250,724	356,805
Travelling and Conveyance	107,566	296,599
Legal & Professional Fees	284,907	256,505
Vehicle Maintenance	170,906	183,014
Business Promotion Expenses	27,380	168,170
Commission & Brokerage	22,045	159,193
Loss on Investment in shares	185,236	132,730
Parking Charges	103,770	107,260
Audit Fees	86,000	80,252
Loss on sale of assets	-	7,841
Electricity Expenses	34,985	31,527
Repairs & Maintenance Charges	170,764	66,703
Insurance Charges	67,711	29,095
Rates and taxes	85,718	4,253
STT & Share Expenses	9,088	23,221
Advertisement Expenses	101,283	57,564
Directors Sitting Fees	24,000	24,000
Communication Expenses	106,569	107,034
Miscellaneous Expenses	284,041	305,953
Total	3,200,376	3,432,234

NOTE 19 - General

1 Payments to Auditors	2012-2013 in Rs.	2011-12 in Rs.
For Statutory Audit	45,000	40,000
For Tax Audit	10,000	10,000
For Taxation	10,000	10,000
For Other Services	11,000	11,500
For Out of pocket expenses	10,000	8,752
	86,000	80,252
2 Finance Charges	2012-2013 Rs. in Lakhs	2011-2012 Rs. in Lakhs
On Fixed Loans	1,864,862	1,362,244
On Other Loans	4,439,331	3,935,758
	6,304,193	5,298,002

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

4	Payment to Directors	2012-2013 Rs. in Lakhs	2011-2012 Rs. in Lakhs
	A. Interest on Fixed Deposit	189,930	162,726
	B. Sitting Fees	24,000	24,000
	D. Salary & Allowance	1,500,000	1,500,000

5 Related Party Disclosures :

A Related Parties

a. Key Management Personnel :

Mr.Ashok Galada, Managing Director

Mr.Naveen Galada , Executive Director

B Transaction with Related Parties:

Name of the Party	Relationship between the party	Nature of Transaction	Volume of transaction
Shanthi Devi Galada	Managing Director's Wife	Rent	480,000
J. Ashok Galada	Managing Director	Salary	1,500,000
Ashok Galada (HUF)	Managing Director's is member of the Family	Rent	12,000

In accordance with the Accounting Standard 22(Accounting for taxes on income) issued by the Institute of Chartered Accountants of India,the deferred tax liability/ assets as the case may be as at 31st March, 2013 has been changed to/reversed back in the Profit & Loss Account. In Current year liability has been reversed back on account of timing difference of depreciation on Assets.

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Previous year's figures have been re-grouped wherever found necessary.

As per our report of even date attached

For Chandarana & Sanklecha

Chartered Accountants

Firm Registration No. 000557S

For and on behalf of the Board of Directors

Bharat Raj Sanklecha

Proprietor

Membership No. 27539

Place : Chennai

Date : 30.05.2013

J. Ashok Galada

Managing Director

J. Naveen Galada

Executive Director

(iii) Hypothecation loans counting towards EL/HP activities			
(a) Loans where assets have been repossessed		-	
(b) Loans other than (a) above (NET)		9	
(5) Break-up of Investments:			
Current Investments:			
1. Quoted :			
(i) Shares : (a) Equity		-	
(b) Preference		-	
(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others (please specify)		-	
2. Unquoted :			
(i) Shares : (a) Equity		-	
(b) Preference		-	
(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others (please specify)		-	
Long Term Investments:			
1. Quoted :			
(i) Shares : (a) Equity		121	
(b) Preference		-	
(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		14	
(v) Others (please specify) Bank FD		6	
2. Unquoted :			
(i) Shares : (a) Equity		1	
(b) Preference		-	
(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others (please specify)		-	
(6) Borrower group-wise classification of all leased assets, stock on hire and loans and advances :			
Please see Notes 2 below			
Category	Amount net of provisions		
	secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-

2. Other than related parties	768	25	793
Total	768	25	793
(7) Investor group-wise classification of all investments (Current and long term) in shares and securities(both quoted and unquoted): Please see Notes 3 below			
Category	Market Value / Break Up or fair value or NAV		Book Value (Net of Provisions)
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	63		122
Total	63		122
** as per Accounting Standard of ICAI (Please see Note 3)			
(8) Other Information			
Particulars			Amount
(i) Gross Non-Performing Assets (Agreement balance)			
(a) Related parties			
(b) Other than related parties			55
(ii) Net Non-Performing Assets (Agreement balance less advance hire charges/advance interest & provision)			
(a) Related parties			
(b) Other than related parties			24
(iii) Assets acquired in satisfaction of debt			-

Notes

As per our report of even date attached

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

For and on behalf of the Board of Directors

Bharat Raj Sanklecha
Proprietor

J. Ashok Galada
Managing Director

J. Naveen Galada
Executive Director

Place : Chennai

Date : 30.05.2013

CASH FLOW STATEMENT AS AT 31st MARCH 2013

Particulars	As on 31 st March, 2013 Rs. in Lakhs	As on 31 st March, 2012 Rs. in Lakhs
<u>Cash flow from operating activities</u>		
Net profit before Tax and Extra ordinary items	49.56	46.46
Add: Non operating expenses/Non cash flow items		
Adjustment for depreciation	22.43	21.74
Interest & Financial Charges	63.04	52.98
Lease Terminal Adjustment		
Less : Non operating incomes		
Loss on sale of shares	1.85	1.33
(Profit)/Loss on sale of fixed Assets	(1.58)	0.08
Interest on Government Securities.	(1.85)	(1.23)
Dividend Receipts	(1.57)	(1.91)
Operating profit before working capital changes	131.88	119.45
Add/(Less) : Adjustments for working capital changes		
Decrease / (Increase) in stock on Hire	(255.95)	121.75
(Increase) / Decrease in advance & deposits	291.27	(204.60)
Increase in Current Liabilities	3.50	7.97
Cash Generated from Operations	170.70	44.57
Less: Interest Paid	(60.44)	(55.05)
Income Tax paid	(16.78)	(16.50)
Net Cash from Operating activities (A)	93.48	(26.98)
<i>Cash flow from investing activities</i>		
Sale / (Purchase) of Fixed Assets (Net)	(42.31)	(25.42)
Purchase of Investments (Net)	7.37	31.53
Net Cash used in Investing Activities (B)	(34.94)	6.11
<i>Cash Flow from Financing Activities</i>		
Repayment of long term borrowing (Net of repayments)	3.25	71.22
Short Term Borrowings (Net of repayments)	(65.88)	(43.72)

Profit on sale of shares	(1.85)	(1.33)
Interest on Government Securities.	1.85	1.23
Profit on sale of fixed Assets	1.58	(0.08)
Dividend Receipts	1.57	1.91
Dividend Paid	-	-
Net Cash Flow from financing activities (C)	(59.48)	29.23
Net increase in cash and cash equivalents (A+B+C)	(0.94)	8.36
Cash and equivalents as at 31 st March 2012	14.68	6.32
Cash and equivalents as at 31 st March 2013	13.74	14.68
Increase / Decrease in cash equivalents	(0.94)	8.36

For and on behalf of the Board of Directors

Place : Chennai
Date : 30.05.2013

J.Ashok Galada
Managing Director

Naveen Galada
Executive Director

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of Galada Finance Limited derived from the audited Financial Statements for the year ended 31st March 2013. The statement has been prepared by the Company in accordance with requirements of Clause 32 of the listing agreement with the stock exchange. Previous year's figures have been re-grouped wherever found necessary..

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

Bharat Raj Sanklecha
Proprietor
Membership No. 27539

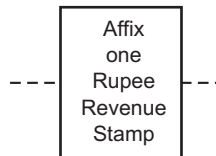
Place : Chennai
Date : 30.05.2013

PROXY FORM

I / We of being Member / Members of Galada Finance Limited hereby appoint of or failing him / her of or failing him / her as my / our Proxy in my / our absence to attend and vote for me / us on my / our behalf at the Twenty SEVENTH ANNUAL GENERAL MEETING of the Company, to be held on 28th July 2013 at 4.00 p.m. and at any adjournment thereof.

As witness my / our hand / hands this day of 2013. Member's Folio Number

Signed by the said



Note : The proxy form must be deposited at the Registered Office of the Company with the Secretarial Department at "Shanti Sadan" Old No. 4, (New No. 7) Shaffee Mohammed Road, Thousand Lights, Chennai - 600 006 not less than 48 hours before the time for holding the meeting.

GALADA FINANCE LIMITED

ATTENDANCE SLIP

I hereby record my presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING at registered office of the Company at "Shanti Sadan" Old NO. 4, (New No. 7) Shaffee Mohammed Road, Thousand Lights, Chennai - 600 006.

Name of the Member (in Block Letters)

Member's Folio Number

Name of the Proxy (in block letters, to be filled in the proxy attends instead of the Member)

No. of shares held

.....
* Members / Proxy's Signature

* To be signed at the time of handing over this slip

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