



Gujarat State Financial Corporation

(Established under State Financial Corporations Act, 1951)

SECRETARIAL CELL

1st Floor, Udyog Bhavan, Sector-11, GH-4, Gandhinagar - 382 010

Phone No.: 23256766 Fax : 23252204

Website: www.gsfc.gujarat.gov.in Email: sec-cell-gsfc@gujarat.gov.in

GSFC/SEC.CELL/C-2

December 19, 2022

The Listing Compliance Department
BSE Ltd,
Phiroz Jeejeebhoy Towers
Dalal Street, Fort, Mumbai 400 001

**Sub: Unaudited financial results for the quarter and half year
ended 30th September, 2022 – Outcome of Board meeting.**

Ref: Stock Code: 532160

Dear Sirs,

Pursuant to Regulations 30 and 33 of SEBI (LODR) Regulations, 2015 and Board meeting intimation on December 12, 2022, it is to be informed that the Board of Directors of the Corporation at its meeting held today, i.e., December 19, 2022, inter alia, considered and approved the unaudited financial results of the Corporation for the quarter/half year ended 30th September, 2022 together with Limited Review Report on the said results issued by Statutory Auditors. The Board meeting was re-scheduled from 3.00 pm to 4.30 p.m. due to pre-occupation of Chairman and it commenced at 4.30 PM and concluded at 5.15 PM. We now forward herewith the following:-

1. Unaudited financial results for the quarter/half year ended September 30, 2022 subjected to Limited Review by the statutory auditors, duly reviewed by Audit Committee and approved by Board of Directors at their respective meetings held today i.e., December 19, 2022.
2. Limited Review Report dated 19-12-2022 on the said financial results issued by Statutory Auditors, M/s. Pankaj R Shah & Associates, Chartered Accountants, Ahmedabad.
3. Extract of the said unaudited financial results being released in daily "Financial Express", Gujarati and English editions of Ahmedabad.

Further, Board of Directors also decided to re-constitute the Audit Committee consisting of Ms. Leena Katdare, Director representing Industries & Mines Department as Chairperson, Shri Sanjay Gupta, Director representing SIDBI



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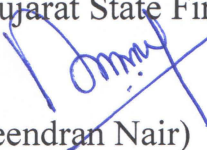
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and Mrs. Ankita R Christian, another Director representing Finance Department as Members. Likewise, the Stakeholders Relationship Committee has been reconstituted consisting of Mrs. Ankita R Christian, Director as Chairperson, Shri Akash Pawar, Director representing SIDBI and Ms. Leena Katdare, Director as Members.

Kindly take the above on record.

Thanking you,

Yours faithfully,
for Gujarat State Financial Corporation,


(Raveendran Nair)
Secretary (Board)

Encl: As above

GUJARAT STATE FINANCIAL CORPORATION
GANDHINAGAR
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

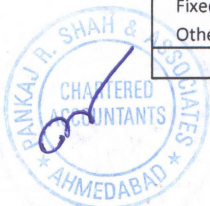
(Rs in Lakh)

PARTICULARS	Quarter ended			Half year ended		Year ended
	30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
1 Interest earned	8.92	11.94	16.34	20.86	69.86	85.11
2 Other Income	236.39	237.94	238.60	474.33	494.49	976.10
3 Total Income (1+2)	245.31	249.88	254.94	495.19	564.35	1061.21
4 Interest Expended	3412.54	3363.91	3365.53	6776.45	6680.81	13373.91
5 Operating Expenditure (i)+(ii)+(iii)	94.20	105.96	189.68	200.16	285.99	519.93
(i) Employees cost	53.98	67.69	131.60	121.67	190.22	328.23
(ii) Other operating expenses	40.22	38.27	52.45	78.49	90.14	174.57
(iii) Bad Debt written off	0.00	0.00	5.63	0.00	5.63	17.13
6 Total Expenditure (4+5)	3506.74	3469.87	3555.21	6976.61	6966.80	13893.84
7 Operating Profit before provisions & contingencies (3-6)	(3261.43)	(3219.99)	(3300.27)	(6481.42)	(6402.45)	(12832.63)
8 Provisions (other than tax) & Contingencies	0.00	0.00	0.00	0.00	0.00	0.00
9 Exceptional items (i)+(ii)	5.86	(29.37)	25.16	(23.51)	(12.26)	51.85
(i) Diminution in the value of investment written back	0.00	0.00	0.00	0.00	0.00	19.41
(ii) Provision for NPA - written back/(provided)	5.86	(29.37)	25.16	(23.51)	(12.26)	32.44
10 Profit(+)/Loss(-) from Ordinary Activities before Tax (7-8-9)	(3255.57)	(3249.36)	(3275.11)	(6504.93)	(6414.71)	(12780.78)
11 Tax expenses	0.00	0.00	0.00	0.00	0.00	0.00
12 Net Profit(+)/Loss(-) from Ordinary Activities after Tax (10-11)	(3255.57)	(3249.36)	(3275.11)	(6504.93)	(6414.71)	(12780.78)
13 Extraordinary items (net of tax expenses)	0.00	0.00	0.00	0.00	0.00	0.00
14 Net Profit(+)/Loss(-) for the period (12-13)	(3255.57)	(3249.36)	(3275.11)	(6504.93)	(6414.71)	(12780.78)
15 Paid-up Equity Share Capital (Face value Rs. 10/- each)	8911.40	8911.40	8911.40	8911.40	8911.40	8911.40
16 Reserves excluding Revaluation Reserves as at 31st March,	---	---	---	---	---	(278209.42)
17 Analytical ratios						
i Percentage of Shares held by Govt. of Gujarat	55.09	55.09	55.09	55.09	55.09	55.09
ii Basic and diluted Earnings Per Share (Not annualized) Rs.	(3.65)	(3.65)	(3.68)	(7.30)	(7.20)	(14.34)
iii NPA Ratio						
a Gross NPA	40649.32	40655.18	40670.52	40649.32	40670.52	40625.81
b Net NPA	40649.32	40655.18	40670.52	40649.32	40670.52	40625.81
c % of Gross NPA to Gross advances	100%	100%	100%	100%	100%	100%
d % of Net NPA to Net advances	100%	100%	100%	100%	100%	100%
e Return on assets	0.00	0.00	0.00	0.00	0.00	0.00

STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	As at	As at
	30.09.22 Unaudited	31.03.22 Audited
<u>CAPITAL AND LIABILITIES</u>		
Capital	9371.88	9371.88
Reserve and Surplus	-284714.35	-278209.42
Deposits	0.00	0.00
Borrowings	66168.42	66168.42
Other liabilities & Provisions	227420.00	220664.97
Total	18245.95	17995.85
<u>ASSETS</u>		
Cash on hand	0.93	1.01
Balance with Banks / GSFS	61.96	78.45
Investment	17508.68	17001.46
Loan & Advances	0.00	0.00
Fixed Assets	252.46	265.33
Other Assets	421.92	649.60
Total	18245.95	17995.85

P.T.O.



CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2022

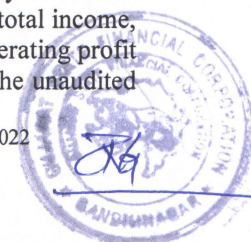
Particulars	For the Half Year ended 30 th September, 2022 (Rs.)	For the Year ended 31 st March, 2022 (Rs.)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax as per Profit & Loss A/c	-65,04,93,136	-1,27,80,77,343
Adjustments :		
Depreciation	12,86,618	28,88,927
Provision for NPA written back		
Diminution/(Reverse Diminution) in Value of Investments	0	-19,41,485
Profit on sale of Investments	0	0
Profit on Sale of Assets	0	0
Dividend Income	0	11,000
Interest Income	-4,66,23,787	-9,45,04,896
Interest on Finance Cost	0	0
Operating Loss before working capital	-69,58,30,305	-1,37,16,45,797
Adjusted for :		
i) Other Assets	-2,79,53,308	-6,83,30,212
ii) Other Liabilities & Provisions	67,55,03,277	1,33,64,41,277
NET CASH USED FROM OPERATING ACTIVITIES (A)	-4,82,80,336	-10,35,34,731
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (After changes in Capital W-I-P)	3	0
Sale of Fixed Assets	0	0
Decrease in Investments	0	0
Dividend Income	0	11,000
Interest Income	4,66,23,787	9,88,95,073
NET CASH USED FROM INVESTING ACTIVITIES (B)	4,66,23,789	9,89,06,073
C) CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	0	0
Net Increase in Cash & Cash Equivalents (A+B+C)	-16,56,547	-46,28,658
Opening Balance of Cash & Cash Equivalents	79,45,735	1,25,74,393
Closing Balance of Cash & Cash Equivalents	62,89,188	79,45,735

Notes:

- The above un-audited financial results together with Limited Review Report were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on December 19, 2022.
- Corporation decided to restore the accounting policy followed till March 31, 2018 in respect of One Time Settlement receipts instead of the one followed now with effect from April 01, 2022. Accordingly, receipts received shall now be apportioned in the order of (i) Penalty and other charges, (ii) interest and (iii) Principal. As a result of the said change, interest earned, total income, NPA provision and Gross and Net NPA shall be increase by Rs.4.77 lakh whereas Operating profit before provision and contingencies shall be decreased by Rs.477 lakh in respect of the unaudited



Result 30 Sept 2022



financial results for the quarter ended June 30, 2022. However, unaudited financial results for the quarter ended June 30, 2022 have already been published, the cumulative figures for the half year ended September 30, 2022 and published figures of the quarter ended June 30, 2022 are taken into consideration for reporting and accordingly reflected in the unaudited financial results for the quarter ended September 30, 2022.

3. Figures for the previous periods have been reclassified or regrouped to conform to the presentation adopted in this statement.
4. Corporation is primarily engaged in the business of term lending. All activities of the Corporation revolve around main business. Hence there are no reportable segments as per AS-17 "Segment Reporting".
5. During the quarter under reference, due to decrease in Loan Assets, Corporation wrote back NPA provision no longer required of Rs.5.86 lakh and shown as exceptional item. However, due to provision of Rs.29.37 lakh during the quarter ended 30th June, 2022, the net effect for the half year ended 30th September, 2022 is provision of Rs.23.51 lakh towards Non-Performing Assets.
6. The Cash Flow Statement, as above, is prepared in accordance with Accounting Standard-3 (indirect method).
7. Statutory Auditors, in the Limited Review Report on the said results, made qualified opinion which along with Management's views is given below:-

Sr. No.	Audit qualification	Management view
1	The financial results of the Corporation are prepared on a going concern basis, notwithstanding the fact that its net worth is completely eroded and defaulted in repayment obligations due to liquidity problems. This is not in accordance with Accounting Standard (AS)-1 "Disclosure of Accounting Policies". The effect of the same on the financial results is not ascertainable.	Gujarat State Financial Corporation is established under State Financial Corporations Act, 1951, a special Act of Parliament enacted pursuant to Entry No. 43 of the Union List. Corporation is, thus, a body corporate and statutory Corporation. The main objective of establishment of the Corporation is aimed at achieving balanced regional growth by extending financial assistance to first generation entrepreneurs to establish micro and small scale units in the State and to generate employment. Corporation discontinued its main functions of sanction and disbursement since FY 2001-02. Corporation has so far suffered immense loss but is continuing its recovery function. Corporation, being a statutory body, thus, prepares accounts on "going concern" assumptions and it is appropriate under the aforesaid circumstances.
2	Dues payable to Government of Gujarat is subject to confirmation and adjustment, if any, required upon such confirmation. Pending such confirmation, the effect thereof on interest and penal interest is not ascertainable.	Government loans are granted as a result of provision in the Budgets of Government of Gujarat and subsequent issuance of Government Resolutions. The Government has been moved to make the loan advanced to the Corporation interest free from 1-7-2012 vide letter dated 17 th October, 2012 followed by submission of information called for by the administrative department from time to time. The request is still under consideration. However, pending decision, interest and penal interest is charged to Statement of Profit & Loss. The outstanding details are submitted to administrative department on quarterly basis. The loan accounts are subjected to verification by other authorities also and no observation was made. In view of this, separate confirmation is not obtained.



Place: Gandhinagar
Date: 19-12-2022



By order of the Board of Directors,

Rahul Gupta

(Dr. Rahul Gupta, IAS)
Managing Director

Result 30 Sept 2022

Pankaj R. Shah & Associates

Chartered Accountants

CA. Dr. Pankaj Shah
B.Com., F.C.A., Ph.D.(Commerce)

CA. Chintan Shah
B.Com., L.L.B., F.C.A.

CA. Nilesh Shah
B.Com., L.L.B., F.C.A.

CA. Manali Shah
B.Com., F.C.A.

CA. Sandip Gupta
B.Com., F.C.A.

7th Floor, Regency Plaza, Opp. Rahul Tower, Near Madhur Hall, Anandnagar Cross Road, Satellite, Ahmedabad - 380015, India. Phone : +91-79-2693 1024, 2693 1026, 2693 2587, Fax : +91-79-2693 2874
URL : <http://www.prsca.in>

Independent Auditor's Limited Review Report

To
The Board of Directors,
Gujarat State Financial Corporation

Introduction:

We have reviewed the accompanying statement of un-audited financial results of Gujarat State Financial Corporation ('the Corporation') for the for the quarter ended on 30-09-2022 and the half year-to-date results for the period 01-04-2022 to 30-09-2022 (the Statement). This statement is the responsibility of Corporation's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statements based on our review.

Scope of Review:

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Basis for qualified conclusion:

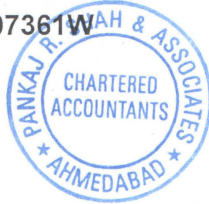
1. The financial results of the corporation are prepared on a going concern basis, notwithstanding the fact that its net worth is completely eroded and defaulted in repayment obligations due to liquidity problems. This is not in accordance with Accounting Standard (AS) - 1 "Disclosure of Accounting Policies". The effect of the same on the financial results is not ascertainable.
2. Dues payable to Government of Gujarat is subject to confirmation and adjustment, if any. Pending such confirmation, the effect thereof on interest and penal interest is not ascertainable.

Qualified Conclusion:

Based on our review conducted as above, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 including the manner in which it is to be disclosed or that it contains any material misstatement.

For, Pankaj R. Shah & Associates
Chartered Accountants
Registration No.: 107361

N. R. Shah



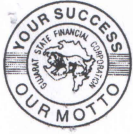
CA Nilesh Shah
Partner

Membership No. 107414

UDIN: 22107414 B F S U D 5005

Place: Ahmedabad

Date: 19-12-2022



Gujarat State Financial Corporation

(Established under State Financial Corporations Act, 1951)

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E-mail: sec-cell-gsfc@gujarat.gov.in

EXTRACT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakh except per share data)

Particulars	Quarter ended 30.09.2022	Half Year ended 30.09. 2022	Corresponding three months ended 30.09.2021
	Reviewed	Reviewed	Reviewed
Total income from Operations (net)	251.17	471.68	280.10
Net profit/loss from ordinary activities after tax (before extra-ordinary items)	(3255.57)	(6504.93)	(3275.11)
Net profit/loss from ordinary activities after tax (after extraordinary items)	(3255.57)	(6504.93)	(3275.11)
Paid-up Equity Share Capital (Face value of Rs.10/-)	8911.40	8911.40	8911.40
Reserves (excluding Revaluation Reserve) as on March 31	-	-	-
Earnings Per Share (EPS) (before and after extraordinary items)			
(a) Basic	*(3.65)	(7.30)*	(3.68)*
(b) Diluted	*(3.65)	(7.30)*	(3.68)*

* Not annualized.

Note:-

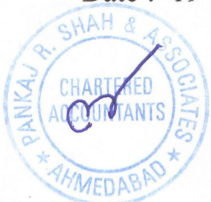
1. The unaudited financial results for the quarter and half year ended 30th September, 2022 along with Limited Review Report thereon issued by the statutory Auditors have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on December 19, 2022.
2. The above is an extract of the detailed format of the quarterly financial results filed with BSE Limited under Regulation 33 of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results is available on BSE Ltd website www.bseindia.com as also on Corporation's website <https://gsfc.gujarat.gov.in>
3. The Limited Review Report in respect of the said un-audited financial results contains qualified opinion. The qualifications and the response of the management thereon are available as part of the detailed Regulation 33 formats posted on both websites named above.

For and on behalf of Board of Directors,

(Dr. Rahul Gupta, IAS)
Managing Director

Place : Gandhinagar

Date : 19-12-2022



Results 30-9-22