



Gujarat State Financial Corporation

(Established under State Financial Corporations Act, 1951)

SECRETARIAL CELL

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

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GSFC/SEC.CELL/C-2/

October 26, 2026

The Listing Compliance Department
BSE Ltd, 25th Floor, Phiroz Jeejeebhoy Towers
Dalal Street, Fort, Mumbai 400 001

**Sub: 1. Unaudited financial results for the quarter
and half year ended September 30, 2026 – Outcome of Board meeting.
2. Financial Results for the quarter and half year ended September 30, 2026**

Ref: Stock Code: 532160

Dear Sirs,

Pursuant to the Notice dated October 19, 2026, it is to be informed that the meeting of Board of Directors of the Corporation was held as scheduled on Monday, the 26th October, 2026 and, inter alia,

- i) considered and approved the unaudited financial results of the Corporation for the quarter and half year ended September 30, 2026 together with Limited Review Report on the said results issued by Statutory Auditors and reviewed by the Audit Committee, and
- ii) decided to re-introduce One Time Settlement Scheme for Term Loan disbursed upto ₹15 lakh and above ₹15.00 lakh as last introduced vide Board decision under item No. 12 dated May 27, 2022 except to proven convicted criminal cases.

The Board meeting started at 1.30 PM and concluded at 2.45 p.m. We now forward herewith the following:-

1. Unaudited financial results for the quarter/half year ended September 30, 2026 subjected to Limited Review by the statutory auditors, duly reviewed by Audit Committee and approved by Board of Directors at their respective meetings held today i.e., October 26, 2026;
2. Limited Review Report dated 26-10-2026 on the said financial results issued by Statutory Auditors, M/s. JH Mehta & Co., Chartered Accountants, Ahmedabad.
3. Extract of the said unaudited financial results being released in daily "Financial Express", Gujarati and English editions of Ahmedabad.

Kindly take note of the same.

This communication is also available on GSFC website www.gsfc.gujarat.gov.in under INVESTOR RELATIONS – FINANCIAL RESULTS – FY 2025-26.

Thanking you,

Yours faithfully,
for Gujarat State Financial Corporation,

(Raveendran Nair)
Secretary (Board)

GUJARAT STATE FINANCIAL CORPORATION

BLOCK NO. 10, 1ST FLOOR, UDYOG BHAVAN, SECTOR 11, GANDHINAGAR 382 010

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2026

(₹ in Lakh)

PARTICULARS	Quarter ended			Half year ended		Year ended
	30.09.2026 (Unaudited)	30.06.2026 (Unaudited)	30.09.2025 (Unaudited)	30.09.2026 (Unaudited)	30.09.2025 (Unaudited)	31.03.2026 (Audited)
1 Interest earned	7.87	0.00	5.07	7.87	14.32	14.32
2 Other Income	410.07	406.15	405.35	816.22	803.61	1625.76
3 Total Income (1+2)	417.94	406.15	410.42	824.09	817.93	1640.08
4 Interest Expended	2353.95	2328.36	3554.08	4682.31	7055.90	14119.81
5 Operating Expenditure (i)+(ii)	63.54	42.95	67.38	106.49	125.66	253.28
(i) Employees cost	16.12	18.64	22.40	34.76	45.60	98.74
(ii) Other operating expenses	47.42	24.31	44.98	71.73	80.06	154.54
6 Total Expenditure (4+5)	2417.49	2371.31	3621.46	4788.80	7181.56	14373.09
7 Operating Profit before provisions & contingencies (3-6)	(1999.55)	(1965.16)	(3211.04)	(3964.71)	(6363.63)	(12733.01)
8 Provisions (other than tax) & Contingencies	0.00	0.00	0.00	0.00	0.00	0.00
9 Exceptional items (i)+(ii)	(19.20)	(2.50)	15.04	(21.70)	65.50	4.10
(i) Diminution in the value of investment written back	0.00	0.00	0.00	0.00	0.00	(56.86)
(ii) Provision for NPA written back/(provided)	(19.20)	(2.50)	15.04	(21.70)	65.50	60.96
10 Profit(+)/Loss(-) from Ordinary Activities before Tax (7-8-9)	(2018.75)	(1967.66)	(3196.00)	(3986.41)	(6298.13)	(12728.91)
11 Tax expenses	0.00	0.00	0.00		0.00	0.00
12 Net Profit(+)/Loss(-) from Ordinary Activities after Tax (10-11)	(2018.75)	(1967.66)	(3196.00)	(3986.41)	(6298.13)	(12728.91)
13 Extraordinary items (net of tax expenses)	0.00	0.00	0.00		0.00	0.00
14 Net Profit(+)/Loss(-) for the period (12-13)	(2018.75)	(1967.66)	(3196.00)	(3986.41)	(6298.13)	(12728.91)
15 Paid-up Equity Share Capital (Face value ₹ 10/- each)	8911.40	8911.40	8911.40	8911.40	8911.40	8911.40
16 Reserves excluding Revaluation Reserves as at 31st March,	---	---	---	---	---	(328194.54)
17 Analytical ratios						
i Percentage of Shares held by Govt. of Gujarat	55.09	55.09	55.09	55.09	55.09	55.09
ii Basic and diluted Earnings Per Share (Not annualized) Rs.	(2.27)	(2.21)	(3.59)	(4.47)	(7.07)	(14.28)
iii NPA Ratio						
a Gross NPA	39762.99	39743.80	39736.76	39762.99	39965.93	39741.30
b Net NPA	39762.99	39743.80	39736.76	39762.99	39965.93	39741.30
c % of Gross NPA to Gross advances	100%	100%	100%	100%	100%	100%
d % of Net NPA to Net advances	100%	100%	100%	100%	100%	100%
e Return on assets	0.00	0.00	0.00	0.00	0.00	0.00

STATEMENT OF ASSETS AND LIABILITIES AS ON SEPTEMBER 30, 2026

PARTICULARS	As at 30.09.2026 Unaudited	As at 30.09.2025 Unaudited	As at 31.03.2026 Audited
CAPITAL AND LIABILITIES			
Capital	9371.88	9371.88	9371.88
Reserve and Surplus	-332180.95	-321763.75	-328194.54
Deposits	0	0	0.00
Borrowings	66168.42	66168.42	66168.42
Other liabilities & Provisions	280701.13	268933.85	276014.98
Total	24060.48	22710.40	23360.74
ASSETS			
Cash on hand	0.75	0.75	0.83
Balance with Banks / GSFS	47.38	92.25	42.71
Investment	23191.6	21780.08	22108.36
Loan & Advances	0.00	0.00	0.00
Fixed Assets	170.55	187.75	178.67
Other Assets	650.2	649.57	1030.17
Total	24060.48	22710.40	23360.74

P.T.O.



GUJARAT STATE FINANCIAL CORPORATION		
CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2026		
Particulars	For the Year Half Ended 30th September, 2026 ₹	For the Year Ended 31st March, 2026 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax as per Profit & Loss A/c	(39,86,40,771)	(1,27,28,91,257)
Adjustments :		
Depreciation	8,12,090	18,20,613
Provision for NPA written back	-	(34,33,893)
Diminution/(Reverse Diminution) in Value of Investments	-	56,85,909
Profit on sale of Investments	-	-
Profit on Sale of Assets	-	-
Dividend Income	(1,650)	(8,00,958)
Interest Income	(8,14,68,344)	(16,15,49,849)
Interest on Finance Cost	-	-
Operating Loss before working capital	(47,92,98,675)	(1,43,11,69,435)
Adjusted for :		
i) Other Assets	(7,03,26,984)	(15,22,45,258)
ii) Other Liabilities & Provisions	46,86,15,420	1,41,21,07,954
iii) Transfer/Writeback from Reserves	1	-
NET CASH USED FROM OPERATING ACTIVITIES (A)	(8,10,10,238)	(17,13,06,739)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (After changes in Capital W-I-P)	-	-
Sale of Fixed Assets	-	-
Decrease in Investments	-	-
Dividend Income	1,650	8,00,958
Interest Income	8,14,68,344	15,73,28,569
NET CASH USED FROM INVESTING ACTIVITIES (B)	8,14,69,994	15,81,29,527
C) CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		
Net Increase in Cash & Cash Equivalents (A+B+C)	4,59,756	(1,31,77,212)
Opening Balance of Cash & Cash Equivalents	43,54,127	1,75,31,339
Closing Balance of Cash & Cash Equivalents	48,13,883	43,54,127
Components Depecting Closing Cash and Cash Equivalents		
Sub Total (A)	75,388	83,016
(IN CURRENT ACCOUNTS)	11,27,672	13,54,695
GSFS INTER CORPORAT DEPOSIT	36,10,823	29,16,416
Total	48,13,883	43,54,127

NOTE: The above Cash Flow is prepared in accordance with Accounting Standard - 3 (indirect method).

Notes:

- The above un-audited financial results together with Limited Review Report were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 26, 2026.
- Figures for the previous periods have been reclassified or regrouped to conform to the presentation adopted in this statement.
- Corporation is primarily engaged in the business of term lending. All activities of the Corporation revolve around main business. Hence there are no reportable segments as per AS-17 "Segment Reporting".

Result 30 Sept 2026



4. During the quarter under reference, due to increase in Loan Assets, Corporation provided ₹19.20 lakh towards NPA provision as against ₹15.04 lakh wrote back in the corresponding period of previous year. For the half year ended September 30, 2026, provision made towards NPA stood at ₹21.70 lakh as against ₹65.50 lakh wrote back in the corresponding half year of previous year. Write back/provision is reported as exceptional item.
5. Pursuant to Board decision dated October 03, 2012, Corporation has requested Govt. of Gujarat in Industries & Mines Department to waive interest on soft loan of ₹621.37 crore granted to the Corporation to tide over its financial stringency vide letter dated October 17, 2012. Data/information called for by the concerned department has been provided from time to time but the decision is still awaited. Keeping in view the state of affairs and mounting loss of the Corporation, Board of Directors at its meeting held on May 30, 2026 decided to discontinue with the practice of providing interest @ 2% on default amount of said loan with effect from April 01, 2026 under intimation to Government. Accordingly, Government was informed of the decision vide letter dated June 22, 2026. Therefore, the aforesaid results are prepared without considering interest on default amount which would otherwise form part of "interest expended". Had the default interest is taken into consideration, (1) interest expended, (2) total expenditure and (3) net loss could have been higher by ₹1,245.98 lakh for the quarter ended September 30, 2026 while the increase on said items shall be higher by ₹2,466.77 lakh for the half year ended September 30, 2026.
6. Statutory Auditors in the Limited Review Report on the said results made qualified opinion which along with Management's views is given below:-

Sr. No.	Audit qualification	Management's view
1	Going Concern Basis: The financial results of the Corporation are prepared on a going concern basis, notwithstanding the fact that its net worth is completely eroded and defaulted in repayment obligations due to liquidity problems. This is not in accordance with Accounting Standard (AS)-1 "Disclosure of Accounting Policies". The effect of the same on the financial results is not ascertainable.	Gujarat State Financial Corporation is established under State Financial Corporations Act, 1951 by Parliament as a special Act pursuant to Entry No. 43 of the Union List. Corporation is, thus, a body corporate and statutory Corporation. The main objective of establishment of the Corporation is aimed at achieving balanced regional growth by extending financial assistance to first generation entrepreneurs to establish micro and small scale units in the State and to generate employment. Corporation has so far suffered immense loss but it is continuing its recovery function. Corporation, being a statutory body, thus, prepares accounts on "going concern" assumptions and it is appropriate under the aforesaid circumstances.
2	Dues payable to Government of Gujarat: Dues payable to Government of Gujarat is subject to confirmation and adjustment, if any. Pending	Government loans are granted as a result of provision in the Budgets of Government of Gujarat and subsequent issuance of Government Resolutions. The Government has been moved to make the loan advanced to the Corporation interest free from 1-7-2012 vide letter dated 17 th October, 2012. In

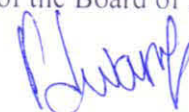
Result 30 Sept 2026



	such confirmation, the effect thereof on interest and penal interest is not ascertainable.	response to letter dated January 18, 2025 received from Government in Industries & Mines Department in the matter, latest position of the Corporation has been submitted vide letter dated February 04, 2025. Further information called for is being furnished. However, pending decision in the matter, both interest and penal interest were charged to Statement of Profit & Loss till March 31, 2026. Pursuant to decision taken by the Board of Directors at its meeting held on May 30, 2026, Corporation discontinued charging penal interest to P&L Account from April 01, 2026. The outstanding details are submitted to administrative department on quarterly basis. The loan accounts are subjected to verification by other authorities also and no observation was made. In view of this, separate confirmation is not obtained.
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Place: Gandhinagar
Date : 26-10-2026

By order of the Board of Directors,



(Swaroop P, IAS)
Managing Director



INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2026 PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
Gujarat State Financial Corporation

1. We have reviewed the accompanying statement of unaudited financial results of **Gujarat State Financial Corporation** ("the Corporation") for the quarter and half year ended **September 30, 2026** ("the Statement"), attached herewith, being submitted by the Corporation pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Corporation's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", issued by the Institute of Chartered Accountants of India (ICAI) and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review is limited primarily to inquiries of Corporation personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion:

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

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Qualified Conclusion:

Based on our review conducted as above, except for the possible effects of the matters described in the Basis for Qualified Conclusion section above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter:

The comparative financial information of the Corporation for the corresponding quarter and half year ended September 30, 2025 and for the quarter and year ended March 31, 2026, included in the Statement were reviewed and audited by another auditor who expressed a qualified conclusion on those financial results vide their report dated November 10, 2025 and May 31, 2026 respectively. Our conclusion on the Statement is not modified in respect of these matters.

Place: Ahmedabad**Date: 26-10-2026**

For, J. H. Mehta & Co.
Chartered Accountants
Firm Registration No.: 106227W

Naitik J. Mehta
Partner

Membership No.: 130010**UDIN: 26130010 00LYQA3600**



Gujarat State Financial Corporation

(Established under State Financial Corporations Act, 1951)

Block No.10, Udyog Bhavan, Sector-11, GH-4, Gandhinagar - 382 010

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EXTRACT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2026

(₹ in lakh except per share data)

Particulars	Quarter ended 30.09.2026	Half Year ended 30.09. 2026	Corresponding three months ended 30.09.2025
	Reviewed	Reviewed	Reviewed
Total income from Operations (net)	398.74	802.39	425.46
Net profit/loss from ordinary activities after tax (before extra-ordinary items)	(2,018.75)	(3986.41)	(3,196.00)
Net profit/loss from ordinary activities after tax (after extraordinary items)	(2,018.75)	(3986.41)	(3,196.00)
Paid-up Equity Share Capital (Face value of Rs.10/-)	8,911.40	8,911.40	8,911.40
Reserves (excluding Revaluation Reserve) as on March 31	-	-	-
Earnings Per Share (EPS) (before and after extraordinary items)			
(a) Basic	*(2.27)	*(4.47)	*(3.59)
(b) Diluted	*(2.27)	*(4.47)	*(3.59)

* Not annualized.

Note:-

1. The unaudited financial results for the quarter and half year ended 30th September, 2026 along with Limited Review Report thereon issued by the statutory Auditors have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 26, 2026.
2. Pursuant to Board decision dated May 30, 2026, Corporation discontinued to provide delayed interest on default amount of soft loan granted by Government of Gujarat from April 01, 2026. Interest on default amount for the quarter under reference stood at ₹1,245.98 lakh and ₹2,466.77 lakh for the half year ended September 30, 2026. Had the delayed interest on default amount been considered, interest expended, total expenditure and net loss would have been increased by ₹1,245.98 lakh for the quarter under reference and ₹2,466.77 lakh for the half year ended September 30, 2026.
3. The above is an extract of the detailed format of the quarterly financial results filed with BSE Limited under Regulation 33 of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results is available on BSE Ltd website www.bseindia.com as also on Corporation's website <https://gsfc.gujarat.gov.in>. The same can also be assessed by scanning the QR code provided below.

For and on behalf of Board of Directors,

QR Code

Place : Gandhinagar

Date : 26/10/2026



(Swaroop P., IAS)
Managing Director

Results 30-9-25