

**MANGALAM**

**INDUSTRIAL**

**FINANCE**

**LIMITED**

**ANNUAL REPORT**

**2011 – 2012**

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## **MANGALAM INDUSTRIAL FINANCE LIMITED**

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|-------------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BOARD OF DIRECTORS</b>                       | <b>:</b> | <b>SHRI RAMESH CHANDRA DAGA (M.D.)<br/>SHRI ARUN CHAKRABORTY<br/>SMT. KAKOLI MONDAL<br/>SHRI SUDARSON KAYORI<br/>SHRI TAPAS MONDAL<br/>SHRI RATHINDRA NATH GHOSH</b>                                                                                       |
| <b>REGISTERED OFFICE</b>                        | <b>:</b> | <b>3, SYNAGOGUE STREET,<br/>2<sup>nd</sup> FLOOR, ROOM NO. 17<br/>KOLKATA - 700 001<br/>WEST BENGAL (INDIA)<br/>TEL.: +91 33 2210 1328<br/>E-mail : mifl_1983@yahoo.co.in</b>                                                                              |
| <b>AUDITORS</b>                                 | <b>:</b> | <b>M/s. MAROTI &amp; ASSOCIATES<br/>CHARTERED ACCOUNTANTS<br/>9/12, LAL BAZAR STREET, BLOCK-'E',<br/>3<sup>RD</sup> FLOOR, ROOM NO.2,<br/>KOLKATA - 700 001<br/>TEL.: +91 33 2231 9392 / 9391<br/>FAX: +91 33 2243 8371<br/>E-mail : mkmaroti@sify.com</b> |
| <b>BANKER</b>                                   | <b>:</b> | <b>Axis Bank Ltd.<br/>HDFC Bank Ltd.<br/>Central Bank of India</b>                                                                                                                                                                                         |
| <b>REGISTRARS AND<br/>SHARE TRANSFER AGENTS</b> | <b>:</b> | <b>NICHE TECHNOLOGIES PVT. LTD.<br/>D-511, BAGREE MARKET,<br/>71, B. R. B. ROAD, 5<sup>TH</sup> FLOOR,<br/>KOLKATA - 700 001<br/>TEL.: +91 33 2235 7270 / 7271<br/>FAX: +91 33 2215 6823<br/>E-mail: nichetechpl@ nichetechpl.com</b>                      |
| <b>COMPANY SECRETARY</b>                        | <b>:</b> | <b>SANJAYA KUMAR ROUT</b>                                                                                                                                                                                                                                  |

## **MANGALAM INDUSTRIAL FINANCE LIMITED**

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### **NOTICE**

#### **TO THE SHAREHOLDERS**

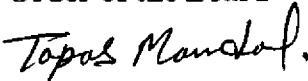
**NOTICE** is hereby given that the **Annual General Meeting** of the Members of **M/s. MANGALAM INDUSTRIAL FINANCE LIMITED** will be held at its Registered Office at 3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata - 700 001, on **Monday, 27th Day of August, 2012** at **3.30 p.m.** to transact the following business:

#### **Ordinary Business:**

1. To receive, consider and adopt the Director's Report and Audited Profit & Loss account for the year ended **31<sup>st</sup> March, 2012** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mr. Ramesh Chandra Daga and Mrs. Kakoli Mondal** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**Registered Office:**  
**3, Synagogue Street,**  
**2<sup>nd</sup> Floor, Room No. 17**  
**Kolkata -700 001 (W.B)**  
**Dated : 25<sup>th</sup> Day of June, 2012**

**By Order of the Board**

  
**Tapas Mondal**  
**Director**

#### **Notes:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the Meeting Hall.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **20<sup>th</sup> day of August, 2012 to 27<sup>th</sup> day of August, 2012** (both days inclusive) for the purpose of Annual General Meeting
4. As measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report at the Meeting.

**MANGALAM INDUSTRIAL FINANCE LIMITED**

**Regd. Office: 3, SYNAGOGUE STREET,  
2<sup>ND</sup> FLOOR, ROOM NO.17,  
KOLKATA - 700 001**

**DIRECTORS' REPORT**

To

The Members,

Your Directors have pleasure in presenting the **Annual Report** of the Company together with Audited Accounts for the year ended on **31st March, 2012**.

**1. FINANCIAL RESULTS :**

(Fig. in RS)

|                                                | CURRENT YEAR      | PREVIOUS YEAR      |
|------------------------------------------------|-------------------|--------------------|
| <b>PROFIT/(LOSS) BEFORE TAXATION</b>           | <b>(4,70,726)</b> | <b>(10,24,735)</b> |
| Deferred Tax                                   | (1,27,588)        | 43,376             |
| <b>PROFIT / ( LOSS ) AFTER TAX</b>             | <b>(5,98,314)</b> | <b>(9,81,359)</b>  |
| Provision for Standard Assets (As per RBI Act) | (1,38,113)        | (14,340)           |
| Assessed Tax for earlier years                 | (8,841)           | -----              |
| Brought forward from earlier years             | (26,07,907)       | (16,12,208)        |
| Balance Carried To Balance Sheet               | (33,53,175)       | (26,07,907)        |

**2. FUTURE PERFORMANCE :**

In the year under review, the Company has incurred Loss of Rs. 4,70,726/-. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the company in the current Financial Year.

**3. DIVIDEND :**

In view of Loss, Your Directors do not recommend any dividend for the year.

**4. AUDITORS :**

The retiring Auditors **MAROTI & ASSOCIATES**, Chartered Accountants, Kolkata hold office till the conclusion of the Annual General Meeting and is eligible for reappointment.

**5. DIRECTORS :**

**Mr. Ramesh Chandra Daga** and **Mrs. Kakoli Mondal** retires by rotation and being eligible, offers Themselves for re-appointment.

**6. PERSONNEL :**

Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the company and hope that their continued support will help in achieving the goals of the Company. No employee of the company is in receipt of remuneration in excess of the limit prescribed under Section 217(2A) of the Companies Act, 1956.

## 7. STATUTORY INFORMATION :

Particulars required to be furnished by the companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988:

|                                     |   |     |
|-------------------------------------|---|-----|
| 1. CONSERVATION OF ENERGY           | : | Nil |
| 2. TECHNOLOGY ABSORPTION & ADOPTION | : | Nil |
| 3. FOREIGN EXCHANGE EARNING & OUTGO | : | Nil |

## 8. RESPONSIBILITY STATEMENT :

- i. In preparation of the annual accounts, the applicable Accounting Standards have been followed.
- ii. The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on going concern basis.


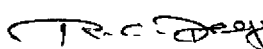
## 9. CORPORATE GOVERNANCE :

As required under clause 49 of the listing agreement with the Stock Exchange, the Report on Corporate Governance together with Auditors view regarding compliance of the SEBI code of Corporate Governance is annexed herewith.

## 10. ACKNOWLEDGEMENTS :

The Board wishes to place on record their gratitude for the co-operation and assistance received from all those who contributed by some means or other for the performance of the company and expect the same in the future.

For and on behalf of the Board

Date : 25<sup>th</sup> day of June, 2012  
Place: Kolkata

Tapas Mondal  
Director

Ramesh Chandra Daga  
Managing Director

## **ANNEXURE - TO THE DIRECTORS' REPORT**

### **CORPORATE GOVERNANCE REPORT**

The detailed Report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below.

#### **A) MANDATORY REQUIREMENTS:**

##### **1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. The Company has implemented mandatory requirements of the code of Governance as mentioned in clause 49 of the Listing Agreement.

##### **2) BOARD OF DIRECTORS**

a) The Board comprises of one executive and non-executive Directors of whom four are independent directors.

The composition of the Board and other details relating to Directors are given below:

| <b>Name of the Director</b>     | <b>Designation</b> | <b>Category of Directorship</b> | <b>No of other Directorship</b> | <b>No of other Committee Membership</b> |
|---------------------------------|--------------------|---------------------------------|---------------------------------|-----------------------------------------|
| <b>Mr. Ramesh Chandra Daga</b>  | Managing Director  | Executive                       | <b>23</b>                       | -----                                   |
| <b>Mr. Tapas Mondal</b>         | Director           | Executive                       | <b>15</b>                       | -----                                   |
| <b>Mr. Arun Chakraborty</b>     | Director           | Non Executive Independent       | -----                           | -----                                   |
| <b>Mr. Suderson Kayori</b>      | Director           | Non Executive Independent       | -----                           | -----                                   |
| <b>Mrs. Kakoli Mondal</b>       | Director           | Non Executive Independent       | <b>8</b>                        | -----                                   |
| <b>Mr. Rathindra Nath Ghosh</b> | Director           | Non-Executive Independent       | -----                           | -----                                   |

b) Appointment/Reappointment of Directors

**Mr. Ramesh Chandra Daga and Mrs. Kakoli Mondal** who retires by rotation during the ensuing Annual General Meeting and is eligible for reappointment.

### 3) AUDIT COMMITTEE

The Composition procedure, role / function of the Audit Committee comply with the requirements of the Listing Agreement. The brief terms of reference of the Audit Committee includes the following:

Overseeing the Company's financial report process and disclosure of its financial information.

Review of quarterly and annual financial results before submission to the Board.

Disclosure with Statutory and Internal auditors about the nature and scope of audit and their observations.

Investigate any matter referred to by the Board.

The Composition of the Audit Committee:

| MEMBERS                 | CATEGORY      |
|-------------------------|---------------|
| Mr. Ramesh Chandra Daga | Executive     |
| Mr. Arun Chakraborty    | Non Executive |
| Mrs. Kakoli Mondal      | Non Executive |

During the year under review 4 (four) meetings of the Audit Committee were held.

### 4) SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE

The Shareholders/Investors Grievance Committee is to look into the specific Complaints received from the Shareholders of the Company.

The Composition of the said Committee is as follows:

| MEMBERS                 | CATEGORY      |
|-------------------------|---------------|
| Mr. Ramesh Chandra Daga | Executive     |
| Mr. Arun Chakraborty    | Non Executive |
| Mrs. Kakoli Mondal      | Non Executive |

During the year under review 4 (four) meeting of the Shareholders/Investors Grievances Committee were held.

## 5) REMUNERATION COMMITTEE

The remuneration committee has been constituted by the Board of Directors to review and / or recommend the remuneration of the Executive Directors of the Company in accordance with the guidelines laid out by the statute and the listing agreement with the stock exchange.

During the year 2 meetings of the remuneration committee was held

The Composition of the said Committee is as follows:

| MEMBERS              | CATEGORY      | No of meetings Attended |
|----------------------|---------------|-------------------------|
| Mr. Tapas Mondal     | Executive     | 2                       |
| Mr. Arun Chakraborty | Non Executive | 2                       |
| Mr. Suderson Kayori  | Non Executive | 2                       |

Details of remuneration paid to the Managing Director

| Name                    | Salary      | Total amount paid as on 31.03.2012 | Period of Service Contract         |
|-------------------------|-------------|------------------------------------|------------------------------------|
| Mr. Ramesh Chandra Daga | Rs 96,000/- | Rs 96,000/-                        | 5 (Five) year<br>From : 01.10.2009 |

## 6) BOARD PROCEDURE

### Composition:

At present the strength of the Board is **6 (Six)** Directors. The Composition of the Board of Directors and their attendance at the Board Meeting and at the last Annual General Meeting is as follows:

| Name of the Director     | Nature of Directorship    | No Of Board Meetings Attended | Attendance at the Last AGM |
|--------------------------|---------------------------|-------------------------------|----------------------------|
| Mr. Ramesh Chandra Daga  | Executive                 | 8                             | YES                        |
| Mr. Tapas Mondal         | Executive                 | 8                             | YES                        |
| Mr. Arun Chakraborty     | Non-Executive Independent | 8                             | YES                        |
| Mr. Suderson Kayori      | Non-Executive Independent | 4                             | YES                        |
| Mrs.Kakoli Mondal        | Non-Executive Independent | 4                             | YES                        |
| Mr. Rathindra Nath Ghosh | Non-Executive Independent | 4                             | YES                        |

During the financial year ending 31.03.2012 : **8 (Eight)** meeting of the Board of Directors were held on 04.04.2011, 30.04.2011, 24.06.2011, 30.07.2011, 20.09.2011, 28.10.2011, 30.01.2012 & 05.03.2012.



## **RESPONSIBILITIES:**

At the Board meetings of the Company the directors are being provided information stipulated in clause 49 of the Listing Agreement. The Board has a formal schedule of matters reserved for its consideration, which includes reviewing performance. The Company has designated the required information system for the purpose.

## **BOARD MEETINGS:**

The meeting of the Board of Directors are being held at regular intervals of not more than four months at the Company's Registered Office at Kolkata and are generally scheduled well in advance and the provisions under the Companies Act, 1956 and those under clause 49 of the Listing Agreement are followed in this regard. The Board meets at least once in a quarter to review quarterly performance and financial results. The agenda of the meeting is prepared and circulated to the directors in advance. The Members of the Board have access to all information pertaining to the Company and are free to recommend inclusion of any matter in the agenda for the discussions. Senior Executives/Directors of the Group Company are invited to attend the Board meeting for discussion and providing inputs and their views, as and when required.

## **7) GENERAL BODY MEETINGS**

The previous three Annual General Meetings of the Company held on the dates, at time and venue given below:

| <b>Financial Year</b> | <b>Date</b>       | <b>Time</b>   | <b>Venue</b>                                                             |
|-----------------------|-------------------|---------------|--------------------------------------------------------------------------|
| <b>2008-2009</b>      | <b>29.09.2009</b> | <b>2.30PM</b> | <b>3, Synagogue Street,<br/>2<sup>nd</sup> Floor,<br/>Kolkata-700001</b> |
| <b>2009-2010</b>      | <b>03.08.2010</b> | <b>2.30PM</b> | <b>3, Synagogue Street,<br/>2<sup>nd</sup> Floor,<br/>Kolkata-700001</b> |
| <b>2010-2011</b>      | <b>09.09.2011</b> | <b>3.30PM</b> | <b>3, Synagogue Street,<br/>2<sup>nd</sup> Floor,<br/>Kolkata-700001</b> |

All special resolutions moved at the last Annual General Meeting were passed by a show of hands unanimously by all the members present at the Meeting and no special resolution was put through postal ballot.

## **8) DISCLOSURES**

During the financial year ended **March 31, 2012** there were no materially significant related party transactions with the Company's Directors or their relatives.

The Company has complied with all the statutory requirements comprised in the Listing Agreements/ Regulations/ Guidelines/ Rules of the Stock Exchanges/ SEBI/ other Statutory Authorities.

## **9) MEANS OF COMMUNICATIONS**

The quarterly/half-yearly and annual financial results of the Company are sent to the Stock Exchanges where the shares of the Company are listed immediately after they have been taken on record by the Board. The same are usually published in Asian Age/Financial Express & Kalantar Newspapers. The Company is also providing information relating to the material events from time to time to the investors and to the public at large by faxing the information to the Stock Exchanges as and when happened.

## **10) GENERAL SHAREHOLDER INFORMATION**

### **ANNUAL GENERAL MEETING :**

Date : 27th Day of August, 2012

Day : Monday

Time : 3.30 p.m.

Venue : 3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata – 700 001.

### **DATE OF BOOK CLOSURE:**

From : 20<sup>th</sup> day of August, 2012 to 27<sup>th</sup> day of August, 2012 (both days inclusive)

### **LISTING OF SECURITIES:**

**The Calcutta Stock Exchange Ltd.**

**Code No. 023098**

**The U. P. Stock Exchange Association Ltd.**

**Code No. M00023**

### **LISTING FEES**

The Company has paid listing fees for the financial year 2011-2012 to all the Stock Exchanges where the securities are listed.

### **DEMAT ISIN NUMBER FOR NSDL AND CDSL**

ISIN number has been issued to Equity Shares by NSDL and CDSL is :INE717C01017

### **THE REGISTRAR & SHARE TRANSFER AGENTS**

**NICHE TECHNOLOGIES PVT. LTD.**

**D-511, Bagri Market,**

**71, B. R. B. Road, 5<sup>th</sup> Floor**

**Kolkata-700001**

**Distribution of Shareholding as on 31<sup>st</sup> March, 2012:**

| Slab             | No. of Shareholders |                   | No. of Ordinary Shares |                   |
|------------------|---------------------|-------------------|------------------------|-------------------|
|                  | Total               | % of Shareholders | Total                  | % of Shareholders |
| 001-500          | 374                 | 80.0857           | 38,230                 | 0.0398            |
| 501-1000         | 13                  | 2.7837            | 10,100                 | 0.0105            |
| 1001-5000        | 8                   | 1.7131            | 16,565                 | 0.0172            |
| 5001-10000       | 14                  | 2.9979            | 93,670                 | 0.0974            |
| 10001-50000      | 7                   | 1.4989            | 2,10,750               | 0.2192            |
| 50001-100000     | 6                   | 1.2848            | 5,61,880               | 0.5843            |
| 100001 and above | 45                  | 9.6360            | 9,52,33,155            | 99.0317           |
| Total            | 467                 | 100.0000          | 96,164,350             | 100.0000          |

**Category of Shareholders as on 31<sup>st</sup> March, 2012:**

| Category                          | No. of Shares | %       |
|-----------------------------------|---------------|---------|
| Public                            | 5,31,745      | 0.555   |
| Domestic Bodies Corporate         | 70,113,105    | 72.910  |
| Clearing Member & Clearing Corpo. | 300           | 0.000   |
| Promoters & Associates            | 2,55,19,200   | 26.537  |
| TOTAL                             | 96,164,350    | 100.000 |

**MAROTI & ASSOCIATES**  
**Chartered Accountants**

MERCANTILE BUILDING  
9/12, Lal Bazar Street, "E" Block  
3<sup>rd</sup> Floor, Room No – 2  
Kolkata – 700 001  
Ph.: +91 33 2231 9392, 2231 9391  
Fax : +9133 2243 8371  
E-mail: [mkmaroti@sify.com](mailto:mkmaroti@sify.com)  
( M ) : +91 98310 48621

**CERTIFICATE**

To  
The Members of  
**Mangalam Industrial Finance Limited**  
**3, Synagogue Street,**  
**Kolkata - 700 001**

We have examined the Compliance of the Conditions of Corporate Governance by **M/s. MANGALAM INDUSTRIAL FINANCE LTD.** for the year ended on **March 31, 2012** as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

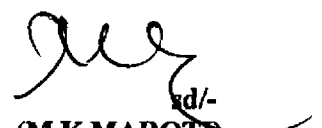
In our opinion and to the best of our information and according to the explanations given to us, we confirm that the Company has generally complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

As required by the Guidance note issued by the institute of Chartered Accountants of India, we have to state that based on the report given by the Registrar of Company to the investor's Grievance Committee, there was no Investors' Grievance matter remaining unattended for more than 30 days as on **31st March, 2012**, against the Company.

We further state that such Compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For MAROTI & ASSOCIATES**  
**Chartered Accountants**



  
d/-  
**(M.K. MAROTI)**  
Proprietor  
M. No. 057073  
Firm Reg. No : 322770E

Place : **Kolkata**  
Date : **25<sup>th</sup> Day of June, 2012**

**MAROTI & ASSOCIATES**  
**Chartered Accountants**

MERCANTILE BUILDING  
9/12, Lal Bazar Street, "E" Block  
3<sup>rd</sup> Floor, Room No – 2  
Kolkata – 700 001  
Ph.: +91 33 2231 9392, 2231 9391  
Fax : +9133 2243 8371  
E-mail: [mkmaroti@gmail.com](mailto:mkmaroti@gmail.com)  
( M ) : +91 98310 48621

**AUDITORS' REPORT**

To  
The Board of Directors  
**Mangalam Industrial Finance Ltd.**  
3, Synagogue Street, 2nd Floor,  
Kolkata – 700 001

We have audited the attached Balance Sheet of **MANGALAM INDUSTRIAL FINANCE LIMITED**, as at **31st March 2012** and also the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order 2003 as amended, issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent it is applicable to the Company.

Further to our comments in the Annexure referred to in paragraph above, we state that:-


1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit ;
2. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books ;



3. The Balance Sheet , Statement of Profit & Loss and cash flow statement dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet , Statement of Profit & Loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 ;
5. On the basis of written representations received from the Directors, as on **31st March, 2012** and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March, 2012** from being appointed as Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956 ;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies, and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
  - 1) In the case of Balance Sheet, of the state of affairs of the company as at **31st March, 2012**; and
  - 2) In the case of the Statement of Profit & Loss, of the **LOSS** for the Year ended on that date
  - 3) In the Case of Cash flow statement of the Cash flows for the year ended on that date.

**For MAROTI & ASSOCIATES**  
**Chartered Accountants**



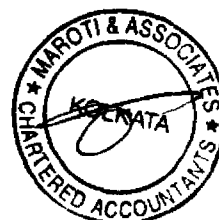
  
**(M.K.MAROTI)**  
**Proprietor**  
**M. No.057073**  
**Firm Reg. No: 322770E**

**Place : Kolkata**  
**Date : 25th Day of June, 2012**

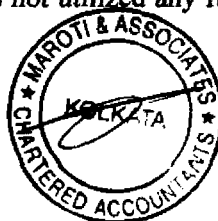
**ANNEXURES TO THE AUDITORS' REPORT**

Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on 31.03.2011.

1. The Company had No fixed assets during the year. Hence Clause 4(I) (a) (b) and (c) are not applicable
2. The Company had No Inventories during the year hence clause 4(II) (a) (b) and (c) are not applicable to it.
3. a) The Company has not granted unsecured loans to parties covered in the Register maintained under Sec 301 of the Companies Act. Hence clause 4( III ) ( b ) ( c ) and ( d ) are not applicable .  
e) The Company has not taken unsecured Loan from Party covered in the Register maintained under Sec 301 of the Act Hence clause 4( III ) ( f ) and ( g ) are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. Further on the basis of our examinations and according to the information and explanations given to us we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.
5. a) In our opinion and according to the information and explanations given to us we are of the opinion that the transactions in which Directors are interested as contemplated under Sec 299 of the Companies Act , 1956 and which required to be so entered in the register maintained under SEC 301 of the said Act , have been so entered  
b) In our opinion and according to the information and explanations given to us the Company has not entered into any transaction made in pursuance of contracts or arrangements entered in the Register maintained under Sec 301 of the Companies Act 1956 exceeding Rs 5,00,000 / or more in respect of any party . Accordingly Paragraph ( V ) ( b ) of the order is not applicable.
6. The Company has not accepted any deposits from the public. In our opinion and according to the information and explanations given to us the directives issued by the Reserve Bank of India and the provisions of sections 58A. 58AA or any other relevant provisions of the Act and the rules framed there under, to the extent applicable have been complied with.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act,1956 in respect of services carried out by the Company



9. a) According to the records examined by us, the company is regular in depositing with appropriate authorities undisputed Income Tax Wealth Tax, Service Tax, Custom Duty, Excise Duty, Investor Education Protection Fund, Cess and other statutory dues applicable to it.  
As informed to us provisions relating to Provident Fund, Employees State Insurance, Sales Tax, are not applicable to it.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax Wealth Tax, Service Tax, Custom Duty, Excise Duty, Investor Education Protection Fund , Cess and other statutory dues were outstanding at the year end for a period of more than Six Months from the date they became payable  
As informed to us provisions relating to Provident Fund, Employees State Insurance, Sales Tax, are not applicable to it.
10. The Company has accumulated losses at the end of the Financial Year and it has incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, the company has not defaulted in repayment of dues to financial institutions or bank. There were no outstanding debentures during the year
12. According to the information and explanations given to us and based on the documents and records produced to us , the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In respect of dealing / trading in shares in our opinion and according to the information and explanations given to us proper records have been maintained of the transactions and contracts and timely entries have been made therein in. The shares have been held by the Company in its own name
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not obtained any term loans. Accordingly clause 4(xvi) of the Order is not applicable.
17. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, we report that the Company has not utilized any funds raised on short term basis for long term investments.





18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, clause 4(xviii) of the order is not applicable.
19. The Company did not have any outstanding debentures during the year. Accordingly, clause 4(xix) of the order is not applicable.
20. The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the order is not applicable.
21. Based upon audit procedures performed for the purposes of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported by the management during the year under audit.

**For MAROTI & ASSOCIATES**  
**Chartered Accountants**





**(M.K. MAROTI)**  
**Proprietor**  
**M. No. 057073**

**Firm Reg. No : 322770E**

**Place : Kolkata**  
**Date : 25th Day of June, 2012**

**MAROTI & ASSOCIATES**  
Chartered Accountants

MERCANTILE BUILDING  
9/12, Lal Bazar Street, "E" Block  
3<sup>rd</sup> Floor, Room No – 2  
Kolkata – 700 001  
Ph.: +91 33 2231 9392, 2231 9391  
Fax : +9133 2243 8371  
E-mail: [mkmaroti@sify.com](mailto:mkmaroti@sify.com)  
( M ) : +91 98310 48621

To  
The Board of Directors  
**Mangalam Industrial Finance Limited**  
3, Synagogue Street,  
**Kolkata - 700 001**

Dear Sirs,

In compliance with the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 we report that

**A**

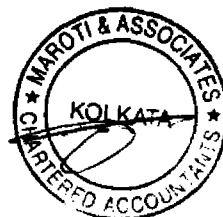
1. The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Bank
2. On the basis of our examination of current year Balance Sheet and profit and loss account we hereby report that Company is entitled to continue to hold such certificate of Registration in terms of its asset / income pattern as on 31<sup>ST</sup> March, 2012.
3. On the basis of our examination of current years Balance Sheet and the immediately preceding current year balance sheet we report that the Company be classified based on its assets as **INVESTMENT COMPANY**.


**B**

1. The Board of Directors has passed a resolution for Non Acceptance of any Public Deposits
2. The Company has not accepted any deposit from the public during the year ended 31<sup>ST</sup> March, 2012
3. The Company has complied with the prudential Norm relating to the Income Recognition, Accounting Standards , assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial ( Non Deposits Accepting or Holding ) Companies Prudential Norms ( Reserve Bank ) Directions – 2007
4. The Company is not a systematically important company as defined in paragraph 2(1)(XIX) of the Non Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms ( Reserve Bank ) Directions – 2007.

Place : Kolkata  
Date : 25<sup>th</sup> Day of June, 2012

For **MAROTI & ASSOCIATES**  
Chartered Accountants



  
(M.K.MAROTI)  
Proprietor  
M. No.057073  
Firm Reg. No : 322770E

# MANGALAM INDUSTRIAL FINANCE LIMITED

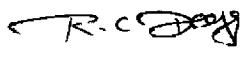
## BALANCE SHEET AS AT 31ST MARCH, 2012


|                                     | Note No | 31ST MARCH ,<br>2012<br>Rs. | 31ST MARCH ,<br>2011<br>Rs. |
|-------------------------------------|---------|-----------------------------|-----------------------------|
| <b>I. EQUITY AND LIABILITIES</b>    |         |                             |                             |
| <b>(1) Shareholder's Funds</b>      |         |                             |                             |
| ( a ) Share Capital                 | 2       | 961,643,500                 | 961,643,500                 |
| ( b ) Reserves and Surplus          | 3       | (1,997,677)                 | (1,077,824)                 |
| <b>(2) Current Liabilities</b>      |         |                             |                             |
| ( a ) Other current liabilities     | 4       | 1,016,854                   | 13,236                      |
| ( b ) Short-term provisions         | 5       | 330,954                     | 15,565                      |
| <b>TOTAL</b>                        |         | <b>960,993,631</b>          | <b>960,594,477</b>          |
| <b>II.Assets</b>                    |         |                             |                             |
| <b>(1) Non-current assets</b>       |         |                             |                             |
| ( a ) Non-current investments       | 6       | 848,160,000                 | 952,213,000                 |
| ( b ) Deferred tax assets (net)     | 7       | 74,791                      | 199,688                     |
| ( c ) Long term loans and advances  | 8       | 19,556                      | 19,556                      |
| <b>(2) Current assets</b>           |         |                             |                             |
| ( a ) Cash and cash equivalents     | 9       | 892,893                     | 585,319                     |
| ( b ) Short-term loans and advances | 10      | 110,925,007                 | 5,736,149                   |
| ( c ) Other current assets          | 11      | 921,384                     | 1,840,765                   |
| <b>TOTAL</b>                        |         | <b>960,993,631</b>          | <b>960,594,477</b>          |

SIGNIFICANT ACCOUNTING POLICIES  
OTHER NOTES ON ACCOUNTS

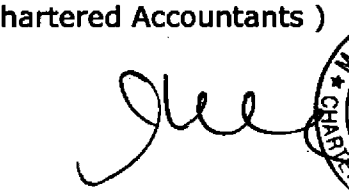
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In terms of our report of even date  
**FOR MAROTI & ASSOCIATES**  
( Chartered Accountants )

  
R. C. Daga  
Managing Director

  
T. Mondal  
Director

  
S.K. Rout  
Company  
Secretary

  
( M.K. MAROTI )  
( Propreitor )



Date : 25th Day of JUNE, 2012  
Place : Kolkata

M.No : 057073  
Firm Reg No : 322770E


| <b>MANGALAM INDUSTRIAL FINANCE LIMITED</b>                                            |   |                                         |                |                                      |                                      |
|---------------------------------------------------------------------------------------|---|-----------------------------------------|----------------|--------------------------------------|--------------------------------------|
| <b>STATEMENT OF PROFIT &amp; LOSS ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2012</b> |   |                                         |                |                                      |                                      |
|                                                                                       |   | <b>PARTICULARS</b>                      | <b>Note No</b> | <b>31ST MARCH ,<br/>2012<br/>Rs.</b> | <b>31ST MARCH ,<br/>2011<br/>Rs.</b> |
| I                                                                                     |   | <b>REVENUE FROM OPERATIONS</b>          | 12             | 1,075,948                            | 473,802                              |
| II                                                                                    |   | <b>OTHER INCOME</b>                     | 13             | 5,601                                | 13,620                               |
|                                                                                       |   | <b>III TOTAL REVENUE ( I + II )</b>     |                | <b>1,081,549</b>                     | <b>487,422</b>                       |
| IV                                                                                    |   | <b>EXPENSES</b>                         |                |                                      |                                      |
|                                                                                       |   | Employee Benefit Expenses               | 14             | 206,500                              | 200,000                              |
|                                                                                       |   | Depreciation and Amortization Expense   | 15             | 892,650                              | 892,650                              |
|                                                                                       |   | Other Expenses                          | 16             | 453,125                              | 419,507                              |
|                                                                                       |   | <b>TOTAL EXPENSES</b>                   |                | <b>1,552,275</b>                     | <b>1,512,157</b>                     |
| V                                                                                     |   | Profit Before Tax                       |                | <b>(470,726)</b>                     | <b>(1,024,735)</b>                   |
| VI                                                                                    |   | <b>TAX EXPENSES</b>                     |                |                                      |                                      |
|                                                                                       | a | Current Tax                             |                | (52,416)                             | -                                    |
|                                                                                       | b | Deferred Tax                            |                | (124,897)                            | 43,376                               |
| XV                                                                                    |   | <b>PROFIT / ( LOSS ) FOR THE PERIOD</b> |                | <b>(648,039)</b>                     | <b>(981,359)</b>                     |
| XVI                                                                                   |   | Earning Per Equity Share                |                |                                      |                                      |
|                                                                                       | a | Basic                                   | 17             | (0.007)                              | (0.010)                              |
|                                                                                       | b | Diluted                                 | 17             | (0.007)                              | (0.010)                              |
|                                                                                       |   |                                         |                |                                      |                                      |
|                                                                                       |   |                                         |                |                                      |                                      |
|                                                                                       |   |                                         |                |                                      |                                      |

SIGNIFICANT ACCOUNTING POLICIES  
OTHER NOTES ON ACCOUNTS

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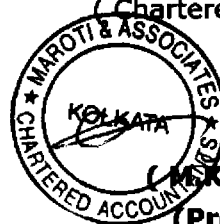
In terms of our report of even date  
**FOR MAROTI & ASSOCIATES**  
( Chartered Accountants )

  
**R. C. Daga**  
Managing Director

  
**T. Mondal**  
Director

  
**S.K. Rout**  
Company  
Secretary

**Date : 25th Day of JUNE, 2012**  
**Place : Kolkata**



  
**( M.K. MAROTI )**  
**( Propreitor )**

**M.No : 057073**

**Firm Reg No : 322770E**

# MANGALAM INDUSTRIAL FINANCE LIMITED

## NOTE FORMING PART OF THE BALANCE SHEET AS AT & STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

### NOTE - 2

#### SHARE CAPITAL

##### Authorised

9,61,70,000 Equity Shares of Rs.10/- each

##### Issued, Subscribed & Paid up

9,61,64,350 Equity Share of Rs.10/- each

| 31ST MARCH ,<br>2012<br>Rs. | 31ST MARCH ,<br>2011<br>Rs. |
|-----------------------------|-----------------------------|
| 961,700,000                 | 961,700,000                 |
| 961,643,500                 | 961,643,500                 |
| 961,643,500                 | 961,643,500                 |
|                             |                             |

### A.

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

|                                                 | 31ST MARCH , 2012 |             | 31ST MARCH , 2011 |             |
|-------------------------------------------------|-------------------|-------------|-------------------|-------------|
|                                                 | Nos               | Amount      | Nos               | Amount      |
| Shares outstanding at the beginning of the year | 96,164,350        | 961,643,500 | 96,164,350        | 961,643,500 |
| Shares issued during the year                   | -                 | -           | -                 | -           |
| Shares outstanding at the end of the year       | 96,164,350        | 961,643,500 | 96,164,350        | 961,643,500 |

### B

#### TERMS/ RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity share having par value of Rs 10 / per share . Each holder of Equity share is entitled to one vote per share  
In the event of liquidation of the company , the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts . The Distribution will be In proportion to the number of equity share held by the shareholders

### C

**Details of shareholders holding more than 5% shares of the Company**

| NAME OF THE SHAREHOLDER<br>( EQUITY SHARES OF RS 10/ EACH FULLY PAID UP ) | 31ST MARCH , 2012 |       | 31ST MARCH , 2011 |       |
|---------------------------------------------------------------------------|-------------------|-------|-------------------|-------|
|                                                                           | Nos               | %     | Nos               | %     |
| ROSEMOUNT MARKETING PVT. LTD.                                             | 9,985,750         | 10.38 | 9,985,750         | 10.38 |
| APURVA DISTRIBUTORS PVT. LTD.                                             | 7,833,250         | 8.15  | 7,833,250         | 8.15  |
| REALITY COMMODEAL PVT. LTD.                                               | 6,910,000         | 7.19  | 6,910,000         | 7.19  |
| GUIDE DEALCOM PVT. LTD.                                                   | 6,376,500         | 6.63  | 6,376,500         | 6.63  |
| KIRTI COMMOTRADE PVT. LTD.                                                | 6,295,250         | 6.65  | 6,295,250         | 6.65  |
| NILLANCHAL DEALCOMM PVT. LTD.                                             | 5,910,000         | 6.15  | 5,910,000         | 6.15  |
| GOODVIEW OVERSEAS PVT. LTD.                                               | 5,872,000         | 6.11  | 5,872,000         | 6.11  |
| SUPARAS IMPEX PVT. LTD.                                                   | 4,951,250         | 5.15  | 4,951,250         | 5.15  |
| ALERT COMMODEAL PVT. LTD.                                                 | 4,950,000         | 5.15  | 4,950,000         | 5.15  |

As per the records of the Company , including its Register of Members and other declarations received from the shareholders regarding beneficial interest , the above shareholders represents legal ownership of shares

### D.

#### SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

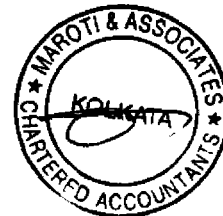
Out of the above 94945000 (PY:94945000) equity shares have been issued for consideration other than cash.



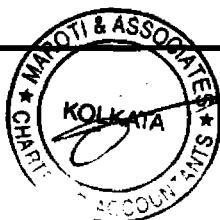
# MANGALAM INDUSTRIAL FINANCE LIMITED

**NOTE FORMING PART OF THE BALANCE SHEET AS AT  
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

|                                                | 31ST MARCH ,<br>2012<br>Rs. | 31ST MARCH ,<br>2011<br>Rs. |
|------------------------------------------------|-----------------------------|-----------------------------|
| <b>NOTE - 3</b>                                |                             |                             |
| <b><u>RESERVES &amp; SURPLUS</u></b>           |                             |                             |
| <b>Capital Reseve</b>                          |                             |                             |
| OP. Balance                                    | 370,630                     | 370,630                     |
| <b>A</b>                                       | <b>370,630</b>              | <b>370,630</b>              |
| <b>Amalgamation Reserve</b>                    |                             |                             |
| OP. Balance                                    | 1,050,000                   | 1,050,000                   |
| <b>B</b>                                       | <b>1,050,000</b>            | <b>1,050,000</b>            |
| <b>Reserve Fund</b>                            |                             |                             |
| OP. Balance                                    | 108,749                     | 108,749                     |
| <b>C</b>                                       | <b>108,749</b>              | <b>108,749</b>              |
| <b>Special Reserve</b>                         |                             |                             |
| OP. Balance                                    | 704                         | 704                         |
| <b>D</b>                                       | <b>704</b>                  | <b>704</b>                  |
| <b>Profit &amp; Loss Account</b>               |                             |                             |
| OP. Balance                                    | (2,607,907)                 | (1,612,208)                 |
| Add: Loss for the year                         | (648,039)                   | (981,359)                   |
| Add: Contingency provision for standard Assets | (262,973)                   | (14,340)                    |
| Add : Assessed Tax for earlier years           | (8,841)                     | -                           |
| <b>E</b>                                       | <b>(3,527,760)</b>          | <b>(2,607,907)</b>          |
| <b>TOTAL ( A+B+C+D+E )</b>                     | <b>(1,997,677)</b>          | <b>(1,077,824)</b>          |
| <b>NOTE - 4</b>                                |                             |                             |
| <b><u>OTHER CURRENT LIABILITIES</u></b>        |                             |                             |
| Advances                                       | 1,000,000                   | -                           |
| Liabilities For Expenses                       | 16,854                      | 13,236                      |
|                                                | <b>1,016,854</b>            | <b>13,236</b>               |
| <b>NOTE - 5</b>                                |                             |                             |
| <b><u>SHORT TERM PROVISION</u></b>             |                             |                             |
| Provision for Taxation                         | 53,641                      | 1,225                       |
| Contingency Provision for Standard Assets      | 277,313                     | 14,340                      |
|                                                | <b>330,954</b>              | <b>15,565</b>               |



|                                                |                    |                  |
|------------------------------------------------|--------------------|------------------|
| <b>NOTE - 7</b>                                |                    |                  |
| <b><u>DEFERRED TAX ASSETS</u></b>              |                    |                  |
| Op. Balance                                    | 199,688            | 156,312          |
| Add : Generated                                | -                  | 43,376           |
| Less: Reversed                                 | 124,897            | -                |
| Cl . Balance                                   | <b>74,791</b>      | <b>199,688</b>   |
| <b>NOTE - 8</b>                                |                    |                  |
| <b><u>LONG TERM LOANS &amp; ADVANCES</u></b>   |                    |                  |
| ( Unsecured , Considered good )                |                    |                  |
| MAT Tax Credit Receivable                      | 19,556             | 19,556           |
|                                                | <b>19,556</b>      | <b>19,556</b>    |
| <b>NOTE - 9</b>                                |                    |                  |
| <b><u>CASH &amp; CASH EQUIVALENTS</u></b>      |                    |                  |
| Cash In hand (As certified)                    | 139,042            | 224,991          |
| Balances with Schedule Bank in Current Account | 753,851            | 360,328          |
|                                                | <b>892,893</b>     | <b>585,319</b>   |
| <b>NOTE - 10</b>                               |                    |                  |
| <b><u>SHORT TERM LOANS &amp; ADVANCES</u></b>  |                    |                  |
| ( Unsecured , Considered good )                |                    |                  |
| Loans                                          | 60,925,007         | 5,679,969        |
| Other Advances                                 | 50,000,000         | 56,180           |
|                                                | <b>110,925,007</b> | <b>5,736,149</b> |
| <b>NOTE -11</b>                                |                    |                  |
| <b><u>OTHER CURRENT ASSETS</u></b>             |                    |                  |
| T.D.S.                                         | 92,682             | 119,413          |
| Income Tax Refund Receivable                   | 952                | 952              |
| Miscellaneous Expenditure                      | 827,750            | 1,720,400        |
|                                                | <b>921,384</b>     | <b>1,840,765</b> |
| <b>NOTE - 12</b>                               |                    |                  |
| <b><u>REVENUE FROM OPERATIONS</u></b>          |                    |                  |
| Interest ( TDS Rs.79218/- (PY Rs.46130 /- )    | 1,055,948          | 461,302          |
| Dividend                                       | 20,000             | 12,500           |
|                                                | <b>1,075,948</b>   | <b>473,802</b>   |
| <b>NOTE - 13</b>                               |                    |                  |
| <b><u>OTHER INCOME</u></b>                     |                    |                  |
| Interest on I.T. Refund                        | 5,601              | 13,620           |
|                                                | <b>5,601</b>       | <b>13,620</b>    |
| <b>NOTE - 14</b>                               |                    |                  |
| <b><u>EMPLOYEE BENEFIT EXPENSES</u></b>        |                    |                  |
| Salary & Bonus                                 | 110,500            | 104,000          |
| Directors Remuneration                         | 96,000             | 96,000           |
|                                                | <b>206,500</b>     | <b>200,000</b>   |
| <b>NOTE - 15</b>                               |                    |                  |
| <b><u>DEPRECIATION &amp; AMORTIASATION</u></b> |                    |                  |
| Preliminary Expenses W/Off                     | 892,650            | 892,650          |
|                                                | <b>892,650</b>     | <b>892,650</b>   |



|                                                              |                |                |
|--------------------------------------------------------------|----------------|----------------|
| <b>NOTE - 16</b>                                             |                |                |
| <b><u>OTHER EXPENSES</u></b>                                 |                |                |
| Advertisement Expenses                                       | 14,854         | 12,243         |
| Audit Fees                                                   | 17,957         | 15,442         |
| Bank Charges                                                 | 331            | 238            |
| Certification Fees                                           | 10,000         | 10,000         |
| Data entry charges                                           | 15,000         | 15,000         |
| Demat Expenses                                               | 1,179          | 662            |
| Depository Expenses                                          | 110,300        | 110,300        |
| Filing Fees                                                  | 1,000          | 2,500          |
| General Expenses                                             | 22,299         | 10,033         |
| Legal Expenses                                               | 52,429         | 33,400         |
| Listing Fees                                                 | 150,908        | 150,908        |
| Postage & Telegram                                           | 10,781         | 9,125          |
| Printing & Stationery                                        | 31,438         | 29,485         |
| Rates & Taxes                                                | 4,400          | 4,400          |
| Transfer Agent Fees                                          | 10,249         | 15,772         |
|                                                              | <b>453,125</b> | <b>419,507</b> |
| <b>NOTE - 17</b>                                             |                |                |
| <b><u>EARNING PER SHARE</u></b>                              |                |                |
| Net Profit after tax as per Statement of Profit and Loss (A) | (648,039)      | (981,359)      |
| weighted Average number of equity shares outstanding (B)     | 96,164,350     | 96,164,350     |
| Basic and Diluted Earnings per share ( ` )                   | (0.007)        | (0.010)        |
| Face value per equity share ( ` )                            | 10             | 10             |





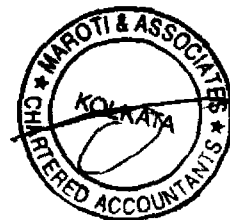
# MANGALAM INDUSTRIAL FINANCE LIMITED

## NOTE - 6

### NON CURRENT INVESTMENTS

(Long Term, Non Trade, Valued at Cost)

|                                     | FACE<br>VALUE | 2011-12          |             | FACE<br>VALUE | 2010-11          |                   |
|-------------------------------------|---------------|------------------|-------------|---------------|------------------|-------------------|
|                                     |               | NO. OF<br>SHARES | AMOUNT      |               | NO. OF<br>SHARES | AMOUNT            |
| <b>QUOTED SHARES</b>                |               |                  |             |               |                  |                   |
| SHREE SECURITIES LTD.               |               | -                | -           |               | 215,000          | 42,613,000        |
| <b>SUB TOTAL :</b>                  |               | -                | -           |               | <b>215,000</b>   | <b>42,613,000</b> |
| <b>UNQUOTED SHARES</b>              |               |                  |             |               |                  |                   |
| AARPEE COMMERCIAL CO. PVT. LTD.     |               | -                | -           |               | 37,000           | 14,800,000        |
| AGARWAL TREXIM PVT. LTD.            | 10            | 201,900          | 80,760,000  | 10            | 33,750           | 13,500,000        |
| ALBRIGHT AGENCIES PVT. LTD.         | 10            | 62,500           | 25,000,000  | 10            | 62,500           | 25,000,000        |
| ALLIED TREXIM PVT. LTD.             | 10            | 30,000           | 12,000,000  | 10            | 30,000           | 12,000,000        |
| AMCO AGENTS PVT. LTD.               | 10            | -                | -           | 10            | 97,750           | 39,100,000        |
| APURVA DISTRIBUTORS PVT. LTD.       | 10            | -                | -           | 10            | 21,250           | 8,500,000         |
| BAJORIA DISTRIBUTORS PVT. LTD.      | 10            | -                | -           | 10            | 21,500           | 8,600,000         |
| BIVOLTINE MERCANTILES PVT. LTD.     | 10            | -                | -           | 10            | 25,000           | 10,000,000        |
| BLACK DIAMOND MERCANTILES PVT. LTD. | 10            | -                | -           | 10            | 12,500           | 5,000,000         |
| BLISS DEALCOMM PVT. LTD.            | 10            | 23,000           | 9,200,000   | 10            | 23,000           | 9,200,000         |
| BRENTWOOD MERCHANDISE PVT. LTD.     | 10            | 72,250           | 28,900,000  | 10            | 72,250           | 28,900,000        |
| BRIGHTSTAR MERCANTILES PVT. LTD     | 10            | -                | -           | 10            | 40,625           | 16,250,000        |
| BULLPOWER SUPPLIERS PVT. LTD.       | 10            | 8,750            | 3,500,000   | 10            | 8,750            | 3,500,000         |
| CAMPUS IMPEX PVT. LTD.              | 10            | 48,250           | 19,300,000  | 10            | 48,250           | 19,300,000        |
| CARNEX VINIMAY PVT. LTD.            | 10            | -                | -           | 10            | 22,500           | 9,000,000         |
| CINDRELLA COMMODITIES PVT. LTD.     | 10            | 44,000           | 17,600,000  | 10            | 44,000           | 17,600,000        |
| CREATIVE COMMDEAL PVT. LTD.         | 10            | 10,500           | 4,200,000   | 10            | 10,500           | 4,200,000         |
| CYGNUS TREXIM PRIVATE LIMITED       | 10            | 23,250           | 9,300,000   | 10            | 23,250           | 9,300,000         |
| CHETANI VINEEYOG PVT LTD            | 10            | 250,700          | 100,280,000 | 10            | -                | -                 |
| DAGA BUSINESS & CREDIT PVT. LTD.    | 10            | -                | -           | 10            | 34,625           | 13,850,000        |
| DHOOMKETU MARKETING PVT. LTD        | 10            | -                | -           | 10            | 100,000          | 40,000,000        |
| DAGA MERCANTILE & FINANCE P. LTD.   | 10            | -                | -           | 10            | 21,250           | 8,500,000         |
| FORTUNE TRADE & VYAPAAR PVT LTD.    | 10            | 7,500            | 3,000,000   | 10            | 7,500            | 3,000,000         |
| FRONTIER VANIJYA PVT. LTD           | 10            | -                | -           | 10            | 21,250           | 8,500,000         |
| FUNIDEA REALTORS LTD                | 10            | 70,000           | 10,500,000  | 10            | -                | -                 |
| GYANESHWAR NIKETAN LTD              | 10            | 50,000           | 500,000     | 10            | -                | -                 |
| GOLDEN ERA MERCHANTS ERA PVT. LTD.  | 10            | -                | -           | 10            | 53,000           | 21,200,000        |
| GOPAL PRIYA VINIMAY LTD             | 10            | 50,000           | 500,000     | 10            | -                | -                 |
| GAGANBASE SALES PVT. LTD.           | 10            | -                | -           | 10            | 18,750           | 7,500,000         |
| GANGOTRI SYNTAX PVT. LTD.           | 10            | -                | -           | 10            | 25,000           | 10,000,000        |
| GANAPATI RIVERSIDE PVT LTD          | 10            | 241,500          | 96,600,000  | 10            | -                | -                 |
| HERITAGE TREXIM PVT. LTD.           | 10            | 42,000           | 16,800,000  | 10            | 42,000           | 16,800,000        |
| JANITOR DISTRIBUTORS PVT. LTD.      | 10            | -                | -           | 10            | 42,500           | 17,000,000        |
| KASHYAP COMMDEAL PVT. LTD.          | 10            | 21,250           | 8,500,000   | 10            | 21,250           | 8,500,000         |
| LOTUS TRADE & VYAPAAR PVT. LTD.     | 10            | 11,000           | 4,400,000   | 10            | 11,000           | 4,400,000         |
| MAXXON TRADING & FINVEST PVT LTD    | 10            | -                | -           | 10            | 75,000           | 30,000,000        |
| MAARS ADVISORY SERVICES PVT. LTD.   | 10            | 8,000            | 3,200,000   | 10            | 8,000            | 3,200,000         |
| MEGAPIX CONCLAVE LTD                | 10            | 70,000           | 10,500,000  | 10            | -                | -                 |
| MOON LOVE VYAPAAR LTD               | 10            | 70,000           | 10,500,000  | 10            | -                | -                 |
| MARUBHUMI IMPEX LTD                 | 10            | 70,000           | 10,500,000  | 10            | -                | -                 |
| NEXCARE AGENCY PVT. LTD.            | 10            | 8,000            | 3,200,000   | 10            | 8,000            | 3,200,000         |



|                                                                        |            |                  |                    |    |                  |                    |
|------------------------------------------------------------------------|------------|------------------|--------------------|----|------------------|--------------------|
| RESPONCE RENEWABLE ENERGY LTD (FORMERLY:<br>NOBLECARE AGENCIES P.LTD.) | 10         | -                | -                  | 10 | 161,500          | 64,600,000         |
| NOVAGOLD ADVISORY SERVICES PVT.LTD                                     | 10         | 8,250            | 3,300,000          | 10 | 8,250            | 3,300,000          |
| ODYSEE VANIJYA PVT. LTD.                                               | 10         | -                | -                  | 10 | 56,000           | 22,400,000         |
| ORIENTAL COMMOTRADE PVT. LTD.                                          | 10         | 8,750            | 3,500,000          | 10 | 8,750            | 3,500,000          |
| PICCADILY SALES & SERVICES P. LTD.                                     | 10         | -                | -                  | 10 | 10,000           | 4,000,000          |
| PLENTY NIRYAT PVT.LTD.                                                 | 10         | -                | -                  | 10 | 7,750            | 3,100,000          |
| PRIYANKA TREXIM & COMMERCE P. LTD                                      | 10         | 151,800          | 60,720,000         | 10 | 22,500           | 9,000,000          |
| ROPLAS COMMOTRADE PVT LTD                                              | 10         | -                | -                  | 10 | 50,000           | 20,000,000         |
| RIGHT COMMODITIES PVT. LTD.                                            | 10         | 42,500           | 17,000,000         | 10 | 42,500           | 17,000,000         |
| RIKZEN CONTRA PVT. LTD.                                                | 10         | 298,000          | 119,200,000        | 10 | 50,000           | 20,000,000         |
| SHULTON VYAPAAR PVT. LTD.                                              | 10         | -                | -                  | 10 | 44,750           | 17,900,000         |
| SNOWFALL AGENCIES PVT.LTD.                                             | 10         | 24,750           | 9,900,000          | 10 | 24,750           | 9,900,000          |
| SREE GANESH FINCO & CREDIT PVT. LTD                                    | 10         | -                | -                  | 10 | 12,750           | 5,100,000          |
| SUVRIDHI VANIJYA LTD                                                   | 10         | 70,000           | 10,500,000         | 10 | -                | -                  |
| SUTLAJ SALES PVT LTD                                                   | 10         | 186,250          | 74,500,000         | 10 | -                | -                  |
| TABASSUM SUPPLIERS PVT. LTD.                                           | 10         | -                | -                  | 10 | 22,250           | 8,900,000          |
| VIRAL COMMERCIAL COMPANY PVT. LTD                                      | 10         | -                | -                  | 10 | 100,000          | 40,000,000         |
| WATERLINK SUPPLIERS LTD                                                | 10         | 70,000           | 10,500,000         | 10 | -                | -                  |
| YUKEN MERCHANDISE PVT. LTD.                                            | 10         | -                | -                  | 10 | 289,750          | 115,900,000        |
| ZED DEALCOMM PVT. LTD.                                                 | 10         | 20,500           | 8,200,000          | 10 | 20,500           | 8,200,000          |
| ZEN MERCHANTS PVT. LTD.                                                | 10         | 105,250          | 42,100,000         | 10 | 105,250          | 42,100,000         |
| ZENSTAR MARKETING PVT. LTD.                                            | 10         | -                | -                  | 10 | 113,250          | 45,300,000         |
| <b>SUB TOTAL :</b>                                                     | <b>270</b> | <b>2,480,400</b> | <b>848,160,000</b> |    | <b>1,540,750</b> | <b>909,600,000</b> |
| <b>GRAND TOTAL :</b>                                                   |            | <b>2,480,400</b> | <b>848,160,000</b> |    | <b>1,755,750</b> | <b>952,213,000</b> |
|                                                                        |            |                  |                    |    |                  |                    |
| <b>MARKET VALUE QUOTED SHARE :</b>                                     |            |                  | -                  |    |                  | <b>59,125,000</b>  |
| <b>BOOK VALUE QUOTED SHARE :</b>                                       |            |                  | -                  |    |                  | <b>42,613,000</b>  |



**NOTE - 1**

**Significant Accounting Policies :**

**01 ACCOUNTING CONVENTIONS**

The Financial Statements are prepared on Historical Cost Convention. Financial Statements are prepared in accordance with relevant presentational requirements of the Companies Act, 1956 and applicable mandatory Accounting Standards.

**02 INVESTMENTS**

Investments are long-term investments, hence valued at cost.

**03 RECOGNITION OF INCOME & EXPENDITURE**

Income & Expenditures are accounted for on accrual basis, except dividend those are accounted for on Receipt Basis.

**04 PRELIMINARY EXPENSES**

Preliminary Expense is amortised over a period of Five years.

**05 TAXES ON INCOME**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax assets / liabilities on timing difference, being the difference between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods.

**06 CONTINGENCIES :**

These are disclosed by way of notes on the Balance sheet . Provisions is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end , till the finalization of accounts and material effect on the position stated in the Balance Sheet

**07 PROVISIONING FOR STANDARD ASSETS :**

The Reserve Bank Of India vide Notification No DNBS 223 / CGM ( US ) 2011 DATED 17 JANUARY , 2011 has issued direction to all NBFCs to make provision of 0.25% on STANDARD ASSETS with immediate effect . Accordingly the Company has made provision @ 0.25% on Standard Assets in accordance therewith .

**08 PROVISIONING FOR DEFERRED TAXES :**

The Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Deferred Tax resulting from " timings difference " between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date . The Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future .

**09 EARNING PER SHARE**

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares



**NOTE 18 OTHER NOTES ON ACCOUNTS**

1 Based on the information / documents available with the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/payments have been made by the Company to such creditors, if any, and no disclosures thereof are made in these accounts.

2 Loans , advances and sundry debtors and sundry creditors balances are subject to confirmation by the respective parties

3 **Segment Report :**

The Company is engaged in the business of Non-Banking Financial Services and there are no separate reportable segments as per Accounting Standard 17.

4 **Related Party Disclosure :**

As per accounting standard 18 the information for related parties is given below:

**Name of the related parties**

**ASSOCIATES**

**SUBSIDIARIES**

1. FUNIDEA REALTORS LTD
2. GYANESHWAR NIKETAN LTD
3. GOPAL PRIYA VINIMAY LTD
4. MEGAPIX CONCLAVE LTD
5. MOONLOVE VYAPAAR LTD
6. MARBUMI IMPEX LTD
7. SUVRIDHI VANIJYA LTD
8. WATERLINK SUPPLIERS LTD

**KEY MANAGEMENT PERSONNEL ( KMP )**

1. Ramesh Chandra Daga

**RELATIVES OF ( K M P )**

**RELATED PARTY TRANSACTION**

| Sl. No. | Nature Of Transaction                   | Relation          | 31/03/2012<br>( Rs ) | 31/03/2011<br>( Rs ) |
|---------|-----------------------------------------|-------------------|----------------------|----------------------|
|         | <b>Directors Remuneration</b>           |                   |                      |                      |
| 1       | Ramesh Chandra Daga                     | Managing Director | Rs. 96,000/-         | Rs. 96,000/-         |
| 2       | <b>Share Capital Allotment ( Paid )</b> |                   |                      |                      |
|         | 1. FUNIDEA REALTORS LTD                 | Subsidiary        | 10,500,000           | -                    |
|         | 2. GYANESHWAR NIKETAN LTD               | Subsidiary        | 500,000              | -                    |
|         | 3. GOPAL PRIYA VINIMAY LTD              | Subsidiary        | 500,000              | -                    |
|         | 4. MEGAPIX CONCLAVE LTD                 | Subsidiary        | 10,500,000           | -                    |
|         | 5. MOONLOVE VYAPAAR LTD                 | Subsidiary        | 10,500,000           | -                    |
|         | 6. MARBUMI IMPEX LTD                    | Subsidiary        | 10,500,000           | -                    |
|         | 7. SUVRIDHI VANIJYA LTD                 | Subsidiary        | 10,500,000           | -                    |
|         | 8. WATERLINK SUPPLIERS LTD              | Subsidiary        | 10,500,000           | -                    |

5 The Company has Complied this information based on the current information in its possession as at 31.03.2012 , No Amount due to Micro Small and Medium Enterprises as on 31.03.2012 RS NIL ( PY RS NIL )



- 6 During the year the following companies have become Wholly Owned Subsidiaries of the company:

| <u>Name of the Company</u> | <u>Date of becoming WOS</u> |
|----------------------------|-----------------------------|
| 1. FUNIDEA REALTORS LTD    | 02.01.2012                  |
| 2. GYANESHWAR NIKETAN LTD  | 29.03.2012                  |
| 3. GOPAL PRIYA VINIMAY LTD | 29.03.2012                  |
| 4. MEGAPIX CONCLAVE LTD    | 02.01.2012                  |
| 5. MOON LOVE VYAPAAR LTD   | 02.01.2012                  |
| 6. MARBUMI IMPEX LTD       | 04.01.2012                  |
| 7. SUVRIDHI VANIJYA LTD    | 02.01.2012                  |
| 8. WATERLINK SUPPLIERS LTD | 02.01.2012                  |

7 **Deferred Taxation :**

The Principal components of Deferred Tax Assets :

|                                    | <u>31.03.2012</u> | <u>31.03.2011</u> |
|------------------------------------|-------------------|-------------------|
| Op. Balance for Accumulated Losses | 199,688           | 156,312           |
| Generated                          | -                 | 43,376            |
| Reversed during the year           | 124,897           | -                 |
| Deferred Tax Assets                | 74,791            | 199,688           |

Deferred Tax Assets on account of long term losses and short term losses has not been considered on account of uncertainty of reliable income under the said head which will be available for realisation.

8 **Provisioning as per AS 29**

**TAXATION**

|                   | <u>Amount</u> |
|-------------------|---------------|
| Opening           | 1,225         |
| Add: Additions    | 52,416        |
| Less: Adjustments | -             |
| Closing           | <u>53,641</u> |

- 9 Provision for Outstanding Standard Assets have been made @ 0.25% as per RBI Circular No.: DNBPS.PD.CC.No. 207/03.02.002 /2010-11 dated: 17-01-2011

- 10 No Provision has been made on account of gratuity as none of the employees have put in completed years of Service as required by the Payment of Gratuity Act.

- 11 No provision has been made on account of leave salary as there are no leave to the credit of employees as at the end of the year .

- 12 Previous Year figures have been regrouped, rearranged or recasted wherever considered necessary.

- 13 Informations required to be furnished under paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is given in Annexure - "B".

- 14 Till 31<sup>st</sup> March, 2011 the Company was using pre revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31<sup>st</sup> March, 2012 the Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company. The Company has re classified previous year figures as well as those in the bracket to confirm to this year's classification as per revised Schedule VI. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However its significantly impacts presentation and disclosure made in the financial statements, particularly presentation of Balance Sheet.

For and behalf of the Board

In terms of our report of even date  
For **MAROTI & ASSOCIATES**

(CHARTERED ACCOUNTANTS)

*Tapas Mondal*

Tapas Mondal  
Director

*R. C. Daga*

Ramesh Chandra Daga  
M. Director

*Sanjay Kumar Rout*  
Sanjay Kumar Rout  
Company Secretary

*M. Maroti*  
M. Maroti  
(Proprietor)

M. No. 057073

FIRM REG NO : 322770E

Place : Kolkata

Date : 25th Day of JUNE, 2012

**MANGALAM INDUSTRIAL FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012**

|                                                        |                | <u>31.03.2012</u>    | <u>31.03.2011</u>  |
|--------------------------------------------------------|----------------|----------------------|--------------------|
| <b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>          |                |                      |                    |
| Net Profit/(Loss) before Tax (a)                       |                | (470,726)            | (1,024,735)        |
| Add :                                                  |                |                      |                    |
| Preliminary Expenses W/O.                              |                | 892,650              | 892,650            |
| Less:-                                                 |                |                      |                    |
| Dividend Income                                        |                | (20,000)             | (12,500)           |
| Sub Total - (b)                                        |                | 872,650              | 880,150            |
| <b>Operating Profit before Working Capital Changes</b> | <b>(a)+(b)</b> | <b>401,924</b>       | <b>(144,585)</b>   |
| <b>Adjustments</b>                                     |                |                      |                    |
| Decrease/(Increase) in Loans & Advances                |                | (105,188,858)        | (1,228,206)        |
| Increase in Current Liabilities                        |                | 1,003,618            | (50,000)           |
| Dividend Income                                        |                | 20,000               | 12,500             |
| Adjustments for I.T & Provisions                       |                | 17,890               | 83,650             |
| Sub Total - (c)                                        |                | (104,147,350)        | (1,182,056)        |
| <b>Net Cash from Operating Activities</b>              | <b>A</b>       | <b>(103,745,426)</b> | <b>(1,326,641)</b> |
| <b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>          |                |                      |                    |
| Increase / (Decrease ) in Investments                  |                | 104,053,000          | -                  |
| <b>Net Cash from Investing Activities</b>              | <b>B</b>       | <b>104,053,000</b>   | <b>-</b>           |
| <b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>          |                |                      |                    |
| Capital raised during the year                         |                |                      | -                  |
| Profit/(Loss) of Tranferor Companies                   |                |                      | -                  |
| Amalgamation Resreve                                   |                |                      | -                  |
| Preliminary Expenses                                   |                |                      | -                  |
| Loan Raised during the year                            |                |                      | -                  |
| <b>Net Cash from Financing Activities</b>              | <b>C</b>       |                      | <b>-</b>           |
| <b>Net Increase in Cash/Cash Equivalent</b>            | <b>A+B+C</b>   | <b>307,574</b>       | <b>(1,326,641)</b> |
| <b>Cash/Cash Equivalents (Opening)</b>                 |                | <b>585,319</b>       | <b>1,911,960</b>   |
| <b>Cash/Cash Equivalents (Closing)</b>                 |                | <b>892,893</b>       | <b>585,319</b>     |

Note :

1 The above cash flow statement has been prepared under the indirect Method as set out in the Accounting Standard - 3 on Cash Flow

2 Cash & Cash Equivalents Comprise

Cash on Hand  
Balnce With Schedule Banks in current Account

|                                               | <u>31/03/2012</u> | <u>31/03/2011</u> |
|-----------------------------------------------|-------------------|-------------------|
| Cash on Hand                                  | 139,042           | 224,991           |
| Balnce With Schedule Banks in current Account | 753,851           | 360,328           |
|                                               | <u>892,893</u>    | <u>585,319</u>    |

For and behalf of the Board

*Tapas Mondal*

**Tapas Mondal**  
**Director**

*R. C. Daga*

**Ramesh Chandra Daga**  
**M.Director**

*Sanjay Kumar Rout*

**Sanjay Kumar Rout**  
**Company Secretary**

In terms of our report of even date  
**For MAROTI & ASSOCIATES**  
(CHARTERED ACCOUNTANTS)



*M. K. Maroti*  
**M. K. Maroti**  
(Proprietor)  
M. No. 057073

FIRM REG NO : 322770E

Place : Kolkata  
Date : 25th Day of JUNE, 2012

**ANNEXURE REFERRED TO NOTES OF ACCOUNTS OF**  
**SCHEDULE "B" ANNEXED AS PER RESERVE BANK OF INDIA PRUDENTIAL NORMS**

**SCHEDULE TO THE BALANCE SHEET OF A NON BANKING FINANCIAL COMPANY AS ON 31.03.2012 AS REQUIRED IN TERMS OF PARAGRAPH 13 OF A NON BANKING FINANCIAL (NON DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007**

**PARTICULARS**

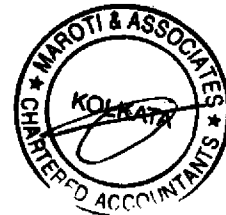
**(RS IN LACS)**

**LIABILITIES SIDE**

| <b>LOANS AND ADVANCES AVAILED BY THE NBFCs INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID</b> |                                                                            | <b><u>AMOUNT OUTSTANDING</u></b> | <b><u>AMOUNT OVERDUE</u></b> |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------|------------------------------|
| a                                                                                                 | DEBENTURES                                                                 |                                  |                              |
|                                                                                                   | • SECURED                                                                  | NIL                              | NIL                          |
|                                                                                                   | • UNSECURED<br>( OTHER THAN FALLING WITHIN THE MEANING OF PUBLIC DEPOSIT ) | NIL                              | NIL                          |
| b                                                                                                 | DEFERRED CREDITS                                                           | NIL                              | NIL                          |
| c                                                                                                 | TERM LOANS                                                                 | NIL                              | NIL                          |
| d                                                                                                 | INTER – CORPORATE LOANS AND BORROWINGS                                     | NIL                              | NIL                          |
| e                                                                                                 | COMMERCIAL PAPER                                                           | NIL                              | NIL                          |
| f                                                                                                 | PUBLIC DEPOSIT                                                             | NIL                              | NIL                          |
| g                                                                                                 | OTHER LOANS ( SPECIFY NATURE )                                             | NIL                              | NIL                          |
|                                                                                                   |                                                                            |                                  |                              |

**ASSET SIDE**

|   |                                                                                                         |         |                                  |
|---|---------------------------------------------------------------------------------------------------------|---------|----------------------------------|
|   | BREAK UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES OTHER THAN THOSE INCLUDED IN ( 4 ) BELOW     |         | <b><u>AMOUNT OUTSTANDING</u></b> |
|   | • SECURED                                                                                               | NIL     | NIL                              |
|   | • UNSECURED                                                                                             | 1109.25 | 1109.25                          |
|   | BREAK UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES | NIL     | NIL                              |
| 1 | LEASE ASSETS INCLUDING LEASE RENTALS UNDER SUNDRY DEBTORS                                               |         |                                  |
|   | • FINANCIAL LEASE                                                                                       | NIL     | NIL                              |
|   | • OPERATING LEASE                                                                                       |         | NIL                              |
| 2 | STOCK ON HIRE INCLUDING HIRE CHARGES UNDER SUNDRY DEBTORS                                               | NIL     |                                  |
|   | • ASSETS ON HIRE                                                                                        | NIL     | NIL                              |
|   | • REPOSSESSED ASSETS                                                                                    | NIL     | NIL                              |
| 3 | HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES                                                 | NIL     | NIL                              |
|   | • LOANS WHERE ASSETS HAVE BEEN REPOSSESSED                                                              | NIL     | NIL                              |
|   | • LOANS OTHER THAN ABOVE                                                                                | NIL     | NIL                              |

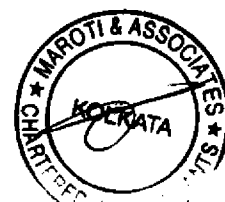


# **BREAK UP OF INVESTMENTS**

|   |                                                 |         |         |
|---|-------------------------------------------------|---------|---------|
|   | • <b>CURRENT INVESTMENTS ( STOCK IN TRADE )</b> |         |         |
| 1 | <b>QUOTED</b>                                   |         |         |
|   | • <b>SHARES</b>                                 |         |         |
|   | <b>EQUITY</b>                                   | NIL     | NIL     |
|   | <b>PREFERENCE</b>                               | NIL     | NIL     |
|   | • <b>DEBENTURES AND BONDS</b>                   | NIL     | NIL     |
|   | • <b>UNITS OF MUTUAL FUNDS</b>                  | NIL     | NIL     |
|   | • <b>GOVERNMENT SECURITIES</b>                  | NIL     | NIL     |
|   | • <b>OTHERS</b>                                 | NIL     | NIL     |
| 2 | <b>UNQUOTED</b>                                 |         |         |
|   | • <b>SHARES</b>                                 |         |         |
|   | <b>EQUITY</b>                                   | NIL     | NIL     |
|   | <b>PREFERENCE</b>                               | NIL     | NIL     |
|   | • <b>DEBENTURES AND BONDS</b>                   | NIL     | NIL     |
|   | • <b>UNITS OF MUTUAL FUNDS</b>                  | NIL     | NIL     |
|   | • <b>GOVERNMENT SECURITIES</b>                  | NIL     | NIL     |
|   | • <b>OTHERS</b>                                 | NIL     | NIL     |
|   | • <b>LONG TERM INVESTMENTS</b>                  |         |         |
| 1 | <b>QUOTED</b>                                   |         |         |
|   | • <b>SHARES</b>                                 |         |         |
|   | <b>EQUITY</b>                                   | NIL     | NIL     |
|   | <b>PREFERENCE</b>                               | NIL     | NIL     |
|   | • <b>DEBENTURES AND BONDS</b>                   | NIL     | NIL     |
|   | • <b>UNITS OF MUTUAL FUNDS</b>                  | NIL     | NIL     |
|   | • <b>GOVERNMENT SECURITIES</b>                  | NIL     | NIL     |
|   | • <b>OTHERS</b>                                 | NIL     | NIL     |
| 2 | <b>UNQUOTED</b>                                 |         |         |
|   | • <b>SHARES</b>                                 |         |         |
|   | <b>EQUITY</b>                                   | 8481.60 | 8481.60 |
|   | <b>PREFERENCE</b>                               | NIL     | NIL     |
|   | • <b>DEBENTURES AND BONDS</b>                   | NIL     | NIL     |
|   | • <b>UNITS OF MUTUAL FUNDS</b>                  | NIL     | NIL     |
|   | • <b>GOVERNMENT SECURITIES</b>                  | NIL     | NIL     |
|   | • <b>OTHERS</b>                                 | NIL     | NIL     |

## **BORROWER GROUP WISE CLASSIFICATION OF ALL LEASED ASSETS , STOCK ON HIRE AND LOANS AND ADVANCES**

| CATEGORY |   |                             | AMOUNT NET OF P[ROVISIONS |           |         |
|----------|---|-----------------------------|---------------------------|-----------|---------|
| 1        |   | RELATED PARTIES             | SECURED                   | UNSECURED | TOTAL   |
|          | a | SUBSIDIARIES                | NIL                       | NIL       | NIL     |
|          | b | COMPANIES IN THE SAME GROUP | NIL                       | NIL       | NIL     |
|          | c | OTHER RELATED PARTIES       | NIL                       | NIL       | NIL     |
| 2        |   | OTHER THAN RELATED PARTIES  | NIL                       | 1109.25   | 1109.25 |
|          |   | TOTAL                       | NIL                       | 1109.25   | 1109.25 |





| INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS ( CURRENT AND LONG TERM ) IN SHARES AND SECURITIES ( BOTH QUOTED AND UNQUOTED |          |                                    |                                                                        |                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------|----------|------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|
| <u>CATEGORY</u>                                                                                                                     |          |                                    | <u>MARKET VALUE</u><br><u>/BREAK UP OF FAIR</u><br><u>VALUE OR NAV</u> | <u>BOOK VALUE ( NET</u><br><u>OF PROVISION )</u> |
| <b>1</b>                                                                                                                            |          | <b>RELATED PARTIES</b>             |                                                                        |                                                  |
|                                                                                                                                     | <b>a</b> | <b>SUBSIDIARIES</b>                | 640.00                                                                 | 640.00                                           |
|                                                                                                                                     | <b>b</b> | <b>COMPANIES IN THE SAME GROUP</b> | NIL                                                                    | NIL                                              |
|                                                                                                                                     | <b>c</b> | <b>OTHER RELATED PARTIES</b>       | NIL                                                                    | NIL                                              |
| <b>2</b>                                                                                                                            |          | <b>OTHER THAN RELATED PARTIES</b>  | 7841.60                                                                | 7841.60                                          |
|                                                                                                                                     |          | <b>TOTAL</b>                       | <b>8481.60</b>                                                         | <b>8481.60</b>                                   |

7.

| <b>OTHER INFORMATION</b> |                                                 |  |               |
|--------------------------|-------------------------------------------------|--|---------------|
|                          | <b>PARICULARS</b>                               |  | <b>AMOUNT</b> |
| I)                       | <b>GROSS NON- PERFORMING ASSETS</b>             |  |               |
|                          | <b>A RELATED PARTIES</b>                        |  | NIL           |
|                          | <b>B OTHER THAN RELATED PARTIES</b>             |  | NIL           |
| II)                      | <b>NET NON- PERFORMING ASSETS</b>               |  |               |
|                          | <b>A RELATED PARTIES</b>                        |  | NIL           |
|                          | <b>B OTHER THAN RELATED PARTIES</b>             |  | NIL           |
| III)                     | <b>ASSETS ACQUIRED IN SATISFACTION OF DEBTS</b> |  | NIL           |

