



## Gowra Leasing & Finance Limited

CIN: L65910TG1993PLC015349

**Regd. Office:** No.501, 5<sup>th</sup> Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P. Road, Begumpet, Secunderabad – 500003 ■ Tel.040-27843086, 27843091 ■ Fax: 040-27816817

E-mail: [glfl@gowra.net](mailto:glfl@gowra.net) ; [info@gowraleasing.com](mailto:info@gowraleasing.com) ■ Website: [www.gowraleasing.com](http://www.gowraleasing.com)

June 24, 2021

GLFL/BSE/\_\_\_47\_\_\_/2021-22

To  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400001.

Dear Sir/ Madam,

**Sub: Outcome of Board Meeting held on 24<sup>th</sup> June, 2021**

**Ref: Our Letter dated 17<sup>th</sup> June, 2021.**

With reference to the cited subject, we submit that the Board of Directors at their meeting held on Thursday, June 24, 2021 at 12.15 p.m. at the registered office of the Company at 501, 5<sup>th</sup> Floor, Gowra Grand, 1-8-384 & 385, S.P. Road, Begumpet, Secunderabad-500003, have inter-alia, considered and approved the following:

1. Audited financial results for the quarter and year ended March 31, 2021. Copy of the same is enclosed herewith, along with the Audit Report in compliance with Regulation 33 of SEBI(LODR) Regulations, 2015
2. Recommended Dividend of Rs. 1/- (10 %) per equity share of Rs. 10/- face value for the financial year 2020-21.

We request you to take the above information on record and acknowledge the receipt of the same.

Thanking you,

Yours Faithfully,

**For GOWRA LEASING & FINANCE LIMITED**

**SRINIVAS** Digitally signed by  
SRINIVAS GOWRA  
**GOWRA** Date: 2021.06.24  
17:21:43 +05'30'

(Gowra Srinivas)  
Managing Director

Encl: a/a



# GOWRA LEASING & FINANCE LIMITED

Registered Office : No.501, 5th Floor, Gowra Grand, Behind Gowra Plaza, 1-8-384 & 385, S.P.Road, Begumpet, Secunderabad – 500003, Tel.:040-27843086, 27843091, Website : [www.gowraleasing.com](http://www.gowraleasing.com)  
E-mail: [info@gowraleasing.com](mailto:info@gowraleasing.com), [glf@gowra.net](mailto:glf@gowra.net); CIN: L65910TG1993PLC015349, GST: 36AAACG9135F1ZP

## Audited Financial Results for the Quarter ended 31.03.2021

(Rs. In Lakhs)

| Sl.No. | Particulars  | Quarter Ended           |                           |                         | Year Ended              |                         |
|--------|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
|        |  | 31.03.2021<br>(Audited) | 31.12.2020<br>(Unaudited) | 31.03.2020<br>(Audited) | 31.03.2021<br>(Audited) | 31.03.2020<br>(Audited) |
| I      | <b>Revenue from operations</b>   |                         |                           |                         |                         |                         |
|        | Interest   | 36.51                   | 33.14                     | 26.34                   | 142.72                  | 121.51                  |
|        | Dividend Income  | 0.00                    | 0.02                      | 0.01                    | 0.03                    | 0.04                    |
|        | Rental Income  | 0.00                    | 0.00                      | 0.00                    | 0.00                    | 0.00                    |
|        | Profit on Sale of Investment   | 0.00                    | 0.00                      | 0.00                    | 0.00                    | 0.00                    |
|        | Fees and Commission Income   | 0.00                    | 0.00                      | 0.00                    | 0.00                    | 0.00                    |
|        | Net Gain/(Loss) on fair value changes                                  | 0.00                    | 0.00                      | 0.00                    | 0.00                    | 0.00                    |
|        | other Charges  | 0.04                    | 0.01                      | 0.17                    | 0.12                    | 0.40                    |
|        | <b>Total Revenue from Operations</b>                                   | <b>36.55</b>            | <b>33.17</b>              | <b>26.52</b>            | <b>142.87</b>           | <b>121.95</b>           |
| II     | Other Income   | 7.78                    | 0.00                      | 5.92                    | 32.67                   | 13.99                   |
| III    | <b>Total Revenue (I + II)</b>  | <b>44.33</b>            | <b>33.17</b>              | <b>32.44</b>            | <b>175.54</b>           | <b>135.94</b>           |
| IV     | <b>Expenses</b>  |                         |                           |                         |                         |                         |
|        | Employee benefit expenses  | 10.52                   | 8.07                      | 10.52                   | 34.57                   | 34.33                   |
|        | Finance costs  | 0.32                    | 0.01                      | 0.14                    | 0.37                    | 0.19                    |
|        | Depreciation and amortization  | 0.06                    | 0.14                      | 0.14                    | 0.47                    | 0.58                    |
|        | Impairment allowances on loans   | 0.00                    | 0.00                      | 0.00                    | 0.00                    | 0.00                    |
|        | Other Expenses   | 32.87                   | 4.44                      | 7.03                    | 47.83                   | 23.67                   |
| V      | <b>Total Expenses</b>  | <b>43.77</b>            | <b>12.66</b>              | <b>17.83</b>            | <b>83.24</b>            | <b>58.77</b>            |
| VI     | <b>Profit/(Loss) before Tax (III-IV)</b>                               | <b>0.56</b>             | <b>20.51</b>              | <b>14.61</b>            | <b>92.30</b>            | <b>77.17</b>            |
| VII    | <b>Tax Expenses</b>  |                         |                           |                         |                         |                         |
|        | a. Current Tax   | (1.69)                  | 6.29                      | 1.74                    | 15.53                   | 14.59                   |
|        | b. Taxes of Earlier Years  | 0.22                    | 0                         | 0                       | 0.22                    | 0.00                    |
|        | b. Deferred Tax (net)  | 1.62                    | 0.08                      | (1.40)                  | 2.80                    | 0.50                    |
|        | <b>Total tax expenses</b>  | <b>0.15</b>             | <b>6.37</b>               | <b>0.34</b>             | <b>18.55</b>            | <b>15.09</b>            |
| VIII   | <b>Profit /(Loss) for the period from continuing operation (V-VI)</b>  | <b>0.41</b>             | <b>14.14</b>              | <b>14.27</b>            | <b>73.75</b>            | <b>62.08</b>            |
| IX     | <b>Other Comprehensive income/(loss) for the Period</b>                | <b>0.00</b>             | <b>0.00</b>               | <b>0.00</b>             | <b>0.00</b>             | <b>0.00</b>             |
| X      | <b>Total Comprehensive income/ (loss) for the period, net of tax</b>   | <b>0.41</b>             | <b>14.14</b>              | <b>14.27</b>            | <b>73.75</b>            | <b>62.08</b>            |
| XI     | <b>Paid -up Equity Share Capital (Face value of Rs. 10/-Per share)</b> | <b>300.03</b>           | <b>300.03</b>             | <b>300.03</b>           | <b>300.03</b>           | <b>300.03</b>           |
| XII    | <b>Earning per equity share</b>  |                         |                           |                         |                         |                         |
|        | Basic  | 0.01                    | 0.47                      | 0.48                    | 2.46                    | 2.07                    |
|        | Diluted  | 0.01                    | 0.47                      | 0.48                    | 2.46                    | 2.07                    |

## Part II : Statement of Assets and Liabilities (Rs. In Lakhs)

|   | Assets                            | As at 31.03.21 | As at 31.03.20 |
|---|-----------------------------------|----------------|----------------|
|   |                                   | Audited        | Audited        |
| 1 | <b>Financial Asset</b>            |                |                |
|   | Cash and cash equivalents         | 5.54           | 3.78           |
|   | Bank Balance other than (a) above | 0.00           | 75.89          |
|   | Derivative financial instruments  |                |                |
|   | Receivables                       |                |                |
|   | (I) Trade Receivables             | 0.00           | 0.00           |
|   | (II) Other Receivables            | 1013.19        | 897.11         |
|   | Loans                             | 0.00           | 0.00           |
|   | Investments                       | 2.20           | 2.20           |
|   | Other Financial assets            | 0.00           | 0.00           |

|            |  |                |                |
|------------|--|----------------|----------------|
| <b>2</b>   | <b>Non Financial Asset</b>                           |                |                |
|            | Inventories  | 0.00           | 0.00           |
|            | Current tax assets (Net)                             | 21.73          | 15.67          |
|            | Deferred tax Assets (Net)                            | 40.44          | 43.24          |
|            | Investment Property                                  | 340.96         | 340.96         |
|            | Property, Plant and Equipment                        | 72.37          | 92.93          |
|            | Capital work-in-progress                             | 0.00           | 0.00           |
|            | Intangible assets under development                  | 0.00           | 0.00           |
|            | Goodwill   | 0.00           | 0.00           |
|            | Other Intangible assets                              | 0.07           | 0.35           |
|            | Other non-financial assets (to be specified)         | 2.91           | 3.47           |
|            | <b>TOTAL ASSETS</b>                                  | <b>1499.41</b> | <b>1475.60</b> |
|            | <b>Equity and liabilities</b>                        |                |                |
| <b>1</b>   | <b>Equity</b>  |                |                |
|            | <b>Equity attributable to owners of parent</b>       |                |                |
|            | Equity share capital                                 | 300.03         | 300.03         |
|            | Other equity   | 1034.84        | 991.09         |
|            | <b>Total equity attributable to owners of parent</b> | <b>1334.87</b> | <b>1291.12</b> |
|            | Non controlling interest                             | 0.00           | 0.00           |
|            | <b>Total equity</b>                                  | <b>1334.87</b> | <b>1291.12</b> |
| <b>2</b>   | <b>Liabilities</b>                                   |                |                |
| <b>2.1</b> | <b>Financial Liabilities</b>                         |                |                |
| (a)        | Derivative financial instruments                     | 0.00           | 0.00           |
| (b)        | Payables   |                |                |
|            | (I) Trade Payables                                   | 0.00           | 0.00           |
|            | (II) Other Payables                                  | 0.00           | 0.00           |
| (C)        | Debt Securities                                      | 0.00           | 0.00           |
| (d)        | Borrowings (Other than Debt Securities)              | 9.00           | 0.00           |
| (e)        | Deposits   | 0.00           | 0.00           |
| (f)        | Subordinated Liabilities                             | 0.00           | 0.00           |
| (g)        | Other financial liabilities                          | 0.00           | 0.00           |
| <b>2.2</b> | <b>Non-Financial Liabilities</b>                     |                |                |
| (a)        | Current tax liabilities (Net)                        | 3.85           | 3.85           |
| (b)        | Provisions   | 140.46         | 152.78         |
| (C)        | Deferred tax liabilities (Net)                       | 0.00           | 0.00           |
| (d)        | Other non-financial liabilities                      | 11.23          | 27.85          |
|            | <b>Total liabilities</b>                             | <b>164.54</b>  | <b>184.48</b>  |
|            | <b>TOTAL EQUITY AND LIABILITIES</b>                  | <b>1499.41</b> | <b>1475.60</b> |

**Notes:**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 24-06-2021. Results for the financial year ended 31-03-2021 have been audited by the statutory auditors of the company.
- 2 The Board recommended a dividend of Rs. 1/- ( 10 %) per equity share of Rs. 10/- face value, for the financial year 2020-21, subject to the approval of the members in the forth coming AGM.
- 3 Figures for the previous quarter and year have been regrouped / rearranged, wherever necessary.

By order of the Board of Directors  
for **GOWRA LEASING & FINANCE LTD**

  
(GOWRA SRINIVAS)  
Managing Director

Place: Secunderabad  
Date: 24.06.2021





# GOWRA LEASING & FINANCE LIMITED

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## CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31ST MARCH 2021

In Rs.

| Sr.       | Particulars   | Half Year Ended    |                   |
|-----------|---|--------------------|-------------------|
|           |   | 31.03.2021         | 31.03.2020        |
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                              |                    |                   |
| 1         | Net Profit/(Loss) before Tax and Extraordinary Items                    | 21,07,462          | 31,80,942         |
| 2         | Adjustments for:  |                    |                   |
|           | - NPA Provision (Decreased) / Increased                                 | (7,73,716)         | 3,01,862          |
|           | - Contingent Provisions against Standard Assets (Decreased) / Increased | -                  | (14,000)          |
|           | - Profit on sale of asset   | (18,63,516)        | (9,63,516)        |
|           | - Depreciation  | 20,178             | 29,131            |
|           | - Dividend received   | (2,552)            | (4,000)           |
|           | - Gratuity Provision  | 27,115             | 27,115            |
|           |   | (25,92,491)        | (6,23,408)        |
|           | Operating Profit before Working Capital Changes                         | (4,85,029)         | 25,57,534         |
| 3         | Changes in assets and liabilities                                       |                    |                   |
|           | - Trade receivables   | (54,36,754)        | (2,14,899)        |
|           | - Loans, other financial assets and other assets                        | (94,958)           | 3,18,757          |
|           | - (Increase) / Decrease in Other Current and non current Assets         | 1,63,623           | -                 |
|           | - Other financial liabilities, other liabilities and provisions         | (14,89,611)        | (1,31,946)        |
|           |   | (73,42,729)        | 25,29,446         |
|           | Direct Taxes Paid (Net)   | (15,30,505)        | (4,51,711)        |
|           | <b>Net Cash from Operating Activities</b>                               | <b>(88,73,234)</b> | <b>20,77,735</b>  |
| <b>B.</b> | <b>Cash Flow from Investing Activities</b>                              |                    |                   |
|           | Expenditure on Property, Plant & Equipment                              | 18,63,516          | 30,00,000         |
|           | Dividends received  | 2,552              | 4,000             |
|           | Advances to employees   | (52,498)           | 24,26,602         |
|           | (Increase) / Decrease in Non-Current Investments                        | -                  | -                 |
|           | <b>Net Cash from Investments Activities</b>                             | <b>18,13,570</b>   | <b>54,30,602</b>  |
| <b>C.</b> | <b>Cash Flow Financing Activities</b>                                   |                    |                   |
|           | Borrowing/repayment of Long Term Borrowings                             | 9,00,000           | -                 |
|           | Payment of Dividends  | (30,00,300)        | -                 |
|           | Dividend Tax Paid   | -                  | (6,16,718)        |
|           | <b>Net Cash from Financing Activities</b>                               | <b>(21,00,300)</b> | <b>(6,16,718)</b> |
|           | <b>Net Charge in Cash &amp; Cash Equivalent (A+B+C)</b>                 | <b>(91,59,964)</b> | <b>68,91,619</b>  |
|           | Opening Cash and Bank Balance   | 97,14,418          | 10,75,286         |
|           | Closing Cash and Bank Balance   | 5,54,454           | 79,66,905         |

Note: (i) Figures in brackets are outflows

(ii) Previous Year's figures have been re-grouped wherever deemed necessary

By order of the Board of Directors  
for GOWRA LEASING & FINANCE LTD

  
(GOWRA SRINIVAS)  
Managing Director



Place: Secunderabad  
Date: 24.06.2021





**V.N. PUROHIT & CO.**

CHARTERED ACCOUNTANTS

#5014 & 5015, 5th Floor, Emerald House  
1-7-264, S.D. Road, Secunderabad-500 003  
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Email: vnphyderabad@vnpaudit.com

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of Gowra Leasing & Finance Limited

### Report on the Audit of the Standalone Financial Statements

#### OPINION

We have audited the standalone financial statements of Gowra Leasing & Finance Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, and the statement of Profit and Loss (including Other Comprehensive Income), the 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, 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





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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. In our opinion, there are no reportable Key Audit Matters for the financial statements of the Company.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information 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 during the course of our 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 Standalone 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, (changes in equity) 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 implementation and maintenance of 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.







Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.







Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 matter. We describe this matter 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

- (i) 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 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (ii) 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, and the Cash Flow Statement 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 the requirements of section 197 (16) of the Act, amended : In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (iii) 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 not have any pending litigations which would impact its financial position.
  - 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.







**V.N. PUROHIT & CO.**

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- iv. The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30<sup>th</sup> March 2017 is not applicable to the Company for the year

Place: Secunderabad

Date: 24-06-2021

For V. N. Purohit & Co.,  
Chartered Accountants  
FRN: 304040E



Ramesh Kumar Mali

Partner

M No.: 200998

UDIN: 21200998AAAAFN 3729





**V.N. PUROHIT & CO.**

CHARTERED ACCOUNTANTS

#5014 & 5015, 5th Floor, Emerald House  
1-7-264, S.D. Road, Secunderabad-500 003  
Tel: 040-66492776, Mob: 9849007957  
Email: vnphyderabad@vnpaudit.com

**Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year by the management and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) As the company has neither purchased nor sold goods during the year and there is no opening & closing stock, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
- (iii) The company has granted loan to one party covered in the register maintained under Section 189 of the Act, during the year in normal course of its business. The term and conditions of such loan is not prejudicial in the interest of the company and also repayment of principal and interest are regular.
- (iv) As explained to us, the company has not granted any loans, investments or given guarantees/ security, hence the question of compliance to the provisions of Sections 185 and 186 of the Act as per clause (iv) of the Order does not arise.
- (v) According to the information and explanations given to us by the management, the company has not accepted any deposits from public and the Board of Directors of the company has passed a resolution for the non-acceptance of any deposits. The Company has complied with the directions 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 as per clause (v) of the Order.
- (vi) According to the information and explanations provided by the management, the company is not engaged in production of any such goods or provision of any such services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence, the provisions of section





148(1) of the Act do not apply to the company and in our opinion, no comment on maintenance of cost records under section 148(1) of the Act is required to be given.

- (vii) (a) According to the records of the Company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues to the extent applicable to it.

Further, there were no undisputed amounts payable in respect of aforesaid statutory liabilities which have remained outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there were no dues of Income tax, Goods and Service Tax, Duty of Customs and Cess which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us, the company has neither borrowed any loans from Financial Institutions, Bank, Government nor issued any debentures and consequently the question of default in repayment of such loans does not arise.
- (ix) According to the information and explanations given to us no money was raised by way of initial public offer or further public offer by the company the company has not taken any term loans from any banks or financial institutions during the year. Hence the question of application of moneys raised by way of initial public offer, further public offer and term loans for the purpose for which they were raised does not arise.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion the managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company. Therefore the provisions of clause (xii) of the Order are not applicable to the company.







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- (xiii) According to information and explanations given to us, the company has complied with the provisions of Sections 177 and 188 of the Act and the disclosure of such transactions in the Financial Statements etc., have been made as required by applicable Accounting Standards in respect of transactions entered into with related parties.
- (xiv) As explained to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence the requirement of compliance to provisions of Section 42 of the Act and utilisation of amounts so raised for the purpose for which the funds were raised as per clause (xiv) of the Order does not arise.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence the requirement of compliance to provisions of Section 192 of the Act as per clause (xv) of the Order does not arise.
- (xvi) The company, being a Non Banking financial company is registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the requirement of clause (xvi) of the Order is complied with.

Place: Secunderabad

Date: 24-06-2021

For V.N. Purohit & Co.,  
Chartered Accountants  
FRN: 304040E



Ramesh Kumar Mali  
(Partner)  
M No.: 200998

UDIN: 21200998AAAAFN3729







**ANNEXURE A - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF GOWRA LEASING & FINANCE LIMITED**

**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 Gowra Leasing & Finance Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

**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





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of internal financial controls over financial reporting, assessing the risk that a material misstatement 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 authorization 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, 2021, 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.







**V.N. PUROHIT & CO.**

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For V.N. Purohit & Co., Secunderabad@vnpaudit.com

Chartered Accountants

FRN: 304040E

Place: Secunderabad

Date: 24-06-2021



Ramesh Kumar Mali

(Partner)

M No.: 200998

UDIN: 21200998AAAAFN3729

