



CIN: L99999MH2001PLC134193

37th ANNUAL REPORT

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BOARD OF DIRECTORS

| | |
|-------------------------|--------------------------|
| SHRI GIRDHARILAL BIYANI | - Chairman and CFO |
| SHRI RAMAKANT BIYANI | - Managing Director |
| RITIKA GUPTA | - Non-Executive Director |
| SUYASH BIYANI | - Non-Executive Director |
| MANISH ZANVAR | - Independent Director |
| PARASRAM KABRA | - Independent Director |
| USHA PATEL | - Independent Director |

AUDITORS

M/s. H. P. JADEJA & ASSOCIATES
Chartered Accountants.

REGISTERED OFFICE

815, Stock Exchange Tower,
8th Floor, Dalal Street,
MUMBAI - 400 001.

BANKERS:

HDFC BANK
BANK OF INDIA

TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L B S Marg,
Vikhroli (West),
Mumbai - 400 083.
Tel.: +91-22-49186000
www.linkintime.co.in



CIN : L99999MH2001PLC134193

NOTICE TO THE MEMBERS

Notice is hereby given that the **37th Annual General Meeting** of the members of **GSB Finance Ltd.** will be held via Zoom Call on September 30th, 2020 at 4:30pm.

Due to the current Covid scenario resulting in travel restrictions and health concerns, we GSB Finance Ltd would be hosting our AGM on Zoom call dated September 30th, 2020 at 4:30pm.

Meeting ID: 775 9573 3602

Invite Link: <https://us04web.zoom.us/j/77595733602?pwd=eVYxRFRrTWY1SmJLRTBVUmt4OEZ5Zz09>

Zoom Password: 123456

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2020 together with the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. RAMAKANT BIYANI (DIN: 00523178), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appoint of M/s H. P. Jadeja & Associates, Chartered Accountants, Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration who were appointed statutory auditors for a terms of five years in the last annual general meeting .

For and on behalf of the Board
For GSB FINANCE LTD

Sd/-
RAMAKANT S. BIYANI
(DIN No.: 00523178)
Managing Director

Registered Office:

815, Stock Exchange Tower,
Dalal Street,
Fort,
Mumbai - 400 001.

Date: 07th Sept, 2020

Place: Mumbai



CIN : L99999MH2001PLC134193

NOTICE

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The instrument appointing a proxy, to be effective, should reach the Registered Office of the Company not less than 48 hours before the meeting.
3. The relevant explanatory Statements to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 (hereinafter called "the Act"), which sets out details relating to the Special Business to be transacted at the meeting is annexed hereto.
4. The Register of the members and Share Transfer Books of the Company shall remain closed from 21/09/2020 to 30/09/2020 (both days inclusive).
5. Members desiring any information on the accounts of the Company are requested to write to the Company before meeting date, so as to enable the Company to keep the information ready.
6. Members are requested to notify changes in mailing addresses if any.
7. Members can avail themselves of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled into the Company's R&T Agents. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
8. Members are requested to notify immediately any change of address to the Company's R&T Agents or their respective Depository Participants, in case of shares held in electronic form.
9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate the risks associated with physical shares and for ease in portfolio management. Members can contact the Company's R & T Agents for assistance in this regard.
10. As a measure of austerity, copies of the Annual Report will not be distributed at the Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
11. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.

12. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members with the facility of 'remote-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 37th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).



- a) The voting period begins on Tuesday , September 25 2020 at 09.00am and ends on Thursday, September 29 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 19, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on September 30, 2020.
- b) Members holding shares in physical or in demat form as on September 23, 2020 shall only be eligible for e-voting.
- c) The shareholders should log on to the e-voting website www.evotingindia.com
- d) Click on Shareholders.
- e) Now Enter your User ID;
 - i. I For CDSL: 16 digits beneficiary ID;
 - ii. For NSDL : 8 Character DP ID Followed by 8 Digits Clients ID;
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- f) Next enter the Image Verification as displayed and Click on Login.
- g) If you are holding shares in demat form and had logged in to www.evotingindia.com and voted on an earlier voting of any company, then your exiting password is to be used.
- h) If you are a first-time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | <p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as physical Shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number (refer serial no. printed on the name and address stocker/Postal Ballot Form/Mail) in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in Capital Letters. E.g. If your name is Ramesh Kumar with the sequence number 1 then enter RA00000001 in the PAN Filed. |
| Dividend Bank Details or Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format as recorded in your demat account or in the Company records in order to login if both the details are not recorded with the depository or company please enter the member ID/Folio number in the Dividend Bank Details field as Mentioned in instruction (v).</p> |

- i) After entering these details appropriately, click on SUBMIT tab.



- j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password filed.
- i. Kindly note that this password is to be also used by the demat holder for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ii. For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- iii. Click on the EVSN for the relevant < Company Name > on which you choose to vote.
- iv. On the voting page, you will see "RESOLUTION DESCRIPTION "and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implied that you assent to the Resolution and option NO implied that you dissent to the Resolution.
- v. Click on the RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- vi. After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK: else to change your vote, click on "CANCEL" and accordingly modify your vote.
- vii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- viii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- ix. If Demat account holder has forgotten the change password then Enter the User ID and the image verification code and clock on Forget Password& enter the details as prompted by the system.
- x. Note for Non-Individual Shareholder and Custodians
 1. Non-Individual shareholder (i.e. other than Individuals, HUF, NRI, etc. and Custodian are required to log on to www.evotingindia.com and register themselves as Cooperates.
 2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 3. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 4. The List of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



xi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

- a) General Instructions/ information for members for voting on the Resolutions;
- 1) Facility of voting through Poll paper shall be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the Meeting.
 - 2) Members who have cast their vote by remote-voting may also attend the Meeting, but shall not entitled to vote again at the AGM.
 - 3) The voting rights of shareholder shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut- off date. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e - voting or voting at the AGM.
 - 4) Ms. Neha Y. Saraf (Membership No. 11093), Practicing Company Secretary has been appointed by the Board of Directors of the Company as the Scrutinizer to scrutinize the remote e-voting process as well as voting through poll at the meeting, in a fair and transparent manner.
 - 5) The results shall be declared not later than forty- eight hours from conclusion of the meeting. The results declared along with the Scrutinizer's Report will be placed on the website of the company at www.gsbgroup.co.in and the website of CDSL immediately after the result is declared by the Chairman and will simultaneously be forwarded to BSE Limited, where Equity Shares of the Company are listed.

Members may also note that the Notice of the Annual General Meeting and the Annual Report for financial year 2019-2020 will also be available on the Company's website www.gsbgroup.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost, For any communication, the shareholder may also send request to the Company's investor email id: info@gsbgroup.co.in, gsb203@gmail.com

Date: 07th September, 2020.

For and on behalf of the Board
For GSB FINANCE LTD
Sd/-

RAMAKANT BIYANI
Mg. Director
DIN No.: 00523178

**Annexure to the Item No. - 2 of the Notice**

Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting. In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015:

| | |
|--|--|
| Name of the Director | Mr. Ramakant Biyani |
| Date of Birth | 31/12/1965 |
| Nationality | Indian |
| Date of appointment on the Board | 11/12/2001 |
| Qualifications | B.COM |
| Expertise | In Business |
| No. of Shares held in the company | NIL |
| List of the directorship held in other Company | 1 Company-GSB Securities Private Limited |
| Chairman/Member in the committees of the board of other companies in which he is director | Chairman-Nil M-Stakeholder Committee Re Relationship Comm Nil |
| Relationship, if any, between director's inter se | Father of Mr. Suyash Biyani |
| <ul style="list-style-type: none">• Directorships includes Directorship of other Indian Public Companies and committee memberships includes only y Audit Committed and stake holder' Relationship committed of Public Limited Company (whether Listed or not): | |



DIRECTOR'S REPORT

To,
The Members,

Your Director have pleasure in presenting their 37th Annual Report on the business and operation of the company and the accounts for the Financial year Ended 31st March, 2020.

1. Financial summary or highlights/Performance of the Company (Standalone)

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

| Particulars | 2019-2020 | 2018-2019 |
|---|-------------|-------------|
| Gross Income | 1,77,60,056 | 68,644,460 |
| Profit Before Interest and Depreciation | 34,65,561 | 975,827 |
| Finance Charges | 26,08,700 | 111,664 |
| Provision for Depreciation | 2,33,613 | 202,197 |
| Net Profit Before Tax | 6,23,248 | 661,966 |
| Tax Expenses | (6,37,887) | (258,025) |
| Net Profit After Tax | (14,639) | 4,03,941 |
| Balance of Profit brought forward | 1,87,01,453 | 2,01,92,892 |
| Balance available for appropriation | 1,86,86,814 | 2,05,96,833 |
| Proposed Dividend on Equity Shares | 0 | (15,00,000) |
| Tax on proposed Dividend | 0 | (3,08,381) |
| Transfer to Statutory Reserve Fund | 0 | (87,000) |
| Surplus carried to Balance Sheet | 1,86,86,814 | 1,87,01,452 |

2. Reserve & Surplus:

Out of the total profit of Rs. 14,639 for the financial year, NIL amount is proposed to be transferred to the General Reserve.

3. Change in the nature of business, if any

There is no change in the nature of business.

4. Directors and Key Managerial Personnel

The constitution of board during the year is as follows:

| Sr. No. | Name | Designation | Date of Appointment | Date of Cessation & Mode of Cessation |
|---------|--------------------------|------------------------|---------------------|---------------------------------------|
| 1. | GIRDHARI SAGARMAL BIYANI | CHAIRMAN | 11/12/2001 | - |
| 2. | RAMAKANT SAGARMAL BIYANI | MANAGING DIRECTOR | 11/12/2001 | - |
| 3. | RITIKA SHISHIR GUPTA | NON-EXECUTIVE DIRECTOR | 09/11/2005 | - |
| 4. | SUYASH RAMAKANT BIYANI | NON-EXECUTIVE DIRECTOR | 30/05/2016 | - |

**5. Directors:****A) Changes in Directors and Key Managerial Persons: -**

To appoint a Director in place of Mr. RAMAKANT BIYANI (DIN: 00523178), who retires by rotation and being eligible, offers himself for re-appointment.

B) Declaration by an Independent Director(s) and reelection, if any: - The board of Directors of the Company hereby confirms that they have received the Declaration of the fulfilling the criteria of Independent Director specified in sub section (6) of section 149 of the Companies Act, 2013 from all the Independent directors appointed during the year.

C) Details of Managerial Remuneration required to be Disclosed in Board Report as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| NAME | AMOUNT |
|-------------------------|----------|
| Shri Girdhari S. Biyani | 6,00,000 |
| Shri Ramakant S. Biyani | 6,00,000 |
| Shri Suyash S. Biyani | 6,00,000 |

6. Meetings:**Board Meetings**

During the Financial Year 2019-20, the Company held 5 board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

| No. of Meeting | Date of Meeting |
|----------------|---------------------|
| 1st /19-20 | 30th May, 2019 |
| 2nd/19-20 | 13th August, 2019 |
| 3rd/19-20 | 14th November 2019 |
| 4th/19-20 | 12th February, 2020 |

Annual General Meeting

The 37th Annual General Meeting of the company shall be held on Wednesday, 30/09/2020 at the 4:30 via Zoom Call.

Extra Ordinary General Meeting

As per Section 100 of Companies Act, 2013, Company had not held any Extra Ordinary General Meeting for the financial year 2019-20.

7. Deposit

The Company has neither accepted nor renewed any deposits during the year under review.



8. **Statutory Auditors:**

The Directors proposed to appoint, M/s H.P Jadeja & Associates, Chartered Accountants, will re-appointed at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment as Statutory Auditor u/s 139(1) of the Companies Act, 2013 Subject to Approval in the General Meeting.

9. **Auditors' Report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

10. **Share Capital:**

During the Financial Year, the Company had not issued any Equity shares with Differential rights, any Sweat equity Shares and any Employee stock Option.

11. **EXTRACT OF ANNUAL RETURN:**

www.gsbgroup.co.in

12. **Risk Management Policy:**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

13. **Particulars of Loans, Guarantees Or Investments Under Section 186:**

The Company has not made any Loans and Investments and Guarantees in relation to section 186 of the Companies Act, 2013 during the fiscal year.

14. **Particulars of Contracts Or Arrangements With Related Parties:**

Form AOC- 2 has been attached with the details of a transaction entered with the related parties at an arm's length or not an arm- length basis.

15. **Disclosure Under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2019-20.



16. **Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:**
- A) **Conservation of Energy:** Nil
 - B) **Technology Absorption:** Nil
 - C) **Foreign exchange earnings and outgo:** During the year, the total foreign exchange used was Rs. Nil and the total foreign exchange earned was Rs. Nil

17. **Details of Policy Developed and Implemented by The Company On Its Corporate Social Responsibility Initiatives:**

The provisions Corporate Social Responsibility is not applicable to the company.

18. **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

No Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

19. **Directors' Responsibility Statement:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

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



- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Acknowledgements:

An acknowledgement to all with whose help, co-operation and hard work the Company is able to achieve the results.

Place: Mumbai

Date: 07th September, 2020

For and on behalf of the Board
For GSB FINANCE LIMITED

Ramakant Biyani
Managing Director
DIN: 00523178

**FORM MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]****TO,****THE MEMBERS,****GSB FINANCE LIMITED,**Regd. Office: 78/80, Ali Chamber,
Ground Floor, Tamarind Lane,
Mumbai - 400 001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "GSB FINANCE LIMITED" (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, (subject to the observations/qualification mentioned in this report) in the manner and subject to the reporting made hereinafter,

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956(SCRA) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*Not Applicable to the Company during the Audit Period*);



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to the Company during the Audit Period)*;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(Not Applicable to the Company during the Audit Period)*;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not Applicable to the Company during the Audit Period)*; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 *(Not Applicable to the Company during the Audit Period)*;
- (vi) Other laws were specifically applicable during the audit period.
- (a) The Reserve Bank of India Act, 1934 and Guidelines, Directions and Instructions issued by Reserve Bank of India prescribed thereunder. The Company is registered as a Non-Banking Financial Company (Non-deposit accepting or holding) with Reserve Bank of India.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

I further report that:

- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the resolutions were passed with consent of majority Directors and minutes were prepared accordingly.

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

**For: M/s. N. S. GUPTA & ASSOCIATES
COMPANY SECRETARIES**

Place: Mumbai
Date: 25th August, 2020

**Neha Y. Saraf
Proprietor
C. P. No.: 11093
F009343B000617808**



"ANNEXURE A"

TO,
THE MEMBERS,
GSB FINANCE LIMITED,

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**For: M/s. N. S. GUPTA & ASSOCIATES
COMPANY SECRETARIES**

Place: Mumbai
Date: 25th August, 2020

**Neha Y. Saraf
Proprietor
C. P. No.: 11093**



CEO / CFO CERTIFICATION

The Board of Directors,
GSB Finance Limited,
815, Stock Exchange Tower,
8th Floor, Dalal Street, Fort,
Mumbai-400001

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2020 and that to the best of our knowledge and belief;
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) No transaction is entered into by the company during the year which is fraudulent, illegal or volatile of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - 1) Significant changes in internal control over financial reporting during the year.
 - 2) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR GSB Finance Limited

Ramakant S. Biyani
Managing Director
DIN No.00523178

Place: Mumbai
Date: 07th September, 2020



COMPLIANCE CERTIFICATE

To,
The Members of
GSB Finance Limited,

It is hereby certified and examined that as provided in clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2020.

FOR GSB Finance Limited

Place: Mumbai
Date: 07th Sept, 2020

**Neha Y.
Saraf
Proprietor
C. P. No.: 11093**



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended **31st March, 2020**

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward-looking statements the involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the Company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

Segment-wise Performance:

The Company operates in only one segment for trading and investment in shares and securities. The Business Segments has been identified in accordance with Accounting Standards.

Subsidiary Company:

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

Risk & Concerns:

In the present complex business condition, pretty much every business choice requires chiefs and supervisors to adjust risk and returns. Effective and efficient risk management of the board is subsequently basic to an association's prosperity. Globalization with expanding mix of business sectors, more up to date and more perplexing items and exchanges and an undeniably tough administrative structure has presented associations to and incorporated way to deal with hazards. Ideal and powerful hazard the executives are of prime significance to our proceeded with progress. The manageability of the business is gotten from the accompanying:

- Identification of the different dangers looked by the Company.
- The development of proper frameworks and cycles to gauge and screen them.
- Risk management through proper alleviation methodologies inside the strategy system.
- Monitoring the advancement of the ramifications of such systems and exposing them to periodical review and audit.
- Reporting these hazard relief results to the proper administrative levels.
- There is the danger of misfortune from insufficient or bombed frameworks, cycles or systems. These might be ascribed to human disappointment or specialized issues given the expansion utilization of innovation and staff turnover. Your organization has set up appropriate components to viably diminish such dangers. Every one of these dangers are ceaselessly examined and investigated at a different degree of the board through a compelling data framework.



Opportunities and Threats:

- A portion of the key patterns of the business that are good for the organization to focus on these developing open doors are:
- There are acceptable possibilities for growing further exercises toward this path.
- The new innovation gives a chance to Investment Company to rehearses separated evaluating procedure in the new market. It will empower the firm to keep up its unwavering clients with incredible assistance and draw new clients through other worth situated suggestions.
- The current unpredictable COVID scenario has disrupted every industry and people's livelihoods. Till the lockdown isn't lifted and things don't come back to normal there would be a lot of uncertainty. There is no clear picture from the Government, hence for us to even guide our shareholders about the same would be very difficult.

Some of the key changes in the industry unfavorable to the company are:

- Heightened competition
- Increasing Compliances
- Attraction and retraction of human capital
- Regulatory changes.

Internal Control Systems and their Adequacy:

Internal control systems are embedded in the processes across all functions in the Company. These systems are being regularly reviewed and whenever necessary are modified or redesigned to ensure better and effectiveness. The systems are subjected to supervision by the Board of Directors and Audit Committee, duly supported by Corporate Governance.

Company Complies with all Applicable statutes, polities, procedures, listing requirements and management guidelines. It adheres to applicable accounting standards and policies.

Human Resources:

- The management believes in maintaining cordial relation with employees. The management recognizes the importance of human Resources and effective steps will be taken to strengthen the same depending on the requirements.
- The Company provided excellent working environment so that the individual staff can reach his/her full potential.
- The Company is poised to take the challenges and march towards accomplishing its mission with success.
- The Company maintained good Industrial / Business relation in marked which enhanced the Creditworthiness of the Company.

Cautionary Statement:

Statement in the management Discussion and Analysis describing within the Company's objectives exceptions or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may offer materially from those expressed in the statement. Several factors could make sufficient difference to the Company's Operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company does not have any control.



INDEPENDENT AUDITOR'S REPORT

To the Members of GSB Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Financial statements of GSB Finance Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Due to the COVID-19 pandemic, the lockdown and other restrictions imposed by the Government and Local Administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the management through digital medium.



| Sr. No. | Key Audit Matter | Auditors' Response |
|---------|--|--|
| | <p>Impairment of loans:</p> <p>Management estimates impairment provision using Expected Credit loss model for the loan exposure. Measurement of loan impairment involves application of significant judgment by the management. The most significant judgments are:</p> <p>Timely identification and classification of the impaired loans, and</p> <p>Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors</p> <p>The estimation of Expected Credit Loss (ECL) on financial instruments involve significant judgments and estimates. Following are points with increased level of audit focus:</p> <p>Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of recent RBI's Covid-19 regulatory circulars;</p> <p>Accounting interpretations, modelling assumptions and data used to build and run the models;</p> <p>Measurement of individual borrowers' provisions including Covid- 19 impact assessment of multiple economic scenarios;</p> <p>Inputs and Judgments used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID 19 Pandemic and</p> <p>The disclosures made in financial statements for ECL especially in relation to judgments and estimates by the Management indetermination of the ECL. Refer note 33 to the standalone financial statements.</p> | <p>Principal audit procedures performed:</p> <p>We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company. The parameters and assumptions used and their rationale and basis are clearly documented.</p> <p>We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgments and estimates.</p> <p>These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, multiple economic scenarios, individual provisions and production of journal entries and disclosures.</p> <p>We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31 March 2020 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.</p> <p>We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</p> <p>For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</p> <p>For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.</p> <p>We performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.</p> <p>We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</p> |

Our opinion is not qualified in respect of the above matters



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Management report, but does not include the financial statements and our auditor's report thereon.]

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income, statement of Changes in Equity and statement of the Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29 to the financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.

For H. P. Jadeja & Associates.
Firm Registration Number: **135374W**
Chartered Accountants

Place: Mumbai
Date: 07th September, 2020

Hemantsinh P. Jadeja
Proprietor
Membership Number: **152374**



ANNEXURE A- TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report in the members of GSB Finance Limited ("The Company") for the year ended on 31st March 2020, we report that: -

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) Fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification
- (c) The company does not hold any immovable property. Hence, clause 3(i)(c) about title deeds of immovable properties is not applicable in the present case.
- (ii) Company has inventory in electronic mode hence verification of inventory has been done through demat statement at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) as the company has not granted any loans to parties covered under section 189 clause 3(iii)(a) which deals with terms and conditions of the grant of such loans is not applicable;
 - (b) as the company has not granted any loans to parties covered under section 189 clause 3(iii)(b) which deals with schedule of repayment of principal and payment of interest is not applicable;
 - (c) as the company has not granted any loans to parties covered under section 189 the question of amount being overdue does not arise;
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under Section 185 and hence provisions of Clause 3(iv) of the aforesaid Order in this regard are not applicable to the Company. Further, the Company has complied with provision of Section 186 of the Act in respect of the investments made by it.
- (v) In our opinion and according to the information and explanations given to us, The Company has not accepted any deposits. Hence, clause 3(v) which deals with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are not applicable
- (vi) In our opinion and according to the information and explanations given to us The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (l) of section 148 of the Companies Act.
- (vii) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it. No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2020, for a period of more than six months from the date they became payable.
 - a) According to the records of the Company and information and explanations given to us no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any disputes except as follows:



| Name of the Statute | Nature of Dispute | Amount paid under Protest (Rs in lakhs) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|-------------------|---|------------------------------------|--|
| Income Tax Act, 1961 | Income Tax | 0.07 | AY 2011-12 | Under Re-assessment Proceedings raised on 26.12.2018 |
| Income Tax Act, 1961 | Income Tax | 4.75 | AY 2012-13 | Demand as Per Order u/s. 143(1)(a) |

- (viii) Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.
- (ix) Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not raised any money during the year under review.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) The company is not a Nidhi Company. Hence, clause 3(xii) will not be applicable
- (xiii) The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- | Name of Related Party | Designation | Remuneration |
|--------------------------------|---------------------|--------------|
| 1. Shri Girdhari S. Biyani | Chairman & Director | 6,00,000/- |
| 2. Shri Ramakant S. Biyani | Mg. Director | 6,00,000/- |
| 3. Shri Suyash Ramakant Biyani | Whole Time Director | 6,00,000/- |
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the aforesaid Order are not applicable to the Company.
- (xvi) The company is registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration is enforced for the same.

**For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration No. 135374W**

**Hemantsinh P. Jadeja
Proprietor
Membership No: 152374**

**Date: 07th Sept, 2020
Place: Mumbai**



ANNEXURE B- TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of GSB Finance Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration No. 135374W**

**Date: 07th Sept, 2020
Place: Mumbai**

**Hemantsinh P. Jadeja
Proprietor
Membership No: 152**



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER SEBI
(Listing Obligations and Disclosure Requirements) Regulations
2015 and as per the Listing Agreement**

To,
The
Members,
GSB
Finance
Ltd.,

We have examined the compliance of the conditions of Corporate Governance by GSB Finance Ltd. ('the Company') for the year ended 31st March, 2020, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock exchanges for the period 01st April, 2015 to 30th November, 2015 and as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulations for the period .

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations 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 an 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, and based on representations made by directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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 H.P.Jadeja & Associates
Chartered Accountants Firm
Registration No.135374
CA Hemantsinh P. Jadeja
(Proprietor)
Membership No. 152374

Place: Mumbai
Date: 07th Sept, 2020


BALANCE SHEET AS AT 31st MARCH, 2020

| Particulars | Note No | 2019-20 | 2018-19 |
|--|---------|--------------------|--------------------|
| A ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and cash equivalents | 2 | 113,310 | 1,254,029 |
| (b) Bank Balance other than cash and cash equivalents | 3 | 764,888 | 764,888 |
| (c) Receivables | 4 | | |
| (I) Trade Receivables | - | - | - |
| (II) Other Trade Receivables | - | - | - |
| (d) Loans | 5 | 136,193,717 | 121,402,880 |
| (e) Deposits | 6 | 341,300 | 341,300 |
| (f) Investments | 7 | 1,293,905 | 1,239,000 |
| (g) Income tax assets (net) | 8 | 7,467,294 | 7,182,233 |
| (h) Deferred tax Assets (net) | 9 | 191,744 | 153,001 |
| 2 Non-financial Assets | | | |
| (a) Inventories | 10 | 11,815,371 | 11,769,521 |
| (b) Property, Plant & Equipment | 11 | 322,417 | 556,030 |
| Total Assets | | 158,503,948 | 144,662,883 |
| B LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 1 Financial Liabilities | | | |
| (a) Payable | | | |
| (I) Trade Payable | 12 | | |
| (i) Total outstanding dues of micro enterprises and small enterprises" | | | |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises" | | 9,894 | 3,870 |
| (II) Other Payable | | | |
| (i) Total outstanding dues of micro enterprises and small enterprises" | | - | - |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises" | | 808,346 | 93,418 |
| (b) Borrowings (Other than Debt Securities) | 13 | 42,562,787 | 29,950,301 |
| (c) Others | | | |
| (i) Current financial liabilities | 14 | 1,157,199 | 791,681 |
| 2 Non-Financial Liabilities | | | |
| (a) Provisions | 15 | 705,126 | 426,162 |
| (b) Deferred tax liabilities (Net) | 9 | - | - |
| 3 EQUITY | | | |
| (a) Equity Share capital | 16 | 60,000,000 | 60,000,000 |
| (b) Other Equity | 17 | 53,260,597 | 53,397,453 |
| Total Liabilities and Equity | | 158,503,948 | 144,662,883 |

Significant Accounting Policies and Notes on Accounts
1-35
AS PER OUR REPORT OF EVEN DATE

For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration Number: 135374

For and on behalf of Board of Directors of
GSB Finance Ltd.

Sd/-
Hemantsinh P. Jadeja
Proprietor
Membership No.: 152374
Place: Mumbai
Date: 07th Sept, 2020

Sd/-
Ramakant Biyani
Managing Director
DIN No.: 00523178

Sd/-
Suyash R. Biyani
Director
DIN No.: 07525350


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

| Particulars | Note No | 2019-20 | 2018-19 |
|--|-------------------|-------------------|-------------------|
| (I) Revenue from operations | 18 | | |
| - Interest income | | 9,543,434 | 9,451,878 |
| - Dividend income | | 52 | 375 |
| - Brokerage and commission | | - | 10,273 |
| - Sale of shares | | 8,151,321 | 57,430,772 |
| - Gain on fair value of Financial instruments | | 54,905 | 101,500 |
| - Others | | 6,988 | 1,649,499 |
| Total Revenue from operation | | 17,756,700 | 68,644,297 |
| (II) Other income | 18-B | 3,356 | 163 |
| (III) Total Income | (I + II) | 17,760,056 | 68,644,460 |
| Expenses | | | |
| (i) Finance Cost | 19 | 2,608,700 | 111,664 |
| (ii) Impairment of financial instruments | 20 | - | - |
| (iii) Purchase of Stock in trade | 21 | 8,595,125 | 60,887,036 |
| (iv) Changes in Inventory of Stock in Trade | 22 | (45,850) | 1,214,467 |
| (v) Employee benefit expenses | 23 | 3,464,102 | 2,833,480 |
| (vi) Depreciation, amortization and impairment | 11 | 233,613 | 202,197 |
| (vii) Other expenses | 24 | 2,493,024 | 2,733,650 |
| (IV) Total Expenses | (IV) | 17,348,715 | 67,982,494 |
| (V) Profit before tax | (III - IV) | 411,342 | 661,966 |
| (VI) Tax Expenses | | | |
| Current Tax | | (190,220) | (288,680) |
| Income Tax for earlier Years | | (396,821) | (130,470) |
| Deferred Tax | | 38,843 | 161,125 |
| Transfer to Statutory reserve | | - | (87,000) |
| (VII) Profit After tax | | (136,856) | 316,941 |
| (VIII) Other Comprehensive Income | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | - | - |
| Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Subtotal (A) | | - | - |
| (B) (i) Items that will be reclassified to profit or loss | | - | - |
| Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Subtotal (B) | | - | - |
| Other Comprehensive Income (A) + (B) | | - | - |
| Total Comprehensive Income for the period (VII + VIII) (comprising profit (loss) and other comprehensive Income for the Period) | | (136,856) | 316,941 |
| (VIII) Earning per Share | | | |
| Basic | | (0.02) | 0.05 |
| Diluted | | (0.02) | 0.05 |
| Significant Accounting Policies and Notes on Accounts | 1-35 | | |

AS PER OUR REPORT OF EVEN DATE

For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration Number: 135374

For and on behalf of Board of Directors of
GSB Finance Ltd.

Sd/-
Hemantsinh P. Jadeja
Proprietor
Membership No.: 152374
Place: Mumbai
Date: 07th Sept, 2020

Sd/-
Ramakant Biyani
Managing Director
DIN No.: 00523178

Sd/-
Suyash Biyani
Director
DIN No.: 07525350


STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2020

| PARTICULARS | As on 31st March, 2020 | As on 31st March, 2019 |
|---|---------------------------|---------------------------|
| 1 Cash flow from operating activities | | |
| Profit for the year | (136,856) | 316,941 |
| Adjusted for: | | |
| Depreciation and Amortization expense | 233,613 | 202,197 |
| Unrealized (gain)/loss on Fair valuation of financial Instruments | (54,905) | (101,500) |
| Impairment of Financial Instruments | - | - |
| Dividend Received | (52) | (375) |
| Deferred Tax (Saving)/Expenses | (38,742) | 161,125 |
| Transfer to Statutory Reserve | - | 87,000 |
| Operating Profit / (loss) before working capital changes | 3,058 | 665,388 |
| Changes in Assets and Liabilities | | |
| Adjusted for: | | |
| (Increase)/ Decrease in trade receivables | - | 81,751 |
| (Increase)/ Decrease in Inventories | (45,850) | 1,214,467 |
| (Increase)/ Decrease in other financial assets | (14,845,742) | (28,335,537) |
| Increase/ (Decrease) in trade payables | 720,952 | 3,870 |
| Increase/ (Decrease) in other Liabilities | 365,518 | 742,241 |
| Increase/ (Decrease) in provisions | 278,964 | (910,261) |
| Cash generated from operations | (13,523,100) | (26,538,081) |
| Less: Taxation paid (net off) | (285,061) | (220,751) |
| Net cash from operating activities | (13,808,161) | (26,758,832) |
| 2 Cash flow from Investing activities | | |
| Sale of Investment (net of profit) | 54,905 | 80,100 |
| Dividend received | 52 | 375 |
| Net cash used in investing activities | 54,957 | 80,475 |
| 3 Cash flow from financing activities | | |
| Proceeds from short-term borrowings | 12,612,486 | 29,897,430 |
| Dividend paid (net of tax) | - | (1,808,381) |
| Net cash used in financing activities | 12,612,486 | 28,089,049 |
| Net (Increase/ Decrease) in Cash and Cash Equivalents | (1,140,718) | 1,410,692 |
| Cash and cash equivalent at the beginning of the year | 2,018,917 | 608,225 |
| Cash and cash equivalent at the end of the year | 878,198 | 2,018,917 |
| Total Cash and Cash Equivalents | 878,198 | 2,018,917 |

Significant Accounting Policies and Notes on Accounts
1-33

For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration Number: 135374

For and on behalf of Board of Directors of
GSB Finance Ltd.

Sd/-
Hemantsinh P. Jadeja
Proprietor
Membership No.: 152374
Place: Mumbai
Date: 07th Sept, 2020

Sd/-
Ramakant Biyani
Managing Director
DIN No.: 00523178

Sd/-
Suyash Biyani
Director
DIN No.: 07525350



1 Notes to the Financial Statements for the year ended 31 March 2020

1 - A Overview of the Company

GSB Finance Limited ("the Company") was incorporated on 29th November, 1982 and is primarily engaged into providing financial services, investment (finance and investment) and trading in shares.

1 - B Basis of preparation

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

A Compliance with Ind AS:

The financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to the year ended March 31, 2018 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

These are the first financial statements of the Company under Ind AS. Refer Note 25 for an explanation of how the transition from previously applicable Indian GAAP (hereinafter referred to as 'IGAAP') to Ind AS has affected the financial position, financial performance and cash flows of the Company.

B Historical Cost Conversion

The Financial Statements have been prepared on a historical cost basis except for the following:

"Certain financial assets and liabilities that are measured at fair value "

C Rounding off amounts

The financial statements are presented in INR and all values are rounded off nearest to the Rupees, except when otherwise indicated.

D Significant estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are recognized in the period in which results are known or materialized

E Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating business cycle (12 months) and other criteria set out in the Schedule III to the Act.

F Risk Management amidst due to Covid - 19

The unprecedented health scare caused by COVID-19 which led to a countrywide lockdown will have a varying impact on different sectors of the economy. Salaried individuals may have to contend with a scenario of reduced income and/or job losses. Corporates, SMEs and MSMEs will struggle on account of reduced economic activities and business rhythm that is no longer efficient due to severe disruption in both demand and supply. All these will lead to major cash flow constraints and erosion in the asset value. These developments in turn will severely test risk management frameworks across the financial sector.

On 27 March 2020, the RBI, in order to provide relief on debt servicing obligations, permitted financial institutions to offer moratorium to their borrowers on instalments falling due between 1 March 2020 to 31 May 2020 further extended to 30 August 2020. With uncertainties caused by COVID-19 pandemic including the pace of easing of the lockdown restrictions, the time needed to restart the economy and attaining some level of normalcy, the credit performance and repayment behavior of the customers need to be monitored closely.



An analysis of the customer segments seeking moratorium and their past repayment behavior reflects heightened anxiety from customer. Expectations of elevated default on timely payment of instalments and collection related constraints are likely to result in higher credit costs than witnessed hitherto. The Company has committed for making requisite investment to deepen its collections infrastructure to control its credit costs.

Based on early indicators of moratorium and further extended and delayed payment metrics observed in April to June 2020, the Company has not made a any contingency provision since company's Management is under in process of evaluating overall impacts in future years.

1 - C Significant Accounting Policies

A Property, Plant and Equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any; Historical cost includes expenditure that is directly attributable to the acquisition of the items. No CENVAT credit is avail on the assets capitalized.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the reporting date are disclosed as Capital work-in-progress'.

"On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment."

B Depreciation / amortization on property, plant and equipment

Depreciable amount for Property, plant and equipment is the cost of an asset, less its residual value. Depreciation on Property, plant and equipment is provided on the straight-line method value method over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed of. Leasehold land is amortized over period of lease. Assets costing individually up to 5000 are written off to statement of profit and Loss.

C Impairment of Property, plant and equipment

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

E De-recognition of property, plant and equipment

The carrying amount of an item of Property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of Property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is de-recognized.

F Borrowings and Borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.



Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of Profit and Loss in the period in which they are incurred.

G Financial Instruments - Financial Asset

1 Classification:

The Company classifies its financial assets in the following measurement categories:

- (I) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- (II) Those measured at amortized cost

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

2 Recognition and measurement:

(I) Initial Recognition

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(II) Subsequent Measurement:

After Initial recognition, financial assets are measured at;

- (I) Financial assets carried at amortized cost
- (II) Financial assets at fair value through profit and loss

H Debt Instruments

(I) Measured at amortized cost

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortized cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

(II) Measured at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortized cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as other income in the Statement of Profit and Loss

(III) Measured at fair value through other comprehensive income (FVTOCI)

"Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On de-recognition, cumulative gain/ (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss."

I Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortized cost and FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



For trade receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

J De-recognition of financial asset

A financial asset is de-recognized only when the Company

- (I) has transferred the rights to receive cash flows from the financial asset or
- (II) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

"Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized"

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

K Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on financial liabilities held for trading are recognized in the Statement of Profit and Loss.

L Other Financial liabilities

(I) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(II) Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(III) Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(IV) De-recognition:

A financial liability is de-recognized when the obligation specified in the contract is discharged, cancelled or expires.

M Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**N Equity instruments:**

The Company measures all its investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments as at the transition date in profit and loss and there is change subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss, and Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

O Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposit with original maturity up to three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft, if any; as they are considered as an integral part of Company's cash management.

P Inventories

Stock in trade is valued at lower of cost and net releasable value. Cost is determined on weighted average cost method, which is determined on their specific individual costs which includes only purchase cost.

Q Revenue Recognition

"Revenue is the gross inflow of economic benefits received/receivable by the entity on its own account. revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(I) Sale of Shares

Revenue from sale of shares is recognized at the time of transaction

(II) Interest Income

Interest income is recognized by applying (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking into account the amount outstanding and the applicable interest rate. Interest income is recognized on non-performing assets at net of ECL.

- (a) As the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset
- (b) By considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) in estimating the cash flows
- (c) Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

(III) Dividend Income

Dividend income is recognized when the right to receive the payment is established

(IV) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Company on the balance sheet date is recognized as an unrealized gain / loss. In cases there is a net gain in the aggregate, the same is recognized in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

**R Foreign currency transactions****(I) Functional and presentation currency**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

(II) Transactions and Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss).

Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

All foreign exchange gain / (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense).

S Employee Benefits**Short-term employee benefits**

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognized in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet.

T Income Tax

Tax expense comprises of current and deferred tax.

(I) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period in accordance with Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(II) Deferred tax:

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

U Earnings per share

Earnings per share (EPS) are calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period.

Diluted EPS is determined by dividing the profit / (loss) after tax attributable to equity shareholders for the period by weighted average number of equity shares and potential equity shares outstanding during the year, except where the results are anti-dilutive.

V Leases**(I) As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

(II) As a lessor

Lease income from operating leases where the Company is a lessor is recognized as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income.

The interest income is recognized in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

W Provisions, Contingent liabilities and Contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements; however, they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognized as an asset.

AS PER OUR REPORT OF EVEN DATE

For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration Number: 135374

**For and on behalf of the Board of Director of
GSB Finance Limited**

Hemantsinh P. Jadeja
Proprietor
Membership No.: 152374

Ramakant Biyani
Managing Director
DIN Number: 00523178

Suyash Biyani
Director
DIN No.: 07525350

Place: Mumbai
Date: 07th Sept, 2020


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 2 Cash and Cash Equivalent

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---------------------------------|--------------------------|--------------------------|
| a) Cash on Hand | 75,103 | 268,087 |
| b) Balances with Banks | | |
| HDFC Bank (15778410072335) | 1,000 | 1,000 |
| Bank of India (008620100007070) | 37,207 | 984,942 |
| TOTAL | 113,310 | 1,254,029 |

Note: 3 Bank Balance other than cash and cash equivalents

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 | As at 31st March 2018 |
|-------------------------------|--------------------------|--------------------------|--------------------------|
| a) HDFC Bank (50200027574030) | | 343,918 | 343,918 |
| b) HDFC Bank (50200034071693) | | 420,970 | 420,970 |
| TOTAL | | 764,888 | 764,888 |

Note: 4 Receivable

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| (I) Trade Receivable | | |
| (I) Trade Receivable | | |
| a) Trade Receivables considered good - Secured; | - | - |
| b) Trade Receivables considered good - Unsecured; | | |
| c) Trade Receivables which have significant increase in Credit Risk; and | | |
| d) Trade Receivables - credit impaired | | |
| Total | - | - |
| (II) Others Trade Receivable | | |
| Sundry Debtors- More Than Six Months (Unsecured, Considered Good) | - | - |
| Total | - | - |
| Grand Total | - | - |

Note: 5 Loans

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| a) Loans Receivable Considered Goods - Secured; | - | - |
| b) Loans Receivable Considered Goods - Unsecured; | 136,193,717 | 121,402,880 |
| c) Loans Receivables which have significant increase in credit risk; and | - | - |
| d) Loans Receivables - credit impaired | - | - |
| TOTAL | 136,193,717 | 121,402,880 |

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

NOTE: 6 Deposits

| PARTICULAR | As at 31st March 2020 | | | | As at 31st March 2019 | | | |
|------------------------------------|-----------------------|--------------------------------------|---|----------|-----------------------|--------------------------------------|---|----------------|
| | At Amortized Cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total | At Amortized Cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| Deposits | | | | | | | | |
| (i) Public Deposits | | | | | - | - | - | - |
| (ii) Banks | | | | | - | - | - | - |
| (iii) Others | | | | | - | - | - | - |
| (a) Adarsh Service Station | 5,000 | | | | 5,000 | - | - | 5,000 |
| (b) Deposit to BSE (Under Protest) | 336,300 | | | | 336,300 | - | - | 336,300 |
| Total | 341,300 | - | - | - | 341,300 | - | - | 341,300 |

NOTE: 7 Investments

| PARTICULAR | As at 31st March 2020 | | | | | | As at 31st March 2019 | | | | | |
|---|-----------------------|------------------------------------|------------------------|---|------------------|------------------|-----------------------|------------------------------------|------------------------|---|------------------|------------------|
| | At Amortized Cost | Through other Comprehensive Income | Through Profit or Loss | Designated at fair value through profit or loss | Subtotal | Total | At Amortized Cost | Through other Comprehensive Income | Through Profit or Loss | Designated at fair value through profit or loss | Subtotal | Total |
| (A) Mutual Funds | | | | | | | | | | | | |
| Government Securities | | | | | | | | | | | | |
| Other Approved Securities Debt Securities | | | | | | | | | | | | |
| Equity instruments | 2,500.00 | | 2,500.00 | 2,500.00 | | 2,500.00 | | 2,500.00 | 2,500.00 | | | |
| Western Co-operative Bank Ltd. (250 Equity Shares) (face value Rs. 10)** | | | | | | | | | | | | |
| **Prestige Holiday Resorts Time Shares face value of Rs.60000 each fully paid up Sterling Holiday Resort Time Shares | 1,291,405.00 | | 1,291,405.00 | 1,291,405.00 | | 1,291,405.00 | | | | | | |
| face value of Rs.121600 each fully paid up Venkateshwara Business Finance Ltd. (50,000 Equity Shares) (face value Rs. 10) | | | | | | 1,236,500 | | 1,236,500 | 1,236,500 | | | |
| Subsidiaries | | | | | | | | | | | | |
| Associates | | | | | | | | | | | | |
| Joint ventures | | | | | | | | | | | | |
| Others | | | | | | | | | | | | |
| Gross Total (A) | - | - | 1,293,905 | - | 1,293,905 | 1,293,905 | - | 1,239,000 | - | 1,239,000 | 1,239,000 | 1,239,000 |
| (B) (i) Investments outside India | | | | | | | | | | | | |
| (ii) Investments in India | | | 1,293,905 | | 1,293,905 | 1,293,905 | | 1,239,000 | | 1,239,000 | 1,239,000 | 1,239,000 |
| Gross Total (B) | - | - | 1,293,905 | - | 1,293,905 | 1,293,905 | - | 1,239,000 | - | 1,239,000 | 1,239,000 | 1,239,000 |
| Total (A) to tally with (B) | | | | | | | | | | | | |
| (C) Less: Allowance for impairment loss | | | | | | | | | | | | |
| (D) Net (A) - (C) | - | - | 1,293,905 | - | 1,293,905 | 1,293,905 | - | 1,239,000 | - | 1,239,000 | 1,239,000 | 1,239,000 |

Note**: Investments in Western co operative bank is considered to be valued at market price equivalent to its cost due to absence of records and value involved in it.




NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 8 Income Tax

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|--------------|--------------------------|--------------------------|
| Income Tax | 7,467,294 | 7,182,233 |
| TOTAL | 7,467,294 | 7,182,233 |

Note: 8 (A) Amount recognized in profit and loss

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| Current income tax | 190,220 | 288,680 |
| Changes in estimates related to prior period | - | - |
| Other Adjustments | - | 130,470 |
| | 190,220 | 419,150 |
| Deferred income tax liability / (asset), net Origination and reversal of temporary differences | 38,843 | 161,125 |
| Deferred tax expense/(Savings) | 38,843 | 161,125 |
| Tax expense for the year | 229,063 | 258,025 |

Note: (B) Reconciliation of effective tax rate

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| Profit before tax | 411,342 | 661,966 |
| Tax using the Company's domestic tax rate (31 March 2020: 26%, 31 March 2019 : 26 %) | 106,949 | 172,111 |
| Tax effect of: Other Adjustments | 122,114 | 85,914 |
| | 229,063 | 258,025 |

Note: 9 Deferred tax liabilities / Assets (Net)

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| (A) Deferred Tax Liability On account of written down value of assets | 13,140 | 23,620 |
| (B) Deferred Tax Assets On account of losses | 204,884 | 176,621 |
| TOTAL | 191,744 | 153,001 |

Note: 10 Inventories

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|------------------|--------------------------|--------------------------|
| a) Closing Stock | 11,815,371 | 11,769,521 |
| TOTAL | 11,815,371 | 11,769,521 |

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

NOTE: 11 Property, Plant & Equipment

| Gross Block | Office Premises | Office Equipment | Furniture & Fixture | Motor Car | Fire Fighting Equipment | Electrical Equipments | Air-conditioning Machines | Total |
|--|-------------------|-------------------|---------------------|-------------------|-------------------------|-----------------------|---------------------------|----------------|
| Balance as on 01 April 2016 | 481,913 | 33,179 | 41,631 | 886,392 | 270 | 94,653 | 383,572 | |
| Additions | - | - | - | - | - | - | 55,000 | |
| Balance as on 01 April 2017 | 481,913 | 33,179 | 41,631 | 886,392 | 270 | 94,653 | 438,572 | |
| Additions | - | 93,000 | - | - | - | - | 41,000 | |
| Balance as on 01 April 2018 | 481,913 | 126,179 | 41,631 | 886,392 | 270 | 94,653 | 479,572 | |
| Additions | - | - | - | - | - | - | - | |
| Balance as on 01 April 2019 | 481,913.48 | 126,179.00 | 41,631.00 | 886,392.00 | 270.00 | 94,653.00 | 479,572.02 | |
| Accumulated Depreciation and Amortization | | | | | | | | |
| As on 01.04.2016 | 258,647 | - | 5,580 | 427,185 | - | 49,675 | 206,079 | |
| Depreciation and Amortization | 5,617 | - | 3,955 | 132,416 | - | 16,745 | 34,297 | 193,030 |
| As on 01.04.2017 | 264,264 | - | 9,535 | 559,601 | - | 66,420 | 240,376 | |
| Depreciation and Amortization | 5,617 | 19,178 | 3,955 | 132,416 | - | 16,745 | 34,276 | 212,187 |
| As on 01.04.2018 | 269,881 | 19,178 | 13,490 | 692,017 | - | 83,165 | 274,652 | |
| Depreciation and Amortization | 5,617 | 19,178 | 3,955 | 132,416 | - | 6,755 | 34,276 | 202,197 |
| Balance as at 31st March 2019 | 275,498 | 38,356 | 17,445 | 824,433 | - | 89,920 | 308,928 | |
| Depreciation and Amortization | - | 23,974 | 3,955 | 105,303 | 270 | 8,992 | 91,119 | |
| Balance as at 31st March 2020 | 275,498 | 62,330 | 21,400 | 929,736 | 270 | 98,912 | 400,047 | |
| Net Block | | | | | | | | |
| Balance as at 01st April, | 217,649 | 33,179 | 32,096 | 326,791 | 270 | 28,233 | 198,196 | 836,414 |
| 2017 Balance as at 31st | 212,032 | 107,001 | 28,141 | 194,375 | 270 | 11,488 | 204,920 | 758,227 |
| March 2018 Balance as at | 206,415 | 87,823 | 24,186 | 61,959 | 270 | 4,733 | 170,644 | 556,030 |
| 31st March 2019 Balance | 206,415 | 63,849 | 20,231 | (43,344) | - | (4,259) | 79,525 | 322,417 |
| as at 31st March 2020 | | | | | | | | |




NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 12 Payables*

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| Payable | | |
| (I) Trade Payable | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,894 | 3,870 |
| Total (A) | 9,894 | 3,870 |
| (II) Other Payable | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 808,346 | 93,418 |
| Total (B) | 808,346 | 93,418 |
| Grand Total (A + B) | 818,240 | 97,288 |

Note:*** The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid / payable as required under the said Act are 'NIL' as given below. This information has been relied upon by the auditor.

| PARTICULARS | 2019-20 | 2018-19 |
|--|---------|---------|
| 1 The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | NIL | NIL |
| 2 The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | NIL | NIL |
| 3 The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | NIL | NIL |
| 4 The amount of interest accrued and remaining unpaid at the end of each accounting year; | NIL | NIL |
| 5 The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | NIL | NIL |

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

NOTE: 13 Borrowings (Other than Debt Securities)

| PARTICULAR | As at 31st March 2020 | | | | As at 31st March 2019 | | | |
|---|-----------------------|--------------------------------------|---|-------------------|-----------------------|--------------------------------------|---|-------------------|
| | At Amortized Cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total | At Amortized Cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| Deposits | | | | | | | | |
| (A) (a) Term Loan | | | | - | - | - | - | - |
| (i) From Banks | | | | - | - | - | - | - |
| (ii) From other Parties | 8,756,853 | | | 8,756,853 | - | - | - | - |
| (b) Deferred payment Liabilities | | | | - | - | - | - | - |
| (c) Loans from related parties* | 33,805,934 | | | 33,805,934 | 29,950,301 | - | - | 29,950,301 |
| (d) Finance lease obligation | | | | - | - | - | - | - |
| (e) Liability component of compound financial instruments | | | | - | - | - | - | - |
| (f) Loans repayable on demand | | | | - | - | - | - | - |
| (i) From Banks | | | | - | - | - | - | - |
| (ii) From other parties | | | | - | - | - | - | - |
| (g) Other Loans | | | | - | - | - | - | - |
| | | | | - | - | - | - | - |
| Gross Total (A) | 42,562,787 | - | - | 42,562,787 | 29,950,301 | - | - | 29,950,301 |
| (B) Borrowings in India | 42,562,787 | - | - | 42,562,787 | 29,950,301 | - | - | 29,950,301 |
| Borrowings outside India | | | | | | | | |
| Total (B) to tally with (A) | 42,562,787 | - | - | 42,562,787 | 29,950,301 | - | - | 29,950,301 |

Note " *" Refer related party note separately




NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 14 Current Liabilities

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|------------------------------|--------------------------|--------------------------|
| (a) Statutory Dues | | |
| TDS On Director Remuneration | 30,000 | - |
| TDS On Contract payment | - | 1,488 |
| TDS On Interest Paid | 272,015 | 11,145 |
| TDS On Professional Charges | 85,230 | 9,094 |
| GST on Brokerage Payable | 5,066 | 5,066 |
| (b) Others | | |
| Dividend Payable 16-17 | 343,918 | 343,918 |
| Dividend Payable 17-18 | 420,970 | 420,970 |
| TOTAL | 1,157,199 | 791,681 |

Note: 15 Provisions

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| (A) Others | | |
| Contingent Provisions against Standard Assets | 303,000 | 303,000 |
| Additions in Current Year | 211,906 | |
| A | 514,906 | 303,000 |
| Previous for Taxations | 190,220 | 123,162 |
| B | 190,220 | 123,162 |
| A + B | 705,126 | 426,162 |

Note: 16 Equity Share Capital

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| AUTHORISED | | |
| 60,00,000 (Previous Year 60,00,000) equity shares of Rs.10/- each | 60,000,000 | 60,000,000 |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 60,00,000 (Previous Year 60,00,000) equity shares of Rs.10/- each | 60,000,000 | 60,000,000 |
| TOTAL | 60,000,000 | 60,000,000 |

| PARTICULARS | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| (A) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year: | | |
| Number of shares outstanding at the beginning of the year | 60,000,000 | 6,000,000 |
| Add: Additions during the year | - | - |
| Less: Deductions during the year | - | - |
| Number of shares outstanding at the end of the year | 60,000,000 | 6,000,000 |



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

(B) Terms/ Rights and restriction attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is entitled to vote in proportion to his share of the paid-up equity capital of the Company except upon voting by "Show of hands" where one shareholder is entitled to one vote. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholdings.

(C) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

| Sr. No. | Name of Shareholders | As at 31st March 2020 | | As at 31st March 2019 | |
|---------|------------------------------------|-----------------------|------------------|-----------------------|------------------|
| | | Holding % | Number of Shares | Holding % | Number of Shares |
| 1 | Shri Girdhari S. Biyani | 5.82 | 349,103 | 5.82 | 349,103 |
| 2 | Shri Ramakant S. Biyani | 9.13 | 547,547 | 9.13 | 547,547 |
| 3 | Smt. Neelam Ramakant Biyani | 7.69 | 461,533 | 7.69 | 461,533 |
| 4 | Smt. Sushma Girdhari Biyani | 7.23 | 433,576 | 7.23 | 433,576 |
| 5 | GSB Capital Markets Ltd. | 9.5 | 570,000 | 9.5 | 570,000 |
| 6 | GSB Securities Pvt. Ltd. | 9.5 | 570,000 | 9.5 | 570,000 |
| 7 | GSB Shares Custodian Services Ltd. | 6.25 | 375,098 | 6.25 | 375,098 |

(D) There are no shares reserved for issue under options or contracts/commitments for the sale of shares/ disinvestment as at 31 March 2020 and 31 March 2019.

(E) The Company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash nor bought back any shares for the period of five years immediately preceding 31 March 2018 and 31 March 2019.

(F) The Company does not have any securities convertible into equity or preference shares as at 31 March 2020 and 31 March, 2019.

(H) The Company does not have any unpaid calls as at 31 March 2020 and 31 March 2019.

Note: 17 Other Equity

As at 31st March 2020

| PARTICULARS | Reserve & Surplus | | | | | Total |
|--|--------------------|-----------------|---------------------------------|-------------------|--|------------|
| | Statutory Reserves | Capital Reserve | Other Reserves (specify nature) | Retained Earnings | Other items of Other Comprehensive Income (specify nature) | |
| Balance at the beginning of the reporting period | 24,696,000 | 10,000,000 | - | 18,701,453 | - | 53,397,453 |
| Change due to Fair Value Gain** | - | - | - | 54,905 | - | 54,905 |
| Changes due to expected credit loss model** | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | - | (191,761) | - | (191,761) |
| Transfer to retained earnings | - | - | - | - | - | - |
| Balance at the end of the reporting period | 24,696,000 | 10,000,000 | - | 18,564,597 | - | 53,260,597 |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
As at 31st March 2019

| PARTICULARS | Reserve & Surplus | | | | | Total |
|--|--------------------|-------------------|---------------------------------|-------------------|--|-------------------|
| | Statutory Reserves | Capital Reserve | Other Reserves (specify nature) | Retained Earnings | Other items of Other Comprehensive Income (specify nature) | |
| Balance at the beginning of the reporting period | 24,609,000 | 10,000,000 | - | 20,192,893 | - | 54,801,893 |
| Change due to Fair Value Gain** | - | - | - | 101,500 | - | 101,500 |
| Changes due to expected credit loss model** | - | - | - | - | - | - |
| Total Comprehensive Income for the year | 87,000 | - | - | 215,441 | - | 302,441 |
| Add: Dividend | - | - | - | (1,500,000) | - | (1,500,000) |
| Transfer to retained earnings | - | - | - | - | - | - |
| Any other change (to be specified) | - | - | - | - | - | - |
| Less: Dividend Distribution Tax | - | - | - | (308,381) | - | (308,381) |
| Balance at the end of the reporting period | 24,696,000 | 10,000,000 | - | 18,701,453 | - | 53,397,453 |

Note "**": its already adjusted in comprehensive income but user specific presented separately.

Note: 18 Revenue from operations

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|--|------------------------------------|------------------------------------|
| Interest income | 9,543,434 | 9,451,878 |
| Dividend income | 52 | 375 |
| Mutual Fund Brokerage | - | 10,273 |
| Sales Of Shares | 8,151,321 | 57,430,772 |
| Fair Value gain on Financial instruments | 54,905 | 101,500 |
| Others | - | - |
| Speculation Profit | 6,988 | 1,638,122 |
| Sundry balances written off | - | 11,377 |
| | 6,988 | 1,649,499 |
| TOTAL | 17,701,795 | 68,542,797 |

Note: 18A Details of Interest Income

| PARTICULARS | 2019-20 | | | 2018-19 | | |
|--------------------------|--|---|---|--|---|---|
| | On Financial Assets measured at fair Value through OCI | On Financial Assets measured Amortised Cost | Interest Income on Financial Assets Classified at fair value through profit or loss | On Financial Assets measured at fair Value through OCI | On Financial Assets measured Amortised Cost | Interest Income on Financial Assets Classified at fair value through profit or loss |
| Interest income on Loans | - | 9,543,434 | - | - | 9,451,878 | - |
| TOTAL | - | 9,452,041 | - | - | 8,511,155 | - |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

| PARTICULARS | 2019-20 | | | 2018-19 | | |
|-------------------------------|--|---|---|--|---|---|
| | On Financial Assets measured at fair Value through OCI | On Financial Assets measured Amortised Cost | Interest Income on Financial Assets Classified at fair value through profit or loss | On Financial Assets measured at fair Value through OCI | On Financial Assets measured Amortised Cost | Interest Income on Financial Assets Classified at fair value through profit or loss |
| Interest on Income Tax Refund | - | 3,356 | - | - | 163 | - |
| TOTAL | - | 3,356 | - | - | 163 | - |

Note: 19 Finance Cost

| PARTICULARS | For the Year ended 31st March 2020 | | For the Year ended 31st March 2019 | |
|------------------------------|--|--|--|--|
| | On Financial liability measured at fair value through profit or loss | On Financial liability measured Amortised Cost | On Financial liability measured at fair value through profit or loss | On Financial liability measured Amortised Cost |
| (I) Interest on borrowings | - | 2,608,700 | - | 111,446 |
| (II) Other Interest expenses | - | - | - | 218 |
| TOTAL | - | 2,608,700 | - | 111,664 |

Note: "": Since the company does not have any receivable on which credit loss model is applicable

Note: 20 Impairment of financial instruments

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|--|------------------------------------|------------------------------------|
| (I) Provision as per expected credit loss - model* | - | - |
| TOTAL | - | - |

Note: 21 Purchase of Stock in trade

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|--|------------------------------------|------------------------------------|
| Purchases of Shares | 8,151,754 | 58,306,228 |
| Eq. Derivatives (Losses/Gain) (Net Of Gains) | 412,466 | 2,080,215 |
| Demat / Holding Delivery Charges | 2,420 | 8,326 |
| Other Charges | 1,025 | 5,940 |
| Education Cess | - | -\ |
| Security Transaction tax | 17,704 | 260,995 |
| Service Tax | - | - |
| Stamp Charges | 585 | 83,349 |
| Turn Over Charges | 373 | 85,059 |
| Goods and Service Tax On Security Transactions | 8,798 | 56,924 |
| TOTAL | 8,595,125 | 60,887,036 |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 22 Changes in Inventory of Stock in Trade

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|----------------------------|---------------------------------------|---------------------------------------|
| Stock in trade: | | |
| Opening Stock | 11,769,521 | 12,983,988 |
| Less: Closing Stock | 11,815,371 | 11,769,521 |
| TOTAL | (45,850) | 1,214,467 |

Note: 23 Employee benefit expenses

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|---------------------------|---------------------------------------|---------------------------------------|
| Director's Remuneration | 1,800,000 | 1,600,000 |
| Salary & Bonus | 1,517,975 | 1,103,700 |
| Staff Welfare Expenses | 146,127 | 115,580 |
| Others | | |
| Professional Tax - Salary | - | 14,200 |
| TOTAL | 3,464,102 | 2,833,480 |

Note: 24 Other expenses

| PARTICULARS | For the Year ended 31st March 2020 | For the Year ended 31st March 2019 |
|--|---------------------------------------|---------------------------------------|
| Advertisement & Publicity | 51,134 | 64,380 |
| Annual Fees Stock Exchange | 300,000 | 246,147 |
| Bank Commission/Charges | 1,325 | 5,901 |
| Conveyance Expenses | 107,268 | 94,644 |
| Depository Charges | 32,515 | 37,142 |
| Dividend Distribution Exp & tax | - | 36,505 |
| Donation | - | 2,830 |
| Electricity Charges | - | 57,366 |
| Franking Charges | - | 3,120 |
| General Expenses | 46,869 | 192,876 |
| GST Expenses | | |
| CGST on Expenses | 59,056 | 102,103 |
| SGST on Expenses | 61,837 | 102,103 |
| Legal & Professional Fees | 949,898 | 181,907 |
| Motor Car Expenses (Incl. Insurance Charges) | 12,006 | 209,006 |
| Newspaper & Periodicals | 23,213 | 20,254 |
| For statutory audit fees | 41,490 | 41,490 |
| For tax audit fees | 9,450 | 9,450 |
| Postage & Courier Charges | 70,771 | 373,241 |
| Printing & Stationery Expenses | 142,105 | 230,699 |
| Profession Tax (Company) | - | 2,500 |
| Profession Tax (Director) | - | 10,000 |
| Penalty | 56,640 | - |
| Repairs & Maintenance (Incl. Computer Maintenance) | 30,588 | 201,598 |
| ROC Fees | 5,000 | - |
| Rounding off | 20 | 1 |
| Sales Promotion Expenses | 87,973 | 121,295 |
| Share Registrar Fees | 78,101 | 84,917 |
| Telephone & Mobile Expenses | 78,650 | 64,962 |
| Travelling Expenses | - | 21,243 |
| Water Charges | 35,210 | 32,625 |
| Written off | - | 131,684 |
| Provision as per RBI - Norms - Created/Reversal | 211,906 | -69,940 |
| Membership fees written off (sterling holidays) | - | 121,600 |
| TOTAL | 2,493,024 | 2,733,650 |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note: 25 Related Party Information

| Sr. Nos. | Name of the Related Party | Description of relationship | Description of relationship |
|----------|---------------------------------|-----------------------------|-----------------------------|
| 1 | GSB Capital Markets Ltd | Group Company | Group Company |
| 2 | GSB Security Pvt Ltd | Group Company | Group Company |
| | Key Management personnel | | |
| 1 | Shri Girdhari S. Biyani | Chairman | Chairman |
| 2 | Shri Ramakant S. Biyani | Managing Director | Managing Director |
| 3 | Shri Suyash Ramakant Biyani | Director | Director |

Note: 25A Transaction with the Related Party

| Sr. Nos. | Name of the related Party | Name of Transactions | 2019-20 | 2018-19 |
|----------|-----------------------------|----------------------|------------|------------|
| 1 | GSB Security Pvt Ltd | Loan | 33,805,934 | 29,950,301 |
| 2 | GSB Capital Markets Ltd | Brokerage | 119 | 785,849 |
| 3 | GSB Security Pvt Ltd | Brokerage | 20,563 | - |
| 4 | Shri Girdhari S. Biyani | Remuneration paid | 600,000 | 600,000 |
| 5 | Shri Ramakant S. Biyani | Remuneration paid | 600,000 | 600,000 |
| 6 | Shri Suyash Ramakant Biyani | Remuneration paid | 600,000 | 400,000 |

Note: 25B Balance Receivable/Payable from related party are as follows

| Sr. Nos. | Name of the related Party | Name of Transactions | 2019-20 | 2018-19 |
|----------|---------------------------|----------------------|------------|------------|
| 1 | GSB Security Pvt Ltd | Loan | 31,926,301 | 29,950,301 |
| 2 | GSB Capital Markets Ltd | Loan | 1,879,633 | - |

Note: 26 Fair Value Measurements

Financial Instruments by Category

| Sr. Nos. | PARTICULARS | As at March 31, 2020 | | | As at March 31, 2019 | | |
|----------|---|----------------------|----------|--------------------|----------------------|----------|--------------------|
| | | FVPL | FVOCI | Amortised Cost | FVPL | FVOCI | Amortised Cost |
| | Financial Assets | | | | | | |
| 1 | Cash and cash equivalents | - | - | 113,310 | - | - | 1,254,029 |
| 2 | Bank Balance other than cash and cash equivalents | - | - | 764,888 | - | - | 764,888 |
| 3 | Receivables | | | | | | |
| | Trade Receivables | - | - | - | - | - | - |
| | Other Trade Receivables | - | - | - | - | - | - |
| 4 | Loans | | | 136,193,717 | | | 121,402,880 |
| 5 | Deposits | | | 341,300 | | | 341,300 |
| 6 | Investments | 1,293,905 | - | - | 1,239,000 | - | - |
| | TOTAL | 1,293,905 | - | 137,413,215 | 1,239,000 | - | 123,763,097 |
| | Financial Liabilities | | | | | | |
| 1 | Payable | | | | | | |
| | Trade Payable | - | - | 9,894 | - | - | 3,870 |
| | Other Payable | - | - | 808,346 | - | - | 93,418 |
| 2 | Borrowings (Other than Debt Securities) | - | - | 42,562,787 | - | - | 29,950,301 |
| 3 | Others | | | | | | |
| | Current financial liabilities | | | 1,157,199 | | | 791,681 |
| | TOTAL | - | - | 44,538,226 | - | - | 30,839,270 |



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Notes 27 Financial Risk Management

Risk Management is an integral part of the business practices of the Company. The framework of Risk Management concentrates on formalizing a system to deal with the most relevant risks, building on existing Management practices, knowledge and structures. With the help of a reputed consultancy firm, the Company has developed and implemented a comprehensive Risk Management System to ensure that risks to the continued existence of the Company as a going concern and to its growth are identified and remedied on a timely basis. While defining and developing the formalized Risk Management System, leading standards and practices have been considered. The Risk Management System is relevant to business reality, pragmatic and simple and involves the following:

- 1 Risk identification and definition**
Focused on identifying relevant risks, creating updating clear definitions to ensure undisputed understanding along with details of the underlying root causes contributing factors.
- 2 Risk classification:**
Focused on understanding the various impacts of risks and the level of influence on its root causes. this involves identifying various processes generating the root causes and clear understanding of risk interrelationships.
- 3 Risk assessment and prioritization**
Focused on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and existing mitigation controls
- 4 Risk mitigation**
Focused on addressing critical risks to restrict their impact(s) to an acceptable level (within the defined risk appetite). This involves a clear definition of actions, responsibilities and milestones.
- 5 Risk reporting and monitoring**
Focused on providing to the Board and the Audit Committee periodic information on risk profile evolution and mitigation plans.

Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

| As at March 31, 2020 | Note s | Carrying Amount | Less than 12 Months | More than 12 Months | Tota l |
|---|-----------|--------------------|------------------------|------------------------|------------|
| Borrowings (Other than Debt Securities) | 13 | 42,562,787 | 10,636,486 | 31,926,301 | 42,562,787 |
| Payable | 12 | | | | |
| Trade Payable | | 9,894 | 6,024 | 3,870 | 9,894 |
| Other Payable | | 808,346 | 808,346 | - | 808,346 |
| Others | | | | | |
| Other Financial Liabilities | 14 | 1,157,199 | 1,157,199 | | 1,157,199 |

| As at March 31, 2019 | Note s | Carrying Amount | Less than 12 Months | More than 12 Months | Tota l |
|---|-----------|--------------------|------------------------|------------------------|------------|
| Borrowings (Other than Debt Securities) | 13 | 29,950,301 | 29,950,301 | - | 29,950,301 |
| Payable | 12 | - | | | |
| Trade Payable | | 3,870 | 3,870 | - | 3,870 |
| Other Payable | | 93,418 | 93,418 | - | 93,418 |
| Others | | | | | |
| Other Financial Liabilities | 14 | 791,681 | 791,681 | | 791,681 |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
Note 28 Management of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual Obligation

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors and countries. All trade receivables are reviewed and assessed for default on a quarterly basis.

Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Reconciliation of loss allowance provision – Trade receivables

| PARTICULARS | | As at March 2020 |
|-------------|----------------------------------|------------------|
| 1 | Loss allowance on April 01, 2017 | 1,425,900 |
| | Changes in loss allowance | 855,940 |
| 2 | Loss allowance on March 31, 2018 | 81,751 |
| | Changes in loss allowance | 49,450 |
| 3 | Loss allowance on March 31, 2019 | - |
| | Changes in loss allowance | - |
| 4 | Loss allowance on March 31, 2020 | - |

Note 29 Confirmation of balances have been received from most of the sundry debtors, loans and advances. In the opinion of the board current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

Note 30 Risk Management

The primary objective of Capital Management of the Company is to maximize Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity.

| PARTICULARS | As at March 2020 | As at March 2019 |
|-----------------------|------------------|------------------|
| 1 Total Debt | 42,562,787.00 | 29,950,301.00 |
| 2 Total Equity | 60,000,000.00 | 60,000,000.00 |
| 3 Debt - Equity Ratio | 0.71 | 0.50 |

Note 31 Earning per shares

Basic earnings per share is computed using the weighted average number of equity share outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity share. Diluted potential equity share deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity share is determined independently for each period presented. The number of equity share and potentially dilutive equity share are adjusted for bonus share, as appropriate.

| PARTICULARS | As at March 2020 | As at March 2019 |
|--|------------------|------------------|
| 1 Profit for the Year attributable to equity shareholders | (136,856.18) | 316,941.09 |
| 2 Basic Weighted average number of Equity shares outstanding during the year | 6,000,000.00 | 6,000,000.00 |
| 3 Nominal value of Equity share | 10.00 | 10.00 |
| 4 Basic and diluted EPS | (0.02) | 0.05 |

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Note 32 There have been no event after the reporting date that require adjustment/disclosure in the financial statements

Note 33 The disclosures as required by the NBFC Master Directions issued by RBI (Disclosures are made as per Ind AS financial statements except otherwise stated)

33(i) Investments

| PARTICULARS | As at March 2020 | As at March 2019 |
|---|------------------|------------------|
| (i) Value of investments | | |
| A Gross value of investments | | |
| - In India | 1,293,905 | 1,239,000 |
| - Outside India | - | - |
| B Provisions for depreciation / amortizations | | |
| - In India | - | - |
| - Outside India | - | - |
| C Net value of investments | | |
| - In India | 1,293,905 | 1,239,000 |
| - Outside India | - | - |
| (ii) Movement of provisions held towards depreciation/appreciation/ amortizations on investments | | |
| A Opening Balance | - | - |
| B Add: Provisioning made during the Year (Net of Appreciation) | - | - |
| C Less: Write-off/write back of excess provisions during the year | - | - |
| D Closing Balance | - | - |

33(ii) Exposure in the capital Market

| PARTICULARS | As at March 2020 | As at March 2019 |
|--|-------------------|-------------------|
| 1 Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | | |
| (a) In Investment | 1,293,905 | 1,239,000 |
| (b) In Inventory | 11,815,371 | 11,769,521 |
| 2 Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | - | - |
| 3 Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | - | - |
| 4 Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/ units of equity oriented mutual funds 'does not fully cover the advances; | - | - |
| 5 Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | - | - |
| 6 Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - | - |
| 7 Bridge loans to companies against expected equity flows/issues; | - | - |
| 8 All exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| Total exposure to Capital Market | 13,109,276 | 13,008,521 |


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
33(iii) Details of non-performing financial assets purchased/sold

The Company has not purchased and sold any non performing financial asset during the current and previous year

33(iv) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded

The Company has not exceeded the prudential exposure limits during the current and previous year

33(v) Unsecured advances

Total loans and advances include 13.61 crore which are unsecured advances where as in previous year 12.14 Crore

33(vi) Registration obtained from other financial sector regulators

The Company does not have registered in other financial sector regulators except Reserve Bank of India (RBI) 33(vii) Details of penalties imposed by RBI and other regulators

No penalties have been levied by the Reserve Bank of India or any other Regulators for the year ended 31 March 2020. (Previous Year NIL)

33(viii) Remuneration of non-executive Directors

| PARTICULARS | | As at March 2020 | As at March 2019 |
|--------------|--------------------------|------------------|------------------|
| (i) | Girdhari Sagarmal Biyani | 600,000 | 600,000 |
| (ii) | Suyash Ramakant Biyani | 600,000 | 400,000 |
| (iii) | Ritika Shishir Gupta | - | - |
| Total | | 1,200,000 | 1,000,000 |

33(ix) Provisions and Contingencies

| Complete 'Provisions and Contingencies' shown in the Statement of Profit and Loss statements | | As at March 2020 | As at March 2019 |
|--|--|------------------|------------------|
| (i) | Provision for non-performing assets | - | - |
| (ii) | Provision for income tax/deferred tax and tax adjustments of earlier years | 587,041 | 419,150 |
| (iii) | Provision for standard assets | - | - |
| (iv) | Other provision and contingencies | - | - |

33(x) Draw Down from Reserves

The Company has not drawn down any amount from reserves during the Year as well as previous Year


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020
33(xi) Concentration of deposits, advances, exposures and NPAs

| PARTICULARS | | As at March 2020 | As at March 2019 |
|-------------|--|------------------|------------------|
| A | Concentration of deposits* | | |
| | Total deposits of five largest depositors | 341,300 | 341,300 |
| | Percentage of deposits to twenty largest depositors to total deposits | 100.00% | 100.00% |
| B | Concentration of advances | | |
| | Total advances top five largest borrowers | 93,481,182 | 93,837,756 |
| | Percentage of advances to five largest borrowers to total advances | 68.64% | 77.29% |
| C | Concentration of exposures (Including Off-Balance Sheet exposure) | | |
| | Total advances top five largest borrowers/Customers | 32,115,371 | 39,000,000 |
| | Percentage of advances to five largest borrowers to total advances/Customers | 23.58% | 32.12% |
| D | Concentration of NPAs | | |
| | Total exposure to top NPA accounts | - | - |
| E | Sector-wise NPA | | |
| | Agriculture and allied activities | - | - |
| | Micro and Small Medium Enterprises | - | - |
| | Corporate borrowers | - | - |
| | Services Sector Borrowers | - | - |
| | Unsecured personal loans | - | - |
| | Real Estate Sectors | - | - |
| | Other personal loans | - | - |

* no public deposits

33(xii) Disclosure of complaints:

| PARTICULARS | | As at March 2020 | As at March 2019 |
|----------------------------|--|------------------|------------------|
| Customer complaints | | | |
| A | No. of complaints pending at the beginning of the year | 1.00 | - |
| B | No. of complaints received during the year | 1.00 | 5.00 |
| C | No. of complaints redressed during the year | 2.00 | 4.00 |
| D | No. of complaints pending at the end of the year | - | 1.00 |

Note 34 The disclosures as required by the Master Direction -Monitoring of frauds in NBFCs issued by RBI dated 29 September 2016

The company has fraud monitoring team who on quarterly basis review the overall procedure and policies there are no cases of Frauds during the year as well as no cases in the previous year.

Note 35 Figures for the previous period have been regrouped and rearranged, wherever necessary, to make them comparable with the current Period.

**For and on behalf of Board of Directors of
GSB Finance Limited**

Ramakant Biyani
Managing Director
DIN Number: 00523178

Suyash R. Biyani
Director
DIN Number: 07525350

**FORM A**

The format of covering letter of the annual audit report to be filed with the stock exchanges

| | | |
|---|--|--|
| 1 | Name of the Company: | GSB Finance Ltd |
| 2 | Annual financial statements for the year ended | 31st March 2020 |
| 3 | Type of Audit observation | Un-Qualified |
| 4 | Frequency of observation | Not Applicable |
| 5 | To be signed by- Managing Director & CFO | Ramakant Biyani |
| | Managing Director | Ramakant Biyani |
| | Audit Committee Chairman | Ritika Gupta |
| | Auditor of the company | For H.P.Jadeja & Associates. Chartered Accountants Firm Registration No. 135374W |

For GSB Finance Ltd.

(Ramakant Biyani)
Mg. Director & CFO
DIN No. 00523178



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER SEBI
(Listing Obligations and Disclosure Requirements) Regulations 2015 and
as per the Listing Agreement**

To,
The Members,
GSB Finance Ltd.,

We have examined the compliance of the conditions of Corporate Governance by GSB Finance Ltd. ('the Company') for the year ended 31st March, 2020, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock exchanges for the period 01st April, 2015 to 30th November, 2015 and as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulations for the period .

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations 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 an 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, and based on representations made by directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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 H.P.Jadeja & Associates
Chartered Accountants
Firm Registration No.135374W

CA Hemantsinh P. Jadeja
(Proprietor)
Membership No. 152374

Date: 07th Sept, 2020
Place: Mumbai

**INDEPENDENT AUDITOR'S REPORT**

To,
The Board of Directors
GSB Finance Ltd.,
Mumbai

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions 1998 as per RBI Notification No. DFC 114/DGSPT)-98 dated 02.01.1998 issued by the Reserve Bank of India and on the basis of such examinations of the books and records of the Company as we considered appropriate and according to the information and explanation gave to us during the course of our audit of the Company for the Accounting year ended on 31st March 2020, we report that:

(i) The Company incorporated prior to 09.01.1997 has applied for Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). As informed to us the Company has received the Registration Certificate No. B-13.01732 Dt.05.12.2004 under Non-Banking Financial Companies (Reserve Bank) Directions 1998 issued vide Notification No. DFC 114/DG (SPT) dated January 02, 1998 issued by RBI, Regional Office at Mumbai. Further, that company is entitled to continue to hold such Registration in terms of its asset/income pattern as on 31st March 2020.

(ii) The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits and the Company has not accepted any public deposits during the year under reference i.e. Financial Year 2019-2020.

(iii) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning of bad and doubtful debts as applicable to it.

(iv) The Company submitted NBS -9 to RBI.

For H. P. Jadeja & Associates
Chartered Accountants
Firm Registration No.135374W

CA Hemantsinh P. Jadeja
(Proprietor)
Membership No. 152374

Date: 07th Sept, 2020
Place: Mumbai



NOTICE IS HEREBY GIVEN THAT THE 37th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF GSB FINANCE LIMITED WILL BE HELD ON 30th DAY OF SEPTEMBER, 2020 AT 04:30 P.M VIA ZOOM CALL TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To Consider and adopt:

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

RESOLVED THAT the Audited Balance Sheet & Profit & statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2020 along with the Auditor's Report and the Directors' Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.

2. To appoint a Director in place of Mr. RAMAKANT BIYANI (DIN: 00523178), who retires by rotation and being eligible, offers himself for re-appointment.

3. Ratification of Auditor:

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

"RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s H.P Jadeja & Associates, Chartered Accountants (Membership No.152374), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2021 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

4. To transact any other business.

FOR GSB FINANCE LIMITED

Date: 07th Sept, 2020

Place: MUMBAI

SUYASH BIYANI

DIRECTOR

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting in respect of item no (item no of special business) is annexed hereto and forms part of notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTES IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members holding shares in demat form are requested to register their email address with the Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.

FOR GSB FINANCE LIMITED
Date: 07th Sept, 2020

SUYASH BIYANI

Place: MUMBAI

DIRECTOR



GSB Finance Limited

(CIN L99999MH2001PLC134193)

Corporate Office: 78/80, Alli Chamber, Ground Floor, Tamarind Lane, Fort
Mumbai - 400 001.

ATTENDANCE SLIP

Folio No./DP ID/ Client ID# _____

No. of Equity Shares Held _____

I/We hereby record my/our presence at the **37th Annual General Meeting** of the Company being held at 78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 001 on the **Wednesday, 30th September, 2020, at 4.30 p.m.**

Name of Shareholder (In Block letter) _____

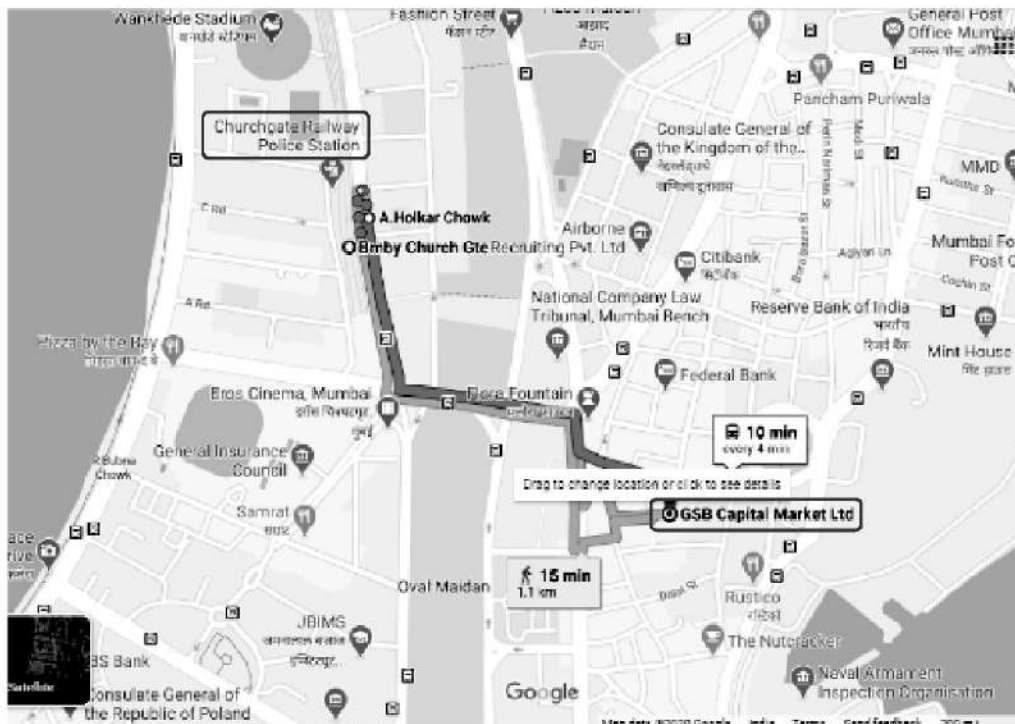
Name of proxy/ Authorized Representatives attending* (In Block letter) _____

* Strike out whichever is not applicable

Applicable for Shareholders holding Shares in Dematerialized Form.

Signature of the attending
Shareholder/ Proxy/Authorized
Representative*

*Note: Please fill attendance slip and hand it over at the entrance of the meeting hall.



**Form No. MGT-11****Proxy form**

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

**GSB Finance Limited
(CIN L99999MH2001PLC134193)**

Corporate Office: 78/80, Ali Chamber, Ground Floor, Tamarind Lane, Fort, Mumbai - 400 001.

| | | | |
|------------------------|--|--------|--|
| Name of the member(s): | | | |
| Registered Address: | | | |
| Email Id: | | | |
| Folio No/Client Id: | | DP ID: | |

I/We being the Member (s) of _____ shares of the above-named company, here by appoint:

- Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **37th Annual General Meeting** of the company, to be held on the **Wednesday, 30th September, 2020, at 4.30 p.m.** via Zoom Call and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this day of....., 2020

Signature of Shareholder _____ Signature of Proxy holder(s) _____

| |
|---------------------------------------|
| Affix Rs. 1.00 Revenue Stamp |
|---------------------------------------|

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 34th Annual General Meeting.

GSB Finance Limited

(CIN L99999MH2001PLC134193)

Corporate Office: 78/80, Alli Chamber, Ground Floor, Tamarind Lane, Fort, Mumbai - 400 001.

BALLOT PAPER

Folio No. / DP ID / Client ID # _____

No. of Equity Shares Held _____

I/We hereby record my/our presence at the **37th Annual General Meeting** of the Company being held via Zoom Call on the **Wednesday, 30th September, 2020**, at **4.30 p.m**

Name of Shareholder (In Block letter).....

I/We hereby exercise my/our vote in respect of Resolutions enumerated below to be passed through postal ballot for the business stated in notice of the Company by recording my/our assent or dissent to the said resolutions by placing the tick mark at the appropriate box below:

| Sr. No. | Resolution | Assent | Dissent |
|---------|---|--------|---------|
| 1 | Adoption of financial statements for the year ended 31st March, 2020 and the Directors' and Auditors' Reports thereon | | |
| 2 | To appoint a Director in place of Mr. RAMAKANT BIYANI (DIN: 00523178), who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 3 | To ratify the appoint M/s H. P. Jadeja & Associates, Chartered Accountants, Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration who were appointed statutory auditors for a terms of five years in the last annual general meeting. | | |

Signed this day of....., 2020

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Book Post

If undelivered please return to:



78/80, Ali Chambers,
Tamarind Lane, Fort,
Mumbai - 400 001. INDIA.
Tel.: 022 2265 7084 / 7185 / 4387 / 4388
E-mail: info@gsbgroup.co.in
gsb203@gmail.com