

CORPORATE GOVERNANCE REPORT

This report sets forth the disclosures for FY 2020-21, pertaining to Corporate Governance of Gujarat Lease Financing Limited (“the Company”), as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The Philosophy on Corporate Governance aims at attainment of the highest levels of transparency, accountability and equity in the functioning of the Company vis-à-vis interactions with employees, members, creditors and customers. Good Corporate Governance is intrinsic to the Management of the affairs of the Company. The objective of the Company is not only to meet the statutory requirements of the code but also go beyond it by instituting such systems and procedures as required in accordance with the latest global trends of making management completely transparent and institutionally sound.

For FY 2020-21, the Company is in compliance with the Corporate Governance norms stipulated in Listing Regulations.

2. BOARD OF DIRECTORS

2.1 COMPOSITION OF THE BOARD

As at the year end, the Board comprises of 6 (six) Directors, all of whom are Non-Executive Directors including 3 (three) Independent Directors and 2 (two) Women Directors. The Chairperson of the Board is an Independent Director. Composition of the Board is in conformity with the applicable laws and regulations.

2.2 SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS

The table below sets forth the core skills / expertise / competencies identified by the Board along-with names of Directors who have such skills / expertise / competence for effective functioning of the Board:

Name of the Director	Skills / Expertise / Competencies
Surendra Shah	<ul style="list-style-type: none"> • Financial Expertise • Governance, Risk and Compliance • Strategic and Business Planning • Leadership / Operational experience
Vasant Shah	<ul style="list-style-type: none"> • Financial Expertise • Governance, Risk and Compliance • Strategic and Business Planning • Leadership / Operational experience
Kavita Mandan	<ul style="list-style-type: none"> • Information Technology
Raghuveer Parakh	<ul style="list-style-type: none"> • Financial Expertise • Governance, Risk and Compliance • Business Management
Saurabh Mashruwala	<ul style="list-style-type: none"> • Financial Expertise • Governance, Risk and Compliance • Strategic and Business Planning • Leadership / Operational experience
Leena Katdare	<ul style="list-style-type: none"> • Financial Expertise

The Non-Executive Directors are qualified professionals drawn from the above areas.

2.3 BOARD MEETINGS

The Board of Directors met Five times during FY 2020-21 on July 25, 2020, August 08, 2020, October 31, 2020, January 27, 2021 and March 31, 2021. The Board Meetings of FY 2020-21 were conducted from the registered office in Ahmedabad via Audio Video Conferencing due to nationwide lockdown and restrictions imposed by the Government of India in view of prevalent COVID-19 situation. The gap between two Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 (“Act”) and the Listing Regulations. The requisite quorum was present in all the meetings.

The agenda for the Board meetings were circulated to all the Directors at least 7 days prior to the date of the meeting, except for table agenda items which were placed before the Board with the approval of Independent Directors. The agenda for the Board meetings includes detailed notes on the matters to be considered at the meeting to facilitate the Directors to take informed decisions. Minimum information to be placed before the Board under Regulation 17(7) read with Schedule II of the Listing Regulations was placed before the Board for its consideration.

2.4 COMPOSITION / CATEGORY OF DIRECTORS / ATTENDANCE AT MEETINGS / DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES AS ON MARCH 31, 2021

Relevant details about the Board of Directors are as under:

Name of the Director & Designation	Category	No. of other Directorships *	No. of other Board Committees of which Member (M)/ Chairperson (C)**	Board Meetings Attended	Attendance at the Last AGM	No. of Shares Held in the Company	Directorship in other listed entities with Category of Directorship
Surendra Shah, Chairperson	Non-Executive, Independent Director	1	1 (M)	5 out of 5	No	-	-
Vasant Shah, Director	Non-Executive, Independent Director	4	4 (M) and 4 (C)	5 out of 5	Yes	-	<ul style="list-style-type: none"> Latur Renewable Private Limited, Non-Executive Independent Director (w.e.f. October 16, 2020) Jodhpur Wind Farms Private Limited, Non-Executive Independent Director (w.e.f. October 16, 2020)
Kavita Mandan, Director	Non-Executive, Non-Independent Director	-	-	5 out of 5	Yes	-	-
Raghuveer Parakh, Director (w.e.f. July 13, 2020)	Non-Executive, Independent Director	1	-	5 out of 5	Yes	-	-
Saurabh Mashruwala, Additional Director (w.e.f. December 23, 2020)	Non-Executive, Non-Independent Director	3	1 (M)	2 out of 2	N.A.	-	-

Name of the Director & Designation	Category	No. of other Directorships *	No. of other Board Committees of which Member (M)/ Chairperson (C)**	Board Meetings Attended	Attendance at the Last AGM	No. of Shares Held of the Company	Directorship in other listed entities with Category of Directorship
Leena Katdare, Additional Director (w.e.f. January 27, 2021)	Non-Executive, Non-Independent Director	1	-	0 out of 1	N.A.	-	-

*all public companies excluding the Company, are considered and all other companies including private companies, foreign companies and companies registered under section 8 of the Act are excluded.

**Details of committee membership comprise only Membership/Chairpersonship of Audit Committee and Stakeholders Relationship Committee.

None of the Directors are related inter-se.

2.5 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization process for the Independent Directors was an ongoing process during the financial year and largely carried out by way of special discussions on important matters such as important corporate developments, industry scenario, key regulatory changes, material legal matters, business strategy and exceptional developments, if any, in the Company.

The details of such familiarization program have been disclosed on the Company's website at: <http://www.gujaratleasefinancing.co.in/>Policy>.

3. BOARD COMMITTEES

The Board constituted the following committees:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee

3.1 AUDIT COMMITTEE

3.1.1 MAJOR TERMS OF REFERENCE OF THE COMMITTEE INCLUDE:

- (i) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- (ii) Recommending appointment/re-appointment and remuneration of the Auditors to the Board of Directors and review of adequacy and performance of Auditors, internal control systems and internal Audit function;
- (iii) Review and approve related party transactions or any subsequent modification of transactions with related parties;
- (iv) Review the functioning of the Whistle Blower (Vigil) mechanism;
- (v) Deciding the scope, functioning, periodicity and methodology for conducting Internal Audit after consulting Internal Auditor;

- (vi) Reviewing with Internal Auditors involving major findings of any investigations, matters and suspected fraud, irregularity and failure of internal control system of material and to report to the Board;
- (vii) Reviewing internal control weakness reported to management by the Statutory Auditors;
- (viii) Scrutinizing inter-corporate loans and investments.

3.1.2 COMPOSITION AND MEETINGS

During the year under review, 4 (four) meetings were held on July 25, 2020, August 08, 2020, October 31, 2020 and January 27, 2021. The gap between two Board Meetings was within the maximum time gap prescribed under the Act and the Listing Regulations.

Name of the Member	No. of Meetings held	No. of Meetings Attended
Surendra Shah, Chairperson	4	4
Vasant Shah, Member	4	4
Raghuveer Parakh, Member	4	4
Prakash Parikh, Member*	4	2
Leena Katdare, Member**	0	0

*Prakash Parikh ceased to be Member of the Committee pursuant to his resignation as Director of the Company with effect from close of working hours of January 27, 2021.

**Leena Katdare has been appointed as a Member of the Committee with effect from January 27, 2021.

Composition of the Committee was in compliance with the provisions of the Act and the Listing Regulations.

The Statutory Auditors, CEO, CFO and the Company Secretary were invited to the meetings. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

3.2.1 MAJOR TERMS OF REFERENCE OF THE COMMITTEE INCLUDE:

- (i) Redressal of complaints/ queries relating to Transfer/ Transmission/ Dematerialization of Shares, Issue of Duplicate Share Certificates, Non-receipt of Annual Report, Dividend Warrants, Repayment of principal and/ or interest on Fixed Deposits/ Debentures, etc.;
- (ii) Overseeing the performance of the Registrar and Share Transfer Agent in respect of adherence to the service standards adopted by the Company;
- (iii) Review of transfer / transmission requests and issuance of duplicate share certificates;
- (iv) Determination of Book Closure period & Record Date in respect of shares, debentures, other securities and General Meetings of the Company.

The Terms of Reference are in full compliance with the provisions of the Act and the Listing Regulations.

3.2.2 COMPOSITION AND MEETINGS

During the year under review, the Committee met 4 (four) times on July 25, 2020, August 08, 2020, October 31, 2020 and January 27, 2021.

Name of the Member	No. of Meetings held	No. of Meetings Attended
Surendra Shah, Chairperson	4	4
Vasant Shah, Member	4	4
Raghuvveer Parakh, Member	4	4
Prakash Parikh, Member*	4	2
Leena Katdare, Member**	0	0

*Prakash Parikh ceased to be Member of the Committee pursuant to his resignation as Director of the Company with effect from close of working hours of January 27, 2021.

**Leena Katdare has been appointed as a Member of the Committee with effect from January 27, 2021.

Kamlesh Patel, Company Secretary was the Compliance Officer of the Company till close of working hours of January 27, 2021 and Yash Shah, Company Secretary is the Compliance Officer of the Company wef March 31, 2021. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

3.2.3 INVESTORS' GRIEVANCE REDRESSAL

The Company had not received any complaint during the year. No valid requests for share transfer, transmission etc. were pending beyond 15 days or days of extension provided by SEBI vide its circular SEBI/HO/MIRSD/DOP/CIR/P/2020/72 dated April 24, 2020 because of the nationwide lockdown and restrictions imposed in view of COVID-19 Pandemic.

3.3 NOMINATION AND REMUNERATION COMMITTEE

3.3.1 MAJOR TERMS OF REFERENCE OF THE COMMITTEE INCLUDE:

- (i) Evaluating and recommending the composition of the Board of Directors and Committees thereof;
- (ii) Formulating the criteria for determining qualification, positive attributes and independence of a Director and formulating criteria for appointment of KMPs and Senior Management;
- (iii) Performance evaluation of Independent Directors, considering and recommending the appointment of Directors, KMP and Senior Management in accordance with the criteria formulated;
- (iv) To recommend and monitor the levels of remuneration of Senior Management of the Company;
- (v) Formulating criteria for evaluation of the Independent Directors and the Board; and
- (vi) Recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Terms of Reference are in full compliance with the provisions of the Act and the Listing Regulations.

3.3.2 COMPOSITION AND MEETINGS

During the year under review, 3 (three) meetings of the Nomination and Remuneration Committee were held on July 25, 2020, January 27, 2021 and March 31, 2021.

Name of the Member	No. of Meetings held	No. of Meetings Attended
Vasant Shah, Chairperson	3	3
Surendra Shah, Member	3	3
Raghuvveer Parakh, Member	3	3
Prakash Parikh, Member*	2	1
Leena Katdare, Member**	1	0

*Prakash Parikh ceased to be Member of the Committee pursuant to his resignation as Director of the Company with effect from close of working hours of January 27, 2021.

**Leena Katdare has been appointed as a Member of the Committee with effect from January 27, 2021.

Composition of the Committee was in compliance with provisions of the Act and the Listing Regulations. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

3.3.3 PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Criteria as well as process for evaluation of Independent Directors are given below:

CRITERIA

1. Fulfillment of functions
2. Attendance
3. Contribution at Meetings
4. Guidance/ Support to management outside Board/ Committee Meetings
5. Participation in Board in terms of adequacy (time & content)
6. Independent views and judgment (only for IDs)

PROCESS

1. The Chairperson of the Board to discuss self and peer evaluation on a One-on-One basis with each Director.
2. The Chairperson to consolidate the comments and give the feedback to Individual Directors.

(Evaluation by IDs in this context as per Schedule IV of the Act and the Listing Regulations. Role of IDs shall be fulfilled by Chairperson of Board summarizing the IDs feedback.)

4. REMUNERATION

None of the Directors is drawing any remuneration from the Company. However, the Board had approved the payment of sitting fees to Independent Directors of the Company pursuant to Section 197(5) of the Act.

None of the Directors hold any shares of the Company. Directors have not been granted any stock options during the year under review.

Details of sitting fees paid during the year is specified in the below table. The Company does not pay any severance fees to its Directors.

Name of the Independent Director	Sitting Fees (in ₹)
Surendra Shah	85,000/-
Vasant Shah	85,000/-
Raghuvveer Parakh	85,000/-
Total	2,55,000/-

Apart from payment of sitting fees, there was no other pecuniary relationship or transactions between the Company and the Non-Executive Directors.

5. GENERAL BODY MEETINGS

Details of the AGM held during the last three years are as under:

AGM	Year	Venue of AGM	Date	Time	No. of Special Resolution passed
35 th AGM	2017-18	ATMA Hall, Ahmedabad Textile Mills Association, Opp. La-Gajjar Chambers, Ashram Road, Ahmedabad - 380009	August 07, 2018	10:00 a.m.	Nil
36 th AGM	2018-19	ATMA Hall, Ahmedabad Textile Mills Association, Opp. La-Gajjar Chambers, Ashram Road, Ahmedabad - 380009	August 07, 2019	10:00 a.m.	2
37 th AGM	2019-20	Video Conference / Other Audio Visual Means	September 26, 2020	09:30 a.m.	Nil

No Postal Ballot was conducted during the year under review and as of the date of this Report, there is no proposal to pass any special resolution through Postal Ballot.

6. MEANS OF COMMUNICATION

During the year, quarterly Unaudited Financial Results with Limited Review Reports and Annual Audited Financial Results of the Company with Auditor's Report thereon were submitted to the Stock Exchanges upon their approval by the Board of Directors. The Company publishes its Financial Results in two newspapers, Western Times (English) and Western Times (Gujarati). These results are also uploaded on the Company's website: <http://www.gujaratleasefinancing.co.in/>>Financial Results.

The Company's website: www.gujaratleasefinancing.co.in also displays the official news releases of relevance and key Company Policies and other relevant information in addition to the Financial Results.

Considering the impact of COVID-19 Pandemic and consequent restrictions including that on large gatherings and social distancing, the SEBI vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 extended the relaxation provided vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 from sending physical copies of Annual Report for FY 2020-21 to those Members whose email IDs are not registered with the Depository Participants (DPs) and/ or with the Company's Registrar and Share Transfer Agent (RTA) and who have opted for physical copies. In view of the same, the Company will send soft copies of Annual Report for FY 2020-21 to those Members whose email IDs are registered with the DPs and/ or with the Company's RTA. Also, soft copy of Annual Report will be available on the Company's website: www.gujaratleasefinancing.co.in.

7. GENERAL SHAREHOLDERS' INFORMATION

7.1 GENERAL BODY MEETING - 2020-21

7.1.1 38TH ANNUAL GENERAL MEETING DETAILS ARE AS UNDER:

Day and Date	Thursday, August 12, 2021
Time	09:30 am
Venue	Video Conferencing or Other Audio Visual means
Financial year	April 01, 2020 to March 31, 2021
Cut-Off date for remote e-Voting	Friday, August 06, 2021
Remote e-Voting period	Start Date and Time - Monday, August 09, 2021 at 09:00 am End Date and Time - Wednesday, August 11, 2021 at 05:00 pm

7.1.2 TENTATIVE FINANCIAL CALENDAR FOR THE YEAR 2021-22

Financial Year	April 01, 2021 to March 31, 2022
First Quarter Results	End of July / First Week of August, 2021
Second Quarter Results	End of October / First Week of November, 2021
Third Quarter Results	End of January / First Week of February, 2022
Results for the Year End	End of May, 2022

7.1.3 LISTING ON STOCK EXCHANGES AND SECURITY CODES

Name of Stock Exchange	Security Code
Equity Shares	
BSE Limited (BSE)	500174
National Stock Exchange of India Limited (NSE)	GLFL
ISIN	INE540A01017

The Company has paid the annual listing fees for the year 2021-22 to the above stock exchanges.

7.1.4 SHARE PRICE AND COMPARISON WITH BSE SENSEX AND NSE NIFTY

The monthly movement of equity share prices during the year ended March 31, 2021 at BSE & NSE is summarized below:

Month	Share Price on BSE		BSE Sensex		Volume (No. of Shares)	Share Price on NSE		NSE (NIFTY 50)		Volume (No. of Shares)
	High (₹)	Low (₹)	High	Low		High (₹)	Low (₹)	High	Low	
Apr-20	2.13	1.40	33887.25	27500.79	671	1.35	1.00	9889.05	8055.80	22761
May-20	1.93	1.93	32845.48	29968.45	10	1.30	1.10	9598.85	8806.75	14211
Jun-20	2.54	2.00	35706.55	32348.10	29137	1.60	1.10	10553.15	9544.35	31673
Jul-20	2.09	2.09	38617.03	34927.20	1	1.60	1.50	11341.40	10299.60	4887
Aug-20	1.99	1.81	40010.17	36911.23	4377	1.50	1.35	11794.25	10882.25	34080
Sep-20	2.92	1.80	39359.51	36495.98	178034	3.00	1.55	11618.10	10790.20	178339
Oct-20	2.69	1.77	41048.05	38410.20	60054	2.70	1.90	12025.45	11347.05	163990
Nov-20	2.45	1.94	44825.37	39334.92	16339	2.50	1.90	13145.85	11557.40	320327
Dec-20	2.95	2.13	47896.97	44118.10	98731	3.00	2.15	14024.85	12962.80	396880
Jan-21	3.44	2.39	50184.01	46160.46	297043	3.45	2.40	14753.55	13596.75	368353
Feb-21	3.37	2.37	52516.76	46433.65	163808	3.35	2.30	15431.75	13661.75	668456
Mar-21	3.50	2.52	51821.84	48236.35	102288	3.50	2.35	15336.30	14264.40	464497

PERFORMANCE OF EQUITY SHARE PRICE VIS-À-VIS NIFTY 50 IS AS UNDER:

Month	GLFL Share Price on NSE (₹)*	NIFTY 50 during the month*	Relative Index for comparison purpose	
			GLFL Share Price	NIFTY 50
Mar-20	1.40	8597.75	100.00	100.00
Apr-20	1.25	9859.90	89.29	114.68
May-20	1.15	9580.30	82.14	111.43
Jun-20	1.55	10302.10	110.71	119.82
Jul-20	1.50	11073.45	107.14	128.79
Aug-20	1.50	11387.50	107.14	132.45
Sep-20	2.70	11247.55	192.86	130.82
Oct-20	2.40	11642.40	171.43	135.41
Nov-20	2.35	12968.95	167.86	150.84
Dec-20	2.30	13981.75	164.29	162.62
Jan-21	2.70	13634.60	192.86	158.58
Feb-21	3.35	14529.15	239.29	168.99
Mar-21	2.50	14690.70	178.57	170.87

*Closing Price/ Data on the last traded/ trading day of the month. Closing share price at NSE and NIFTY 50 of March 31, 2020 have been taken as the base for calculating relative index for comparison purpose.

7.1.5 SHARE TRANSFER AGENT

Name	MCS Share Transfer Agent Limited
Address	101, Shatdal Complex, Opp. Bata Showroom, Off Ashram Road, Ahmedabad - 380009
Tele. Nos.	079-26580461/62/63
Fax No.	079-26581296
Email ID	mcsstaahmd@gmail.com

7.1.6 SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 2019, except in case of transmission of securities or transposition of names. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

To expedite the transfer of shares held in physical mode, the powers to authorize transfers have been delegated to specified officials of the RTA and the Company. Share transfers are taken up for approval at least once in a fortnight and the transferred securities are dispatched to the transferees within the stipulated time. Details of transfer/transmission approved by the delegates are noted by the Stakeholders Relationship Committee at its meeting once in a quarter. Also, the same were noted by the Board of Directors on quarterly basis.

7.1.7 DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

7.1.7.1 ON THE BASIS OF SHARES HELD

Shares Range	No. of Shareholders	% to total Shareholders	Shares	% to total Shares
Upto 5000	28,683	98.85	91,68,697	33.80
5001 - 10000	188	0.65	14,31,995	5.28
10001 - 50000	128	0.44	26,54,198	9.78
50001 - 100000	8	0.03	5,66,638	2.09
100001 and above	11	0.04	1,33,04,239	49.05
Total	29,018	100.00	2,71,25,767	100.00

7.1.7.2 ON THE BASIS OF CATEGORY

Category	No. of Shares held	% to total Shares held
Promoters	1,23,87,222	45.67
Individuals	1,38,91,106	51.21
Bodies Corporate	3,89,838	1.44
Financial Institutions/ Mutual Funds/ Banks	3,962	0.01
Non-Resident Indians	42,134	0.15
Hindu Undivided Family	4,11,505	1.52
Total	2,71,25,767	100.00

7.1.8 DEMATERIALIZATION OF SHARES AND LIQUIDITY

Equity Shares of the Company can be traded only in dematerialised form by the investors. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat security (ISIN) code for the equity shares of the Company is INE540A01017. Consequent upon the compulsory Demat of the Equity Shares of the Company as notified by SEBI, about 90.05% (2,44,25,850) shares have been dematerialized as on March 31, 2021 and the balance 9.95% (26,99,917) shares are in physical mode. The shares are traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and hence, the equity shares of the Company are liquid.

7.1.9 OUTSTANDING AMERICAN DEPOSITORY RECEIPTS/ GLOBAL DEPOSITORY RECEIPTS/ WARRANTS OR ANY OTHER CONVERTIBLE INSTRUMENTS, CONVERSION AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments as on date.

7.1.10 LOCATION OF PLANT/ REGISTERED OFFICE

The Company has not been engaged in any manufacturing activities. The Company is having only Registered Office from where it operates and it is situated at 6th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad - 380006.

7.1.11 ADDRESS FOR CORRESPONDENCE

Registered Office & Shareholders Correspondence Address	Gujarat Lease Financing Limited 6 th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad - 380006. Tele No., 079-26575722 Email ID: glflho_ahm@yahoo.co.in
Company Secretary & Compliance Officer	Yash Shah
Redressal of Investor Grievances	glflho_ahm@yahoo.co.in

7.1.12 CERTIFICATION BY THE STATUTORY AUDITORS

Certificate from M/s. G. K. Choksi & Co., Practicing Chartered Accountants, Ahmedabad, regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations forms part of the Annual Report.

7.1.13 DECLARATION BY THE CHIEF EXECUTIVE OFFICER

In accordance with Schedule V of the Listing Regulations, all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board and forms part of this report.

8. OTHER DISCLOSURES

8.1 RELATED PARTY TRANSACTIONS

The Company has formed related party transactions policy pursuant to the requirements of the Act and Regulation 23 of the Listing Regulations. The same is also placed on the website of the Company at <http://www.gujaratleasefinancing.co.in/>policy>.

During the year, the Company has not entered into any transaction with the related parties which are material in nature. Adequate care was taken to ensure that there is no potential conflict of interest in related party transactions.

For details about related party transactions, see Note No. 28 of the Financial Statement for the financial year 2020-21.

8.2 WHISTLE BLOWER POLICY

The Company had adopted a “Whistle Blower Policy” through which the Company has institutionalized a mechanism to disclose any unethical behavior, improper practice and wrongful conduct taking place in the Company for suitable action. The Policy by design, provides access to the Chairperson of the Audit Committee. Confidentiality of Whistle Blower is maintained without any discrimination. The same is also placed on the website of the Company at <http://www.gujaratleasefinancing.co.in/>policy>.

None of the personnel of the Company has been denied access to the Audit Committee.

No complaint has been received during the financial year 2020-21.

8.3 LEGAL COMPLIANCES

The Compliance Certificate confirming due compliances with statutory requirements are placed at the Board Meeting for review by the Directors. The Company follows a formal management policy and system of legal compliance & reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There was an instance of non-compliance during the period from October 01, 2018 to October 31, 2018 during the financial year 2018-19, as a result of appointment of Board Chairperson as the Chairperson of the Nomination and Remuneration Committee upto October 31, 2018. The Company ratified the same in November, 2018. For such non-compliance, penalty was imposed on the Company by the NSE as per their letter dated September 08, 2019 and the Company had paid the penalty of Rs. 73,160/- on September 10, 2019.

There was delay in compliance of Regulation 17(1)(C) of SEBI (LODR) Regulations, 2015 for the quarter ended June 30, 2020 and September 30, 2020 (12 days) for which the Company had received letters from National Stock Exchange of India Limited (NSE) dated August 20, 2020 and November 17, 2020 respectively levying fine for such delay. Further, the Company had filed its response requesting for waiver of fine and NSE vide its letter dated April 13, 2021 has waived the fine.

No penalties were imposed either by SEBI or any statutory authorities on any matter related to Capital Markets during the last three years except as mentioned above.

8.4 MATERIAL SUBSIDIARY POLICY

The Company has formulated a Policy for determining ‘Material’ Subsidiary in accordance with the Listing Regulations and the Act, which is uploaded on the website of the Company at <http://www.gujaratleasefinancing.co.in/>policy>.

8.5 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

- i) The Company has not been trading in commodities including through hedging, accordingly, the Company has not devised a policy on Risk management for trading in commodities through hedging.
- ii) Foreign exchange risks are not affecting the Company as the Company is not having any Short-term foreign currency asset - liability involving Foreign Exchange Risk.

8.6 CREDIT RATING

The Company has not borrowed any Short Term/ Long Term Debt including Debentures and Fixed Deposit Scheme or Money from Public and Outside Agencies, Commercial Papers, accordingly, it was not required to obtain Credit Ratings from the Credit Rating Agencies for Short Term/ Long Term debt.

8.7 DETAILS OF UNCLAIMED SHARES AS PER THE LISTING REGULATIONS

In terms of Regulation 39(4) of the Listing Regulations, the Company Reports the following details in respect of equity shares transferred from the “Gujarat Lease Financing Limited - Unclaimed Suspense Account” during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year i.e. April 01, 2020	11	1661
Number of shareholders who approached the Company/ Registrars and Transfer Agents (RTA) for transfer of shares from unclaimed suspense account during the year	0	0
Number of shareholders to whom shares were transferred from unclaimed suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year i.e. March 31, 2021	11	1661

The Voting rights on such shares shall remain frozen till the rightful owner claims the shares.

8.8 INDEPENDENT DIRECTORS

Based on the declaration of independence and other disclosures made by Independent Directors, the Board has noted that they fulfil the conditions of independence specified in the Act and the Listing Regulations.

Based on the disclosures made by them, no Independent Director served as an Independent Director in more than 7 listed companies and where the Independent Director was a Whole-time Director / Managing Director in any listed company, he was not Independent Director in more than 3 listed companies.

A separate meeting of the Independent Directors was held on August 08, 2020 under the Chairpersonship of Surendra Shah to review the matters as required by Schedule IV of the Act and the Listing Regulations.

8.9 CERTIFICATION BY THE PRACTISING COMPANY SECRETARY

The Company has obtained a certificate from M/s. Rajesh Parekh & Co., Practising Company Secretary, Ahmedabad, stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed/ continuing as Directors of any Company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority.

8.10 PAYMENT TO STATUTORY AUDITORS

During the year under review, ₹ 50,000/- were paid as Statutory Audit fees to M/s. G. K. Choksi & Co., Statutory Auditors.

8.11 DETAILS OF COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND EXTENT OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

8.11.1 COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

8.11.2 EXTENT OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS - Nil

8.12 PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company had no woman employee during the year under review, therefore it was not required to constitute Internal Complaints Committee pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder.

Place: Ahmedabad
Date: May 21, 2021

Anil Jhaveri
Chief Executive Officer

