

# MANGAL

**CREDIT & FINCORP LIMITED**

(FORMERLY KNOWN AS "TAK MACHINERY AND LEASING LTD.")

Date: 05<sup>th</sup> October, 2018

To,  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai - 400 001

**Scrip Code:** 505850  
**Scrip Id:** MANCREDIT

Dear Sir/ Madam,

**Sub.:** Annual Report for the F.Y. 2017-18 of Mangal Credit and Fincorp Limited


**Ref.:** Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, enclosed herewith please find the 56<sup>th</sup> Annual Report of Mangal Credit and Fincorp Limited.

Please take the above on record and acknowledge receipt of the same.

Thanking you,  
Yours faithfully,

**For Mangal Credit and Fincorp Limited**

  
**Meghraj Sohanlal Jain**  
Managing Director  
DIN: 01311041



**CIN No.: L65990MH1961PLC012227**

1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Western Express Highway,  
Goregaon (E), Mumbai - 400 063.

Tel : 022-42461300 • Website : [www.mangalfincorp.com](http://www.mangalfincorp.com) • Email : [info@mangalfincorp.com](mailto:info@mangalfincorp.com)

# MANGAL CREDIT & FINCORP LIMITED

---

A circular inset image showing a business meeting. Several people in professional attire are gathered around a table, looking at documents and charts. A hand is seen holding a pen over a document. A calculator and a keyboard are visible in the foreground. The background is a light blue gradient with a red triangle in the bottom right corner.

“DEFINING  
DIVERSITY”

ANNUAL REPORT  
2017-18

---

# “Defining Diversity”

Mangal Credit & Fincorp Limited is a holding company of a large group of subsidiaries companies diversified into many sectors, has its main focus lying in the finance sector. The company also provides high-quality service, strong technical leadership and applications knowledge to end users in the capital markets, realty space, technology, entertainment and logistics industries.

Its IT business provides renting solutions to leading MNCs, its realty business provides luxurious residencies in upcoming areas, its global logistics capabilities include services like air freight, sea freight, customs, warehousing and distribution that allow the company to effectively serve customers wherever they operate. Its capital markets business has strong presence in the HNIs & NRIs community. It also has its business into manufacturing high quality granite slabs. It has newly ventured into mining business. MCFL has developed a strong commitment to all three pillars of sustainable development, People, Planet and Prosperity. Correspondingly, the company's motto and action orientation is: “Do Good. Do Well.”

At MCFL, we are powered by innovation and an ability to exceed industry benchmarks, we are on track for long- term growth and creating value for shareholders and general public.



THE ANNUAL REPORT ONLINE

This 2018 Annual Report can also be downloaded as a PDF file from our website online at <http://www.mangalfincorp.com/uploads/annual-report/>



# Contents

## Corporate Overview

Corporate Identity	04	Our Businesses	12
Key Facts	05	Corporate Information	15
Our Vision, Our Mission & Our Values	06	Board of Directors	16
Chairman's Message	08		
Financial Highlights	10		

## Statutory Reports

Management Discussion & Analysis	18
Notice	23
Board's Report	37
Corporate Governance Report	57

## Financial Statements

Standalone Financials	Consolidated Financials		
Independent Auditor's Report	68	Independent Auditor's Report	101
Balance Sheet	74	Balance Sheet	106
Profit & Loss Statement	75	Profit & Loss Statement	107
Cash Flow Statement	76	Cash Flow Statement	108
Notes to Financial statement	78	Notes to Financial statement	110

**Disclaimer:** This information may contain certain forward-looking statements/details in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Investors/ shareholders/public are hence cautioned not to place undue reliance on these statements/details, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following here in reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this section, consequent to new information, future events or otherwise.

# Corporate Identity

We are arguably having interest in businesses spread across varied sectors which help us in diversifying sector-specific risks. At Mangal Fincorp & Credit Limited (MCFL), We don't believe in good, or good enough. We don't believe in the short-term or taking short-cuts. We don't believe in putting business before people, anything before quality. We believe in great. Although we don't believe we're quite there yet. We believe in the importance of location and sustained growth and doing it right the first time. We believe in having integrity always. We believe that knowledge is everything and perfection is in the details. That it is the little things that add up to make the biggest difference. We always remind ourselves to keep going above and beyond for our customers, our shareholders, our

partners and our staff. To be the best, we believe, relies on every single one of us working together. To this end, we believe we can be better than good. We believe we can be great.

Mangal Credit & Fincorp Limited was established in the year 2012. MCFL acquired a Fifty year old company TAK Machineries & Leasing Ltd (TMLL), a company with great competence of dealing in machinery and its leasing. MCFL is a renowned non-banking financial company based in Mumbai, which is engaged in the business of providing loans, credit facilities, private educational funding, trade in money market, underwriting stocks and shares. It has a reputation among its clients, which has been shaped with high quality practices, customer driven approach and

high focus on collaborative growth. Many years of devoted research and experience have empowered the organization to give brisk and customized finance choices and investment schemes for various clients who do not have access to mainstream commercial banks. This has helped in winning the respect and loyalty of their innumerable customers. Finding great fortune operating from its Mumbai office, the management also plans to enter multiple cities in other states apart from Maharashtra. With immense personal experience in the gold segment, the Managing Director aims to bring about a shift in the strategic focus of the company to becoming a provider of mass finance in the form of Secured loans and SME Loans along with personal loans.

# Key Facts

EST.

**2012**Established in  
the year**₹5,148** LakhsTotal Assets Under  
Management**83%**Capital Adequacy  
Ratio**1.19%**Non Performing  
Assets**₹11,636**Lakhs  
Total Revenue  
(Consolidated)**₹840** LakhsProfit After Tax  
(Consolidated)**₹0.47**Basic Earnings  
Per Share**₹9,132** LakhsTotal  
Network**BWR BB+**

Brickwork Ratings

# Our Vision

---



We aim at becoming the most preferred service provider in the financial space.



We aim to enter the Secured Loans segment by harnessing our existent capabilities and succeed amid humongous competition.



We aim to expand geographically to penetrate into multiple cities across various states beyond Maharashtra.



We aim at achieving faster goals growing to become 5 times our current size and touch our 500 crore target by 2020.

# Our Mission

---

The mission of our Group is to provide the best of the services to our clients be it – providing wealth creation opportunities, technical hardware rental solutions, digital and website technology solutions or global logistics solutions to suffice financial needs.

# Our Values



## Excellence

We motivate our employees to strive for excelling irrespective of the obstacles that come in the way. We stress on knowing our purpose in life, growing to reach their maximum potential and sowing seeds that benefit others.



## Innovation

We encourage communication of new methods, ideas or modifications in the upward direction in our company. We have imbibed a culture of constant innovation within the company.



## Diversification

We aim to diversify, rationalize and globalize in all possible fields and get the best out of our resources to fulfill all the requirements of our customer. All our strategies and decisions revolve around this primary principle followed by our entire organization.



## Customer focus

Our main aim is to put the needs of the customer first before anything else. We strive to provide them with the best quality of service and we are ever ready to put in dedication and persevere until we achieve our main goal: Customer satisfaction



## Transparency

The bigger picture of our goal is unique, as we render our time into building trust - the very foundation of every relationship. We encourage our employees to manifest this trust through absolute transparency with our stakeholders and clients.



# Chairman's Message

## Dear Shareholders,

The management at Mangal Credit & Fincorp Limited is pleased to present the financial report of your Company for the year 2017-18. At the onset, let me tell you that we are immensely humbled and grateful to each and every one of you who have shown utmost trust and confidence in our management, our business model, and our strategy. The sector of Non-Banking Financial Company, in which we operate play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. Our ground-level understanding of the customers' profile and their credit needs gives us an edge, as does our ability to innovate and customise products as per our client's needs. The NBFC sector in India has undergone a significant transformation over the past few years. It has come to be recognised as one of the systemically important components of the financial system and has shown consistent year-on-year growth.

I am pleased to share with you that this year marks 56th year of our company being in business. Our total income grew from ₹863 Lakhs to ₹983 Lakhs, a growth of 14% over the period as compared to previous year. Our EBITDA grew from ₹567 Lakhs to ₹844 Lakhs, a growth of 49%. Profit after tax grew from ₹270 Lakhs to ₹458 Lakhs, a growth of 70%. Our AUM grew to ₹5,148 Lakhs.

Value creation for stakeholders, investors, our esteemed customers, employees and the overall community is the backbone of the vision of our businesses. Long lasting and

transformational value creation for each of them is our main focus. I'm happy to inform you that your company has received BB+ rating.

There have been notable trends in the NBFC space. NBFCs are an important alternative source of financing. Given that banks are prohibited from funding M&A transactions, NBFCs fit in perfectly. In addition to this, there have been few positive developments in the past couple of years that have increased the attractiveness of NBFCs. In August 2016, the Government extended the applicability of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to enable important NBFCs to enable them to enforce security interest in relation to secured debt of Indian Rupees one crore or more. In the year 2016, the Government liberalised the foreign direct investment (FDI) norms in relation to the other financial services by allowing 100% FDI under the automatic route in regulated financial services activities. Prior to liberalisation, 100% FDI was permitted under the automatic route for only 18 specified financial services activities. The minimum capitalisation norms that applied to FDI in NBFCs were also done away with.

As per the RBI's report published in the year 2017, the financial performance of NBFCs has been better in comparison to the banks in the medium term. The share of NBFCs in the total credit granted by NBFCs as well as banks rose from 9.5% in 2008 to 15.5% as of March 2017.

The NBFC segment is a catalyst to the economic development of the country. The RBI is constantly striving to bring necessary changes in the NBFC regulatory space to proactively provide regulatory support to the segment and also to ensure financial stability in the long run. We hope that the forthcoming changes in the pipeline will further strengthen the robustness of the sector and allow us to operate in an enabling regulatory environment. In our Annual Report theme which we call 'Defining Diversity', our vision as a group is to widen the compass of our business diversifications to rationalize and globalize in all the possible fields in which we can make complete use of our resources to have a better future for Mangal Group, our clients, stakeholders and the society as a whole. Thus, we recently have strategically ventured into such new foray of mining business through our subsidiary Mangal Mines and Minerals Pvt. Ltd. The demand for iron and steel is set to continue, given the strong growth expectations for the residential and commercial building industry. The entire land for mining is partly owned by promoters. The land area is spread across 51.54 acres and the major activity carried out will be Iron Ore mining with grade of 52% and above. Thus, the revenue generated by this subsidiary will help substantially in the growth plans of your company.



**Value creation for stakeholders, investors, our esteemed customers, employees and the overall community is the backbone of our business.**

**₹983**

Lakhs

**Total Income**

**₹458**

Lakhs

**PAT**

Your company, since last five years, has always focussed on strategically diversifying business which have fetched stable returns and will continue the trend. I would like to avail the opportunity to share with the shareholders about the subsidiaries businesses which have contributed to create immense triumph as a whole Mangal Group.

Mangal Buildhome Pvt Ltd has performed very well over the years. The company has been specialized with luxurious residential projects, all in prime locations of Mumbai. The company has completed 5 projects with 2 projects work in progress. Recently the company has completed feasibility study of a site with luxurious sea facing dream project with all the modern amenities and an awesome view. The company is expected to finalize the same by the end of year. The company has also explored a new revenue model in real estate business called Project Management Consultancy, under which the company involves itself as consultant for the construction project being developed by another entity and our company undertake the charge of completing that project and liasioning & administration of project related tasks by way of capitalizing its core expertise in this area with 10 years of experience in this field and in turn minimising the risk inherited to real estate business. Currently the company is having three projects in Mumbai under this revenue model which will be realizing the company a revenue approx. 30 crores by the end of 2020.

Mangal Compusolutions Pvt Ltd is specialized in providing customized solutions for various hardware and software rental needs. The company is a well-known name in IT Sector and has a varied client base including MNCs from various sectors. The company is also planning to expand its business beyond the limits of Mumbai and into IT Hubs like Hyderabad & Bangalore. This company is having a rich cash flows & assets under capitalisation.

Satco Capital Markets Pvt Ltd is a registered capital and commodity market intermediary. The company is well known amongst retail, HNI and NRI community. The company has a pan India presence. It has over 20 branches and over 281 registered sub brokers across Pan India. In FY2018 the company opened 1370 accounts. Thus, the total client base of the company is 11,513.

IndTrans Containers Lines Pvt Ltd is a well know name in the logistics sector. The company is specialised in providing services

end to end solution in export & import like loading/unloading, stuffing, road transportation, ocean freight, Custom Clearance, Custom Brokerage and Warehousing/Distribution. The company had successfully handled volume of 3285 exports containers dispatched all over world. The company expects the number to increase to 4,250 number in upcoming year. The company is having presence in Singapore since last three years. Now the company is also planning to mark presence in Malaysia in coming year to capture business routing through Malaysia also.

Mangal Global Marble Pvt Ltd is a prominent player in manufacturing of marbles, and also is a key supplier of marbles from the countries like Vietnam, Egypt, Oman Etc. The company also has expanded its product portfolio to high quality Indian and imported granite slabs. In FY2018, the company has started production with a wholly owned and managed production facility at Kishangarh. The unit has been installed with best quality equipments and machinery to provide high quality granite slabs. Presently, the company has two sales points located in Kishangarh and Varanasi. This company is now planning to expand its presence by way of opening point of sales (POS) outlets throughout the country as well as overseas markets.

I would like to congratulate our shareholders that our parent company along with its group companies are now entering into growth phase rapidly. our subsidiary companies have also begun to distribute its profits in form of dividends & ultimately creating the wealth to our esteemed shareholders.

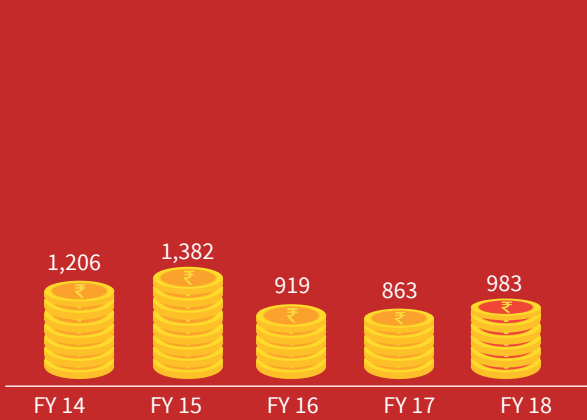
Finally, I would also like to thank all our stakeholders for reposing their faith in us and thank our regulators & bankers, for their constant support and guidance. We will continue to stay focussed on creating value for both external and internal stakeholders. I wish to express my thanks to all our Directors for their valuable contribution. I would like to assure you that all our employees are working extremely hard with great dedication, high energy and strong commitment through the year for your Company. I sincerely thank them all. I thank you all once again and offer my best wishes for a very bright and prosperous year ahead.

Very Sincerely,

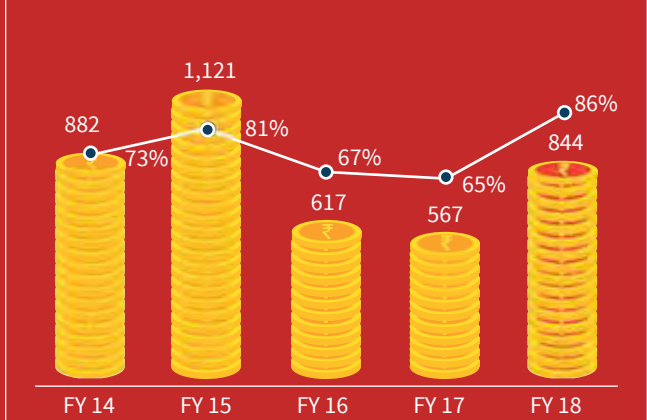
**Meghraj S. Jain**  
Chairman & Managing Director

# Financial Highlights (Standalone)

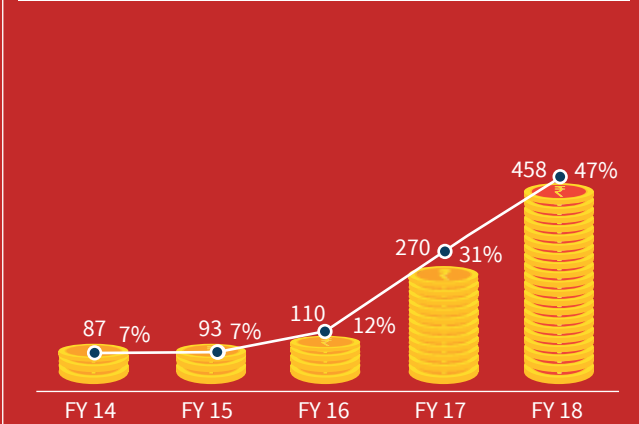
**Total Revenue (₹ Lakhs)**



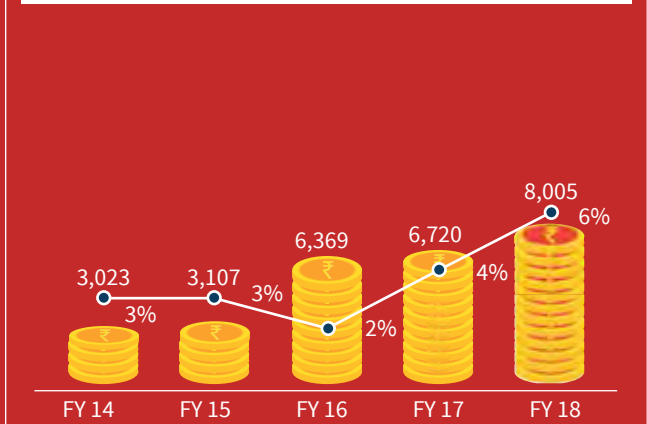
**EBITDA & EBITDA Margin (%)**



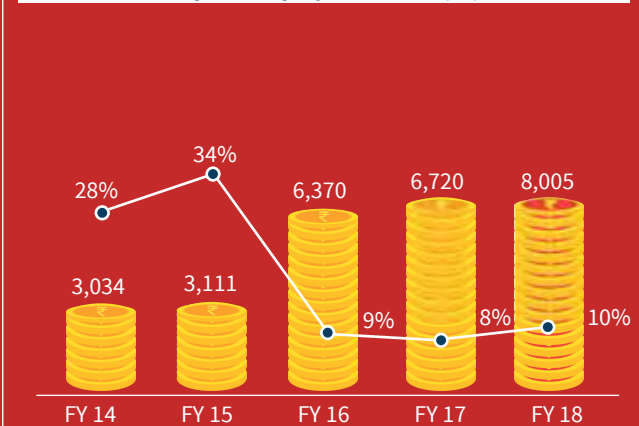
**PAT (₹ Lakhs) & PAT Margin (%)**



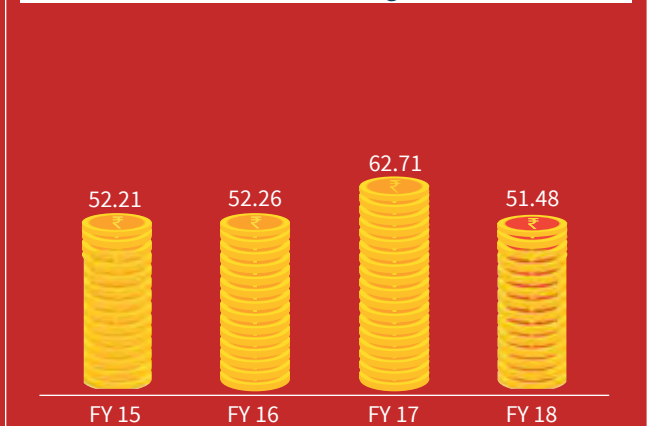
**Networth (₹ Lakhs) & Return on Equity (%)**



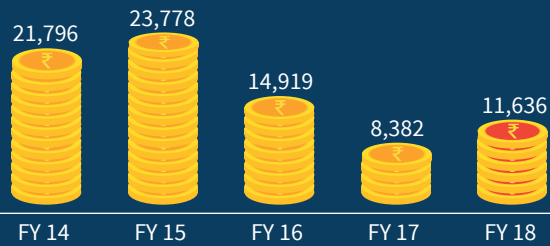
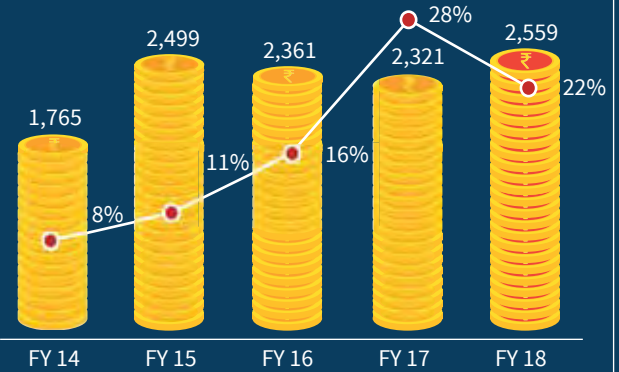
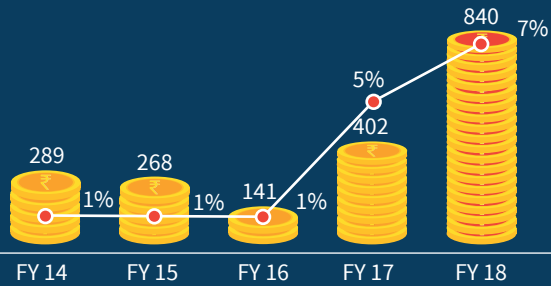
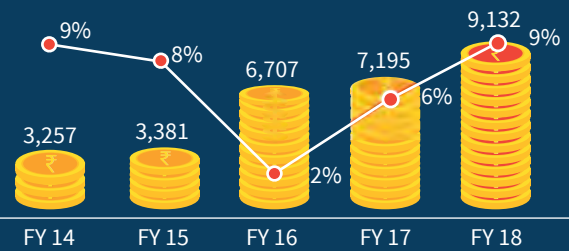
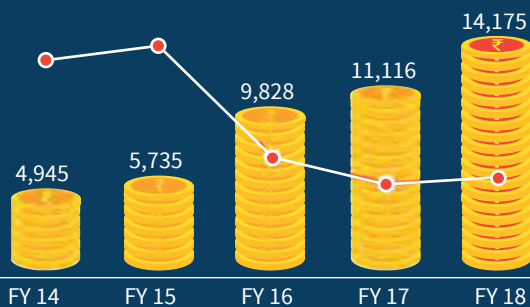
**Capital Employed & ROCE (%)**



**Assets Under Management**



# Financial Highlights (Consolidated)

**Total Revenue (₹ Lakhs)**

**EBITDA (₹ Lakhs) & EBITDA Margin (%)**

**PAT (₹ Lakhs) & PAT Margin (%)**

**Networth (₹ Lakhs) & Return on Equity (%)**

**Capital Employed & ROCE (%)**




# Our Businesses



## **Mangal Buildhome Pvt. Ltd.**

**Sector: Real Estate**

Since its inception in 2010, Mangal Build Home Private Limited has created opulent spaces that have epitomized the pinnacle of luxury. It builds elegance and delicacy in life style, hence elevating the living standards of people. Working within margins of an area, MBHPL practices creatively inculcates limitless variety of experiences at a place. MBHPL understands public trend and environment, and it targets enhances that integrity to a further extend. Mangal Buildhome Private Limited has gained enormous admiration over the years. Moreover, our company does not shrine in moneymaking, but, the company wishes

## **Mangal Compusolutions Pvt. Ltd.**

**Sector: IT Hardware Leasing**

Mangal Compusolution Pvt Ltd. is a leading name in IT service sector through out major cities of India. It provides customized solutions for various hardware and software rental needs. It has rendered services to leading organizations and high profile individuals for more than 20 years now. Mangal binds consistency of high delivery quality through its team integrity. Mangal Compusolution offers desktop, laptops or any presentation equipment for short & long - term business requirements. It rents leading brands of systems: Apple, Microsoft, IBM, Dell, HP, Lenovo, Sony, Compaq, and Toshiba. This ensures compatibility of software on the rented machines and perfect sink of our rental with customer's branded machines.



## Satco Capital Markets Limited

### Sector: Capital Markets

Satco Capital Markets Ltd is a SEBI Registered Capital & Commodity Market Intermediary. It commenced business in 1994. The company established a strong presence amongst the Retail Clientele, HNI & NRI community. It is a Member of the National Stock Exchange, Bombay Stock Exchange, MCX Ltd. and NCDEX Ltd. The company is also a Depository Participant with CDSL and have a PORTFOLIO MANAGEMENT SERVICE Registration.



## INDTrans Container Lines Pvt. Ltd.

### Sector: Logistics

INDTrans Container links was Founded in 2013, INDtrans is a subsidiary of Mangal Credit & Fincorp Limited. INDtrans thus was started with a core team comprising of business leaders who own and run the company. INDtrans prides itself by having currently an active network in more than 65 countries. INDtrans has focused on hiring highly competent professionals from the logistics industry and provided them with a working environment in which they can fully realize their potential and deliver performance which guarantees your satisfaction and our success. We value every customer and understand that each project requires a unique solution. This unique combination of an individual approach within an international framework ensures that we deliver top-quality customized logistics solutions to our clientele every time.

# Our Businesses



## Mangal Global Marbles Pvt Ltd.

**Sector: Mining**

Mangal Global Marbles Pvt Ltd is a marble & granite manufacturing & trading unit. It has built a legacy of superior quality of granite and marble since 1998. The company is based in Kishangarh, Rajasthan and within few years of becoming part of Mangal, company's trading operations expanded across India. The company has implemented latest technology machines & equipments for marble & granite mining, processing and cutting. Company ensures to provide best and fine quality of marble & granite to meet customer satisfaction.

## Mangal Mining & Minerals Pvt Ltd.

**Sector: Mining**

India holds a fair advantage in cost of production and conversion costs in Iron Ore, steel and alumina. Its strategic location enables convenient exports to develop as well as the fast-developing Asian markets. Mangal Credit & Fincorp Limited has ventured into such new foray of mining business through their subsidiary Mangal Mines and Minerals Pvt. Ltd. The total land area is spread across 51.54 acres. The entire land is owned by promoter and 51% holdings are under our Chairman Mr. Meghraj S. Jain. Land is partly owned by promoter. Major activity will be Iron Ore mining with Grade of 52% and above. The revenue generated by this subsidiary will help substantially in the growth plans of MCFL.



# Corporate Information

## Board of Directors

### Mr. Meghraj Jain S

Managing Director  
(DIN: 01311041)

### Mr. Sandeep Maloo S

Managing Director  
(DIN: 01145616)

### Mr. Naval Maniyar

Additional Director & CFO  
(DIN: 06657440)

### Mr. Srichand Teckchand Gerela ● A N

Additional Director  
(DIN: 01565534)

### Mr. Ramanathan Annamalai ●

Additional Director  
(DIN: 02645247)

### Mrs. Nirumpama Dattatray A N

Woman Director  
(DIN: 01605060)

### Mr. Abhishek Jain ●

Additional Director  
(DIN: 02147449)

## Auditors

### M/s MGB & CO. LLP,

Chartered Accountants

## Bankers

The Bharat Co-operative Bank  
HDFC Bank

## Key Managerial Personnel

### Mr. Meghraj Jain

Managing Director

### Mr. Sandeep Maloo

Managing Director

### Mr. Naval Maniyar

Additional Director & CFO

## Company Secretary

### Ms. Supriya Agarwal

## Listing on the Stock Exchange

### Bombay Stock Exchange

## Registrar and Transfer Agent

### Link InTime India Pvt Ltd.

C-13, Prannalal Silk Mills Componud,  
L.B.S. Marg, Bhandup (W),  
Mumbai-400078

## Registered & Corporate Office

Office No.1701/1702, 17th Floor,  
A-Wing, Lotus Corporate Park,  
Western Express Highway,  
Goregaon (East) Mumbai-400063

## Committees

Audit Committee A

Nomination & Remuneration Committee N

Stakeholders Relationship Committee S

Solid background signifies Committee Head ●



# Board of Directors



**Meghraj S. Jain** | (Chairman & Managing Director)

Mr. Meghraj Jain is an Entrepreneur and Businessman. For more than two decades, he contributed to several family companies in India in various positions. He is Co-founder & promoter of MCFL and has more than 2 decades experience of handling money lending business and his family is in Gems & jewellery business. He directs planning the marketing and business development function of the Company and is also responsible for developing strategic business relationships for different business. His key focus areas comprises of business development, strategic market analysis, delivery and service quality assurance, mentoring and motivating teams.



**Sandeep Maloo** | (Director)

Mr. Sandeep Maloo is a Chartered Accountant with over 20 years of experience. He is the major driving force behind the success of MCFL. His role in MCFL includes Strategizing Finance, Corporate Planning, and Risk Management. Over the years, he has built long-term relationships with CA fraternity and people based on Trust, Integrity and Conviction. Under his leadership and guidance, the Company has taken great strides in terms of disbursements, profitability and performance. His dynamic vision, strategic focus, and entrepreneurial skills continue to guide the growth of the Company's businesses across demanding markets and competitive scenarios.



**Naval Maniyar** | (Director & CFO)

Mr. Naval holds a Bachelor's degree in Commerce and is a qualified Chartered Accountant (CA) and with 5 years of professional experience in audit, finance and accounting functions. He assists to provide a professional platform of wealth management and financial planning services. He has spent credible years in the areas of Financial Statement Analysis, Audit and Asset Management.



**Srichand Teckchand Gerela** | (Additional Director)

Mr. S T Gerela is MA LL.B, CAIIB. He has worked in senior positions with RESERVE BANK OF INDIA (RBI), SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) and Stock Exchange, Mumbai (BSE) for over 4 decades and has experience in the areas of Banking, Finance and Risk Management and Supervision. He has also worked on several committees set up by Government, SEBI, CDSL and BSE, on capital market related areas. He has authored a book on "Working of the Stock Exchange, Mumbai". He is a visiting faculty member to various management and training institutes of repute. He has joined Satco as a chief executive officer in April, 2004. He is working as a whole-time director of Satco since 19th July, 2007.



**Nirupama Pendukar** | (Additional Director)

Mrs. Nirupama Pendukar graduated from Sydenham College of Commerce and Economic, Churchgate, Mumbai. She studied Law from Government Law College, Mumbai. She did her Marketing Management from Indian Merchant Chamber and Import/Export from Indo-American Society. She is a dynamic and well established Entrepreneur with a social conscience and has an experience in the commodity field for more than 20 years. She is the Managing Director of CNX Corporation Limited, a Commodity Based Company. She has pioneered the business of Collateral Management in India in association with ICICI Bank and has established business with several banks and is a consultant on Agricultural based project management.

**A. Ramanathan** | (Additional Director)

A. Ramanathan is an MBA from PSG College of Technology (University of Madras) and has done Study Programme at Postgraduate Level from Institute of Development Policy & Management, University of Manchester, United Kingdom. He has over 35 years of experience in Management of Rural Financial Institutions/ Micro Finance Institutions/ Training organisations/ Business Schools. He has been associated with NABARD since 1979 and has carried out various important activities.



**Abhishek Jain** | (Additional Director)

Abhishek Jain is a Chartered Accountant of 2003 batch. In the illustrious post qualification working span of over 15 years he has worked with PriceWaterHouseCoppers' assurance division and CITIBANK N.A. in various functions viz Credit and Business. Presently he is heading auditing and consulting firm \*AVCS & ASSOCIATES\* having operations in Mumbai, Jaipur, Alwar and New Delhi. He brings with him the expert knowledge of Credit underwriting, Fund Raising, Product Structuring and Advance Digital Lending.



# Management Discussion & Analysis

## 1. Economic Review

### 1.1 Global economic overview

In 2017, global growth at 3.8 percent was the strongest since 2011. Economic activity in 2017 ended on a high note. It was supported by recovery in investments. With financial conditions still supportive, global growth is expected to tick up to a 3.9 percent rate in both, 2018 and 2019. Advanced economies shall grow faster than its potential this year and next year. Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance. The cyclical upswing underway since mid-2016 has continued to strengthen. Some 120 economies, accounting for three-quarters of the world GDP, have seen a pickup in growth on year-on-year terms in (2017), the broadest synchronized global growth upsurge since 2010. Among advanced economies, growth in the third quarter of 2017 was higher than projected in the fall, notably in Germany, Japan, Korea, and the United States. Key emerging market and developing economies, including Brazil, China, and South Africa, also posted third-quarter growth stronger than the fall forecasts. High-frequency hard data and sentiment indicators point to a continuation of strong momentum in the fourth quarter. World trade has grown strongly in recent months, supported by a pickup in investment, particularly among advanced economies and increased manufacturing output in Asia. Purchasing managers' indices indicate firm manufacturing activity ahead, consistent with strong consumer confidence pointing to healthy final demand.

### IMF's World Economic Outlook

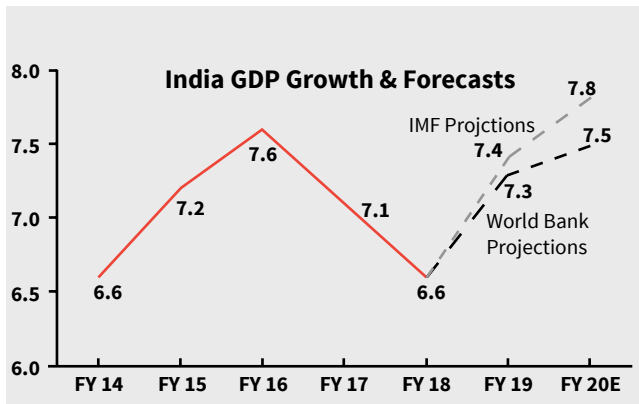
Year	Actual (%)		Projection (%)	
	2016	2017	2018	2019
World Output	3.2	3.8	3.9	3.9
Advanced Economies	1.7	2.3	2.5	2.2
Emerging Market and Developing Economies	4.4	4.8	4.9	5.1

With resurgent investment spending in advanced economies and an end to the investment decline in some commodity-exporting emerging market and developing economies, world growth is projected to strengthen from 3.8 percent in 2017 to 3.9 percent in 2018 and 2019, driven by a projected pickup in growth in emerging market and developing economies and resilient growth in

advanced economies. Outcomes exceeded the October 2017 World Economic Outlook forecasts in the euro area, Japan, the United States, and China, and continued to improve gradually in commodity exporters.

## 1.2 Indian Economy

The year 2017 was marked by a number of key structural initiatives to build strength across macroeconomic parameters for sustainable growth in the future. The growth in the first half of the year suffered even while the rest of the world bloomed. The slack seen at the beginning of 2017 bottled out as 2018 set in. As of today, the economy is on recovery path. We believe that India's economic outlook remains promising for FY17-18 and is expected to strengthen further in FY18-19. As per IMF and World Bank, world economy is expected to grow at 3.7% and 3.1% in 2018 while the Indian economy is expected to grow at 7.4% and 7.3%, respectively for 2018 and 2019, lifted by strong private consumption as well as fading effects of the currency exchange initiative and implementation of the national Goods and Services Tax. Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and give incentives to private investments.



(Source - CSO, IMF, World Bank)

However, the signs of green shoots should not be taken for granted as downside risks remain. Some of the significant challenges for 2018 are how to deal with the economy in its recovery phase with the ever-increasing inflation and how to manage high fiscal deficit and increasing debt burden. On the positive side, currently India is the world's seventh-largest economy at USD 2.2 trillion, sitting between France and Italy. A report by World Economic Forum has projected that by 2050, the Indian economy is expected to be the world's second-largest, behind only China.

(Source - IMF World Economic Outlook April 2018)

## NBFC Industry Analysis

Non-banking finance companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers' profile and their credit needs gives them an edge, as does their ability to innovate and customise products as per their clients' needs. This makes them the perfect conduit for delivering credit.

## 2. Company Overview

Mangal Credit & Fincorp Limited is an investment company with transparency as fine as to reflect clients image in it. Loans and credit facilities, private educational funding, trade in money market under writing stocks and shares are some of its services to aid an advanced and aspiring population. A reputed market lot holds dealings for its timeless cliental and its half a century experience in finance services qualifies MCFL to be in its forte. Through it endeavours for ventures bigger and stronger than before, MCFL targets to attain an immensely strong growth.

## 3. Growing Prominence in NBFC Sector

NBFCs are rapidly gaining prominence as intermediaries in the retail finance space. NBFCs finance more than 80 per cent of equipment leasing and hire purchase activities in India. The public deposit of NBFCs increased from US\$ 293.78 million in FY09 to ₹ 409.15 billion (US\$ 6,089.52 million) in FY17, registering a Compound Annual Growth Rate (CAGR) of 46.10 per cent. The gross loans of India's Non-Banking Finance Company-Microfinance Institutions (NBFC-MFIs) increased 24 per cent year-on-year in Q2 FY18 to ₹ 38,288 crore (US\$ 5.89 billion). NBFC's market share in commercial loans increased to 2.8 per cent in 2016-17 from 2 per cent in 2015-16.

## 4. Recent Trends in NBFC Sector

NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. NBFCs aspire to emerge as a one-stop shop for all financial services. Non-Banking Financial Companies are expected to raise their share to 19-20 per cent by 2020 through recapitalisation program for public sector. New banking licence-related guidelines issued by RBI in early 2013 place NBFCs ahead in competition for licenses owing largely to their rural network. New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms and enhanced disclosure requirements are expected to benefit the sector in the long run.



## 5. Growth Trends in Financial Sector

**Government Initiatives:** In December 2017, SEBI made an announcement regarding integration of stocks and commodities trading on a single exchange from October 2018. In November 2017, The Government of India disinvested in 22 state owned companies which later formed a part of a new ETF index, called the S&P BSE Bharat 22. In November 2017, the Government of India launched BHARAT-22 Exchange Traded Fund (ETF) with the target of ₹ 8,000 crore (US\$ 1.24 billion) which is managed by ICICI Prudential Mutual Fund. It raised ₹ 14,500 crore (US\$ 2.25 billion).

**Shift to Financial Asset class:** Financial sector growth can be attributed to rise in equity markets and improvement in corporate earnings. In FY17, individual wealth in India expanded to ₹ 344 lakh crore (US\$ 5,337.47 billion) from ₹ 310 lakh crore (US\$ 4,620.66 billion) in FY16. Individual wealth in India recorded increased growth rate from 10.91 per cent in FY17 to 8.50 per cent in FY16.

**Others:** In May 2018, total equity funding's of microfinance sector grew at the rate of 39.88 to ₹ 96.31 billion (₹ 4.49 billion) in 2017-18 from ₹ 68.85 billion (US\$ 1.03 billion) in 2016-17. The total number of mutual fund portfolios is expected to reach 133 million portfolios in 2025 from around 133 million portfolios in December 2017

## 6. Opportunities

Two-thirds of India's population lives in rural areas where financial services have made few inroads so far. Rural India, however, has seen steady rise in incomes creating an increasingly significant market for financial services. There are several standalone networks of SHG, NGO's and MFI's in different parts of rural India. Cross-utilisation of these channels can facilitate faster penetration of a wider suite of financial services in rural India. Increasing use of technology to reach rural India is the paradigm-shifting enabler. Internet kiosk-based channels are expected to become the bridge that connects rural India to financial services.

**Credit:** Rural credit segment is a large market, which can be tapped by ensuring timely loans which are critical to agricultural sector. Self Help Groups and NGOs are useful vehicles to make inroads into rural India.

**Investments:** Safe investment options have a potential to tap into rural household savings. Some private players are coming up with innovative products like 3rd party money market mutual funds to cater to rural investment needs.

## 7. Government Initiatives:

**Budgetary Measures:** Under the Union Budget 2018-19, the government has allocated ₹ 3 trillion (US\$ 46.34 billion) towards the Mudra (Micro-Units Development & Refinance Agency Ltd)

Scheme. As per the Union Budget 2018-19, the recapitalisation of PSBs is expected to allow banks to lend additional ₹ 5 lakh crore (US\$ 77.23 billion).

**Goods and Services Tax (GST):** The Goods and Services Tax (GST) on financial services transactions like banking transactions, mutual funds, insurance and stock market has been increased from the current 15 per cent to 18 per cent. The Government of India is planning to introduce a two-percentage point discount in the Goods and Services Tax (GST) on business-to-consumer (B2C) transactions made via digital payments.

**FDI requirement for fund based and non fund based financial entities:** In April 2018, the Government of India issued minimum FDI capital requirement of US\$ 20 million for unregistered / exempt financial entities engaged in 'fund based activities' and threshold of US\$ 2 million for unregistered financial entities engaged in 'non-fund based activities'.

**Tax incentives:** Insurance products are covered under the EEE (exempt, exempt, exempt) method of taxation. This translates to an effective tax benefit of approximately 30 per cent on select investments (including life insurance premiums) every financial year. Reduction in securities transaction tax from 0.125 per cent to 0.1 per cent on cash delivery transactions and from 0.017 per cent to 0.1 per cent on equity futures. Indian tax authorities plan to sign a bilateral advance pricing agreement with a number of companies in Japan. The agreement is aimed at avoiding conflicts with multinational companies over sharing of taxes between India and the countries where these firms are based.

**Other initiatives:** SBI and FTSE Russell, the arm of the London Stock Exchange, announced plans to jointly develop a Bond Index for global investors to benchmark Indian bond market, against that of its competitors. The Government of India has launched the 'Bharat 22' exchange traded fund (ETF), which will be managed by ICICI Prudential Mutual Fund, and is looking to raise ₹ 8,000 crore (US\$ 1.22 billion) initially. The Securities and Exchange Board of India (SEBI) has allowed exchanges in India to operate in equity and commodity segments simultaneously, starting from October 2018. SEBI has decided to allow strategic investors such as registered Non-Banking Financial Companies (NBFCs) and international multilateral financial institutions to invest upto 25 per cent of the total offer size of Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs).

## 8. Risks and challenges

Domestic NBFCs are facing twin challenges in the form of narrowing options and increased borrowing cost for adequate debt raising. According to a ICRA note, retail focussed NBFCs would require about ₹ 3.8-4.0 trillion of fresh debt funding during FY2019 to support their envisaged portfolio growth of about 20% in FY2019. The accompanying incremental weighted average

funding cost is expected to be about 9.3-9.5% vis a vis 8.4%-8.5% in FY2018. Based on debt maturity profiles, and incremental funding requirement, the weighted average cost of funding for NBFCs could be higher by a minimum of about 45bps in FY2019. Amongst the various funding sources for NBFCs, Banks, the key funding source witnessed a sharp increase (27% growth) in their credit exposures to NBFCs during FY2018, while the banking system credit growth remained muted at 8% of the period. Consequently, share of NBFC credit increased to 10.5% of the banking system credit to corporates (industry and services) in March 2018 as compared with 8.7% in March 2017. However, goin forward, banks are likely to be constrained by their internal sector lending caps in taking incremental exposure on the NBFC sector.

As of Mutual Fund exposure to NBFCs, it also increased sharply between September 2017 and March 2018 as it is more than doubled during this period. The increase was largely observed in the short term funding, which almost tripled between September 2017 to March 2018. Given the tightening in the liquidity, timely roll over and ability to take longer term exposures by MFs remains to be seen, as these are crucial for NBFC credit growth.

## 9. Financial and Operational Performance

MCFL has given stable results for the FY2018. MCFLs Total Revenue grew by 14% to ₹983 Lakhs in FY2018 as compared to ₹862 Lakhs in FY2017. EBITDA grew by 49% to ₹844 Lakhs in FY2018 as compared to ₹567 Lakhs in FY2017. Profit After Tax grew by 70% to ₹459 Lakhs as compared to ₹270 Lakhs in the previous year. EBITDA and PAT Margins grew by 49% respectively YoY.

## 10. Opportunities & Outlook

India's gross domestic product (GDP) is expected to keep growing at a rapid pace and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources and also have plans to increase its renewable energy capacity from. India is expected to be the third largest consumer economy, owing to shift in consumer behaviour and expenditure pattern; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP). India has made progress on structural reforms in the recent past and the implementation of the Goods and Services Tax (GST) will help reduce internal barriers to trade, increase efficiency and improve tax compliance. The corporate debt overhang and associated banking sector credit quality concerns have exerted a drag on investment in India, recapitalisation will improve the banking sector's ability to support growth but more measures are needed.

## 11. Internal Control Systems and its Adequacy

Effective internal controls are necessary for building up an efficient organization. Our Company has adequate internal control systems in place to ensure accuracy, transparency and accountability in its operations. A dedicated concurrent audit team functioning within the Company supported by an out sourced concurrent audit team confirms that the activities are in compliance with its policies and occurrences of deviations are reported to the Management. The Company has further strengthened its internal audit function by investing in domain specialists to increase effectiveness of controls. The audit committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

## 12. Fulfilment Of Rbi's Norms And Standards

The Company has taken necessary steps to comply with the RBI norms accordingly the company has reduced the holding of subsidiary Companies, which results in reduction in total assets size of the Company below 100 cr. and the Company is exempted from the various regular compliance as per RBI norms.

## 13. Human Resources/Industrial Relations

The Company continues to lay emphasis on people, its most valuable resource. In an increasingly competitive market for human resources, it seriously focuses on attracting and retaining the right talent. It provides equal opportunity to employees to deliver results.

## 14. Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

# Social Activities



MCFL promoters care for the health and development of the society. They have also donated mobile hospitals to improve the health of lower income people of the society.



Promoters have also sponsored medals for a Marathon organised in Mumbai. The event had theme “Run for healthier tomorrow”.



Health checkup camps at various places in India.



MCFL Promoters believe charitable activities are important for development of society. They are contributing in building the school which is currently run by government and gives education to needy children of the society but in disreputable condition. The school is located in Sisoda, Rajsamand Rajasthan.

**NOTICE**

**NOTICE** is hereby given that the 56th Annual General Meeting of the Members of **Mangal Credit and Fincorp Limited** will be held on Saturday, 29th September, 2018 at 3:30 p.m. at Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai- 400091, to transact the following businesses:

**Ordinary Business:**

1. To receive, consider and adopt the Annual Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Statutory Auditors thereon;
2. To declare the final dividend on equity shares for the financial year ended 31st March, 2018;
3. To appoint a Director in place of Mr. Meghraj S. Jain (DIN:01311041), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Mr. Sandeep Maloo (DIN: 01145616), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment;

**Special business:****5. To re-appoint Mr. Meghraj Jain (DIN: 01311041) as Chairman & Managing Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, Rules, Regulations, Guidelines and Circulars issued in this regard (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and subject to necessary approvals, if any, consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Meghraj Jain (DIN 01311041) as the Chairman & Managing Director of the Company for a period of 5 (five) years with effect from 14th August, 2018 on the remuneration not exceeding INR 20,00,000 per annum;

**RESOLVED FURTHER THAT** where in any financial year during the tenure of Mr. Meghraj Jain as the Chairman & Managing Director, the Company has no profits or the profits are inadequate, approval of the members of the Company be and is hereby accorded to pay him the maximum remuneration in accordance with the provisions of the Act;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary the terms of re-appointment and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary and with the power on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**6. To appoint Mr. Naval Maniyar (DIN: 0665440) as Executive Director of the Company**

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

**“RESOLVED THAT** pursuant to provision of Section 152, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, Rules, Regulations, Guidelines and Circulars issued in this regard (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, and subject to necessary approvals, if any, Mr. Naval Maniyar (DIN: 0665440) who was on the recommendation of Nomination and Remuneration Committee appointed as the Additional Director by the Board of Directors in their Meeting held on 21st May, 2018 to hold office till the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under the provisions of section 160 of the Companies Act, 2013 be and is hereby appointed as Executive Director of the Company for a period of 5 (five) years with effect from 21st May, 2018 on the remuneration not exceeding INR 20,00,000 per annum;



**RESOLVED FURTHER THAT** where in any financial year during the tenure of Mr. Sandeep Maloo as the Managing Director, the Company has no profits or the profits are inadequate, approval of the members of the Company be and is hereby accorded to pay him the maximum remuneration in accordance with the provisions of the Act;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary the terms of re-appointment and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary and with the power on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**7. To appoint Mr. Srichand Teckchand Gerela (Din: 01565534) as Non-Executive Director of the Company**

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

“**RESOLVED THAT** pursuant to provision of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mr. Srichand Teckchand Gerela (DIN: 01565534) who was on the recommendation of Nomination and Remuneration Committee appointed as the Additional Director by the Board of Directors in their Meeting held on 12th June, 2018 to hold office till the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under the provisions of section 160 of the Companies Act, 2013 be and is hereby appointed as Non-Executive Director of the Company and that he shall be liable to retire by rotation.”

**8. To appoint Mrs. Nirupama Dattatray (Din: 01605060) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to provision of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mrs. Nirupama Dattatray (DIN: 01605060) who was on the recommendation of Nomination and Remuneration Committee appointed as the Additional Independent Director by the Board of Directors in their Meeting held on 12th June, 2018 to hold office till the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director under the provisions of section 160 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 12th June, 2018.”

**9. To appoint Mr. Abhishek Jain (Din: 02147449) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to provision of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mr. Abhishek Jain (DIN: 02147449) who was on the recommendation of Nomination and Remuneration Committee appointed as the Additional Independent Director by the Board of Directors in their Meeting held on 06th July, 2018 to hold office till the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under the provisions of section 160 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 06th July, 2018.”

**10. To appoint Mr. Ramanathan Annamalai (Din: 02645247) as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to provision of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per applicable Regulations and Schedules of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mr. Ramanathan Annamalai(DIN: 02645247) who was on the recommendation of Nomination and Remuneration Committee appointed as the Additional Independent Director by the Board of Directors in their Meeting held on 06th July, 2018 to hold office till the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under the provisions of section 160 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 06th July, 2018.”

**11. To consolidate the existing authorized and issued share capital of the Company and thereby increasing the face value of the existing equity share from Re. 1/- each to Rs. 10/- each:**

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

**“RESOLVED THAT** pursuant to section 61(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification, amendment or re-enactment thereof for the time being in force) and any other statutory provisions and regulations, as may be applicable, and in accordance with the Articles of Association of the Company, and subject to such approvals, sanctions, consents and permissions, as may be necessary or required from the National Company Law Tribunal (NCLT) or any other appropriate authorities, consent of the members of the Company be and is hereby accorded to consolidate 10 (Ten) Equity Shares of the company having face value of Re 1/- (Rupee One Only) each in the capital of the company fully paid-up, into 1 (One) equity share of Rs. 10/- (Rupees ten Only) each fully paid-up;

**“RESOLVED FURTHER THAT** pursuant to the consolidation of the Equity Shares of the Company, the 10 (Ten) paid up Equity Shares of the Company of the face value of Re. 1/- (Rupee One) each, as existing on the Record Date shall stand consolidated into 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten) each fully paid up, with effect from the Record Date to be fixed by the Board of Directors for this purpose;

**“RESOLVED FURTHER THAT** no letter for consolidation of shares shall be issued but the share certificates for the consolidated new equity shares of Rs. 10/- (Rupees ten) each to be delivered to the shareholders who hold the existing shares in physical form without calling for surrender of the share certificates held by them and the old share certificate of Re. 1/- each stand cancelled from the date of issue of new share certificate of Rs. 10/- each and the respective beneficiary accounts be credited with the consolidated new equity shares of Rs. 10/- each for such shareholders who hold the existing shares in dematerialized form;

**“RESOLVED FURTHER THAT** no shareholder shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated into whole shares and the number of shares so arising shall be held by a Trust/ Trustee constituted/ appointed by the Board who shall dispose off the said shares in the market at the best available price in one or more lots and the decision of the Trust/Trustee in this regard shall be final and binding to all concerned and the Trust/ Trustee shall hold the net sale proceeds of all such shares after deducting therefrom all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements;

**“RESOLVED FURTHER THAT** the existing clause V of the Memorandum of Association of the Company be and is hereby substituted by the following new Clause V:

The Authorized Share Capital of the Company is Rs.25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising

out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution;

**“RESOLVED FURTHER THAT** any of the Directors be and are hereby authorized to do all such acts, deeds and things as may be necessary in order to give effect to the above resolution.”

**By order of the Board of Directors**

**Meghraj Jain**  
**Chairman & Managing Director**

**DIN:** 01311041

**Address:** 401/402, SheelaNiwas, Ramabai  
Chemburkar Mg. Pranjapea Scheme,  
Vile-Parle (East), Mumbai 400057

**Place:** Mumbai

**Date:** 14th August, 2018

**Registered Office:**

1701/02, A Wing, 17th Floor, Lotus Corporate Park,  
Western Express Highway, Goregaon (E), Mumbai-400063  
Tel.: +91 22-42461300 E-mail:compliance@mangalfincorp.com

**NOTES:**

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy must be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) duly filled in and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
5. The Register of Members and Transfer Books of the Company will be closed from 22nd September, 2018 to 29th September, 2018, both days inclusive.
6. Members seeking any information or clarifications on the Annual Report are requested to send in written, queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
7. All the relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting. The aforesaid documents will be also

available for inspection by members at the Meeting.

8. Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ('ICSI'), information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished as an Annexure to the Notice.
9. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 04th August, 2014.
10. The Members who have not updated their e-mail addresses are requested to update the same with their respective Depository Participant(s) or communicate it to the Registrar and Share Transfer Agent, to enable the Company to send future communications in electronic mode. Members are requested to send a signed letter, communicating their Name, Folio No./DP ID Client ID and e-mail address either by e-mail (scanned copy) to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or send a hard copy thereof to them.
11. As mandated by SEBI, Members are requested to submit their Permanent Account Number (PAN) and bank account details to their respective Depository Participant(s) with whom they are maintaining their demat accounts or to the Registrar and Share Transfer Agent of the Company.
12. As per the provisions of the Companies Act, 2013 read with the rules made thereunder facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
13. Members are requested to note that dividends not claimed or encashed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 124 of the Act.
14. Member are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd at C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.

Tel No: 022-49186000,  
 Fax No.: 022-49186060,  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

15. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form. Members can contact the Company or M/s. Link Intime India Pvt. Ltd for assistance in this regard.
16. **E- voting:**

In compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modifications or re-enactment thereof for the time being in force) the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 56th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

#### **Process for E -Voting -**

##### **The procedure and instructions for e-voting are as follows:**

- i. The voting period begins from 09:00 A.M. on Monday, 24th September, 2018 and ends on Friday, 28th September, 2018 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).



- iii. Click on Shareholders / Members.
- iv. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the serial number (printed on the address label) in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN of Mangal Credit and Fincorp Limited to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxi. Mr. Vijay Tiwari, Practicing Company Secretary (ICSI Membership No. ACS- 33084) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorized by him in writing; who shall countersign the same and declare the result off the voting forthwith.
- xxii. The results declared alongwith the Scrutinizer's report shall be placed on the Company's website [www.mangalfincorp.com](http://www.mangalfincorp.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to BSE Limited.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

##### **Item No. 5**

The tenure of appointment of Mr. Meghraj Jain as the Managing Director ended on 13th August, 2018. The Board of Directors at its meeting held on 14th August, 2018 has, subject to the approval of the members re-appointed Mr. Meghraj Jain as the Managing Director for a period of 5 (five) years from the expiry of his present term i.e. w. e. f. 14th August, 2018.

Mr. Meghraj Jain is an Entrepreneur and Businessman. For more than two decades, he contributed to several family companies in India in various positions. He is Co-founder & promoter of MCFL and has more than 2 decades experience of handling money lending business and his family is in Gems & Jewellery business. He directs planning the marketing and business development function of the Company and is also responsible for developing strategic business relationships for different business. His key focus areas comprises of business development, strategic market analysis, delivery and service quality assurance, mentoring and motivating teams.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Mr. Meghraj Jain are as under:

He shall be paid a remuneration not exceeding INR 20,00,000 (Rupees Twenty Lakhs Only) per annum with the power to the Board to verify his terms of re-appointment and remuneration;

The general terms of his appointment are as follows:

- i. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii. The Managing Director shall adhere to the Company's Code of Conduct.
- iv. The office of Managing Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

Mr. Meghraj Jain satisfies the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Meghraj Jain under Section 190 of the Act.

Details of Mr. Meghraj Jain are provided in the "Annexure" to the Notice.

Mr. Meghraj Jain, is interested in the resolution set out at Item No. 5 of the Notice.

The other relatives of Mr. Meghraj Jain may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set out at Item No. 5 of the Notice to the Members for their consideration and approval, by way of a Special Resolution.

#### **Item No. 6**

Members are requested to note that the Board of Directors of the Company, on recommendation of the Nomination & Remuneration Committee ("NRC"), at their meeting held on 21st May, 2018 approved the appointment of Mr. Naval Maniyar as Additional Director (Executive Director) on the Board of the Company and accordingly, in terms of the provisions of Section 161 of the Companies Act, 2013 ("Act"), holds office up to the date of the forthcoming Annual General Meeting of the Company.

Mr. Naval holds a Bachelor's degree in Commerce and is a qualified Chartered Accountant (CA) and with 7 years of professional experience in audit, finance and accounting functions. He assists to provide a professional platform of wealth management and financial planning services. He has spent credible years in the areas of Financial Statement Analysis, Audit and Asset Management.

He shall be paid a remuneration not exceeding INR 20,00,000 (Rupees Twenty Lakhs Only) per annum with the power to the Board to verify his terms of appointment and remuneration ;

Members are requested to note that the Company has received a declaration from Mr. Naval Maniyar stating that that he is not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Act.

Members are further requested to note that the Company has received notice in writing in terms of the provisions of Section 160 of the Act from Member proposing the candidature of Mr. Naval Maniyaras Director on the Board of the Company.

The Board of Directors is of the opinion that the proposed Director possesses requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to have his association with the Company as Director.

Details of Mr. Naval Maniyar are provided in the “Annexure” to the Notice.

Except Mr. Naval Maniyar, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the resolution set out at Item No. 6 of the Notice to the Members for their consideration and approval, by way of an Ordinary Resolution.

#### **Item No. 7**

Members are requested to note that the Board of Directors of the Company, on recommendation of the Nomination & Remuneration Committee (“NRC”), at their meeting held on 12th June, 2018 approved the appointment of Mr. Srichand Teckchand Gerela as Additional Director (Non Executive) on the Board of the Company and accordingly, in terms of the provisions of Section 161 of the Companies Act, 2013 (“Act”), holds office up to the date of the forthcoming Annual General Meeting of the Company.

Mr. S T Gerela is MA LL.B, CAIIB. He has worked in senior positions with Reserve Bank Of India (RBI), Securities And Exchange Board Of India (SEBI) and Stock Exchange, Mumbai (BSE) for over 4 decades and has experience in the areas of Banking, Finance, Risk Management and Supervision over the markets. He has also worked on several committees set up by Government, SEBI, CDSL and BSE, on capital market related areas. He has authored a book on “Working of the Stock Exchange, Mumbai”, which is accessed by market participants and students as reference material. He is also a visiting faculty member to the various management and training institutes of repute and delivers lectures on capital market related subjects. He has joined Satco as a chief executive officer in April, 2004. He is working as a whole-time director of Satco since 19th July, 2007.

Members are requested to note that the Company has received a declaration from Mr. Srichand Teckchand Gerela stating that that he is not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Act.

Members are further requested to note that the Company has received notice in writing in terms of the provisions of Section 160 of the Act from Member proposing the candidature of Mr. Srichand Teckchand Gerela as Director on the Board of the Company.

The Board of Directors is of the opinion that the proposed Director possesses requisite skills, experience and knowledge relevant to the Company’s business and it would be in the interest of the Company to have his association with the Company as Director.

Details of Mr. Srichand Teckchand Gerela are provided in the “Annexure” to the Notice.

Except Mr. Srichand Teckchand Gerela, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the resolution set out at Item No. 7 of the Notice to the Members for their consideration and approval, by way of an Ordinary Resolution(s).

#### **Item No. 8, 9, &10**

Members are requested to note that the Board of Directors of the Company, on recommendation of the Nomination & Remuneration Committee (“NRC”), at their meeting held on 12th June, 2018 and 06th July, 2018 approved the appointment of Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai as Additional Independent Director(s) on the Board of the Company and accordingly, in terms of the provisions of Section 161 of the Companies Act, 2013 (“Act”), holds office up to the date of the forthcoming Annual General Meeting of the Company.

The brief profile(s) of Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai are given in the annexure to the Notice.

Members are requested to note that the Company has received a declaration from Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai stating that they meet the criteria of independence as specified in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) and that they are not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Act.



Members are further requested to note that the Company has received notice(s) in writing in terms of the provisions of Section 160 of the Act from Member proposing the candidature of Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai as Director(s) on the Board of the Company.

Members are requested to note that it is proposed to appoint Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai as an Independent Director(s) on the Board of the Company, each, for a term of 5 years commencing from 12th June, 2018, 06th July, 2018 and 06th July, 2018 respectively.

In the opinion of the Board, the proposed appointment(s) of Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai as Independent Director(s), fulfills the conditions specified in the Act and the LODR Regulations and are independent of the management.

The Board of Directors is of the opinion that the proposed Independent Director(s) possesses requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to have their association with the Company as an Independent Director(s).

Members are requested to note that in terms of Section 150 and Schedule IV of the Act, the appointment of Independent Directors is subject to the approval by the Members of the Company.

Except Mrs. Nirupama Dattatray, Mr. Abhishek Jain and Mr. Ramanathan Annamalai, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution(s).

The Board recommends the resolution(s) set out at Item No. 8, Item No. 9 and Item No. 10 of the Notice to the Members for their consideration and approval, by way of an Ordinary Resolution(s).

#### Item No. 11

The shares of the Company of face value of Re 1/- per share are at present quoted at about Rs 5.78/- per share . In this connection, a number of our shareholders and investors have represented to us that the current market value of the share of the company suggests that it is a penny stock and does not merit serious attention and interest of the genuine long term investors . For this reason, the existing small investors of the company, who wish to exist from the stock, are finding it difficult to get the fair price of the shares held by them. Consequently, the liquidity in the shares of the company continues to be poor, which ,in turn ,keeps away fresh investors from entering the counter.

In order to address these problems,, it has been decided to consolidate the face value of the existing share of the company from Rupee 1 to Rs.10.

This will bring in respectability to the share of the company based on reasonable current price of the share at about Rs 50 , reflect the fair value based on improving fundamentals of the company ,provide an exist route to the existing small investors and get fair price while selling the shares , provide an opportunity to the fresh long term investors to look at the stock of the company for long term appreciation, improve the liquidity of the counter and attract attention of the equity analysts to cover the company in their fundamental research reports for the benefit of investors.

#### c). Pre and Post Share Capital:

	Pre – Consolidation	Post – Consolidation
<b>Authorized Share Capital</b>	Rs.25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 25,00,00,000 (Twenty Five Crore) Equity Shares of Re. 1/- (Rupee One Only) each.	Rs.25,00,00,000/- (Rupees Twenty Five Crore Only) divided into divided into 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupee Ten Only) each.

<b>Issued and Subscribed Share Capital</b>	Rs.19,31,39,860/- (Rupees Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty Only) divided into 19,31,39,860 (Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty) Equity Shares of Re.1/- each	Rs.19,31,39,860/- (Rupees Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty Only) divided into 1,93,13,986 (One Crore Ninety Three Lakh Thirteen Thousand Nine Hundred and Eighty Six) Equity Shares of Rs.10/- each
<b>Share Capital</b>	Rs.19,31,39,860/- (Rupees Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty Only) divided into 19,31,39,860 (Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty) Equity Shares of Re.1/- each	Rs.19,31,39,860/- (Rupees Nineteen Crore Thirty One Lakh Thirty Nine Thousand Eight Hundred and Sixty Only) divided into 1,93,13,986 (One Crore Ninety Three Lakh Thirteen Thousand Nine Hundred and Eighty Six) Equity Shares of Rs.10/- each

The power to consolidate the shares is required to be exercised by the Company in a General Meeting. The Memorandum of Association (MOA) of the Company will also require alteration so as to reflect the consolidated share capital. Accordingly, the resolution at Item No. 11 of the notice seeks approval of the members for consolidating the share capital of the Company and consequent amendments to its MOA.

After obtaining members' and other necessary approvals, the Board shall fix the record date for ascertaining the list of shareholders for the purpose of consolidation of shares.

All fractional entitlements will be consolidated into whole shares (rounded off to the nearest complete Share) and sold off in the market through a Trust/Trustee created/appointed for this purpose. The Sale proceeds of the same will be distributed to the members in the ratio of their fractional entitlements after deducting the expenses incurred in this regard, if any.

The approval of members as mentioned herein above shall be subject to the approval of the National Company Law Tribunal (NCLT), if required, pursuant to the proviso to Section 61(b) of the Companies Act, 2013, if any.

The Board of Directors hereby recommends the resolutions at Item No. 11 for approval of members and the same shall be subject to the necessary approvals as mentioned herein above.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding, if any, in the Company.

**Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are as follows:**

<b>Name of Director</b>	<b>Mr. Meghraj Jain</b>	<b>Mr. Sandeep Maloo</b>	<b>Mr. Naval Maniyar</b>
<b>DIN</b>	01311041	01145616	06657440
<b>Date of Birth</b>	25th June, 1970	11th September, 1975	18th December, 1988
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of First Appointment</b>	14th August, 2013	22nd March, 2011	21st May, 2018
<b>Designation</b>	Chairman & Managing Director	Managing Director	Executive Director
<b>Qualification</b>	B.Com	Chartered Accountant	Chartered Accountant
<b>Experience</b>	He has more than 2 decades of experience in handling money lending business and Gems & Jewellery business.	He has 20 years of experience in finance, corporate planning and Risk Management	More than 7 years of professional experience in audit, finance & accounting functions.
<b>No. of Board Meetings attended during the year 2017-18</b>	8	8	N.A.
<b>Directorships held in other Companies</b>	1. Mangal Mines And Minerals Private Limited 2. Woodland Constructions Private Limited 3. MangalBuildhome Private Limited 4. Shwet Developers Private Limited 5. Chakshu Realtors Private Limited 6. Indtrans Container Lines Private Limited 7. Dhakad Properties Private Limited 8. Mangal Compusolution Private Limited 9. Satco Capital Markets Limited	1. Ecotech Informatics Private Limited 2. Standard Infra-Developers Private Limited 3. E-Ally Equities (India) Private Limited 4. Bansiwala Real Estates Private Limited 5. Scarled Computech Private Limited 6. E-Ally Commodities (India) Private Limited 7. E-Ally Consulting (India) Private Limited 8. Mangal Meta Forging Private Limited 9. AnjanaBuildestate Private Limited 10. Mangal Global Marbles Private Limited 11. Ally Insurance Broker Private Limited 12. Customer Centria Technologies LLP	1. Indtrans Container Lines Private Limited
<b>Disclosure of relationships between directors inter-se</b>	None	None	None
<b>No. of Equity shares held in the Company</b>	3,56,34,180	Nil	Nil

Name of Director	Mrs. Nirupama Dattatray	Mr. Abhishek Jain	Mr. Ramanathan Annamalai
DIN	01605060	02147449	02645247
Date of Birth	30th July, 1965	22nd April, 1981	25th December, 1948
Nationality	Indian	Indian	Indian
Date of First Appointment	12th June, 2018	06th July, 2018	06th July, 2018
Designation	Independent Director	Independent Director	Independent Director
Qualification	LLB, B.com	Chartered Accountant	MBA
Experience	A dynamic and well established Entrepreneur with a social conscience and has an experience in the commodity field for more than 20 years	More than 15 years of professional experience in Credit underwriting, Fund Raising, Product Structuring and Advance Digital Lending.	He has over 35 years of experience in Management of Rural Financial Institutions/ Micro Finance Institutions/ Training organisations/ Business Schools. He has been associated with NABARD since 1979.
No. of Board Meetings attended during the year 2017-18	N.A.	N.A.	N.A.
Directorships held in other Companies	1. CNX Corporation Limited	1. I-Nexus Realtors Private Limited 2. I-Nexus Consulting Private Limited 3. HexaconTradecon Private Limited	1. Asirvad Micro Finance Limited 2. Village Financial Services Limited 3. Samasta Microfinance Limited 4. Unnati Microfin Private Limited 5. Hindusthan Microfinance Private Limited 6. Five-Star Business Finance Limited 7. M Power Micro Finance Private Limited 8. Five-Star Housing Finance Private limited
Relationship with other Directors, Manager and KMP of the Company	None	None	None
No. of Equity shares held in the Company	Nil	Nil	Nil

Name of Director	Mr. SrichandTeckchandGerela
DIN	01565534
Date of Birth	06th February,1938
Nationality	Indian
Date of First Appointment	12th June, 2018
Designation	Non-Executive Director
Qualification	MA LL.B, CAIIB



<b>Experience</b>	He has worked in senior positions with RESERVE BANK OF INDIA (RBI), SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) and Stock Exchange, Mumbai (BSE) for over 4 decades and has experience in the areas of Banking, Finance, Risk Management and Supervision over the markets. He has also worked on several committees set up by Government, SEBI, CDSL and BSE, on capital market related areas.
<b>No. of Board Meetings attended during the year 2017-18</b>	N.A.
<b>Directorships held in other Companies</b>	1. Satco Capital Markets Limited 2. APL Apollo Tubes Limited 3. Apollo Metalex Private Limited 4. Mirae Asset Trustee Company Private limited 5. Satco Commodities Private Limited 6. Benlon India Limited 7. Shri Lakshmi Metal Udyog Limited
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None
<b>No. of Equity shares held in the Company</b>	Nil

By order of the Board of Directors

**Meghraj Jain**  
**Chairman & Managing Director**  
**DIN:** 01311041  
**Address:** 401/402, SheelaNiwas, Ramabai  
Chemburkar Mg. Pranjapea Scheme,  
Vile-Parle (East), Mumbai 400057

**Place:** Mumbai**Date:** 14th August, 2018**Registered Office:**

1701/02, A Wing, 17th Floor, Lotus Corporate Park,  
Western Express Highway, Goregaon (E), Mumbai-400063  
Tel.: +91 22-42461300 E-mail: compliance@mangalfincorp.com

**DIRECTOR'S REPORT**

To,  
The Members  
**Mangal Credit and Fincorp Limited**

Your directors have pleasure in presenting the 56th Annual Report of the Company for the year ended 31st March, 2018.

**Financial Results**

The performance of the Company for the financial year ended 31st March, 2018 is summarized as under:

(Rs. In Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	F.Y. 2017-18	F.Y. 2016-17	F.Y. 2017-18	F.Y. 2016-17
Revenue From Operation	946.25	827.53	11021.48	7921.56
Other Income	36.48	35.17	614.42	460.59
<b>Total Income</b>	<b>982.73</b>	<b>862.70</b>	<b>11635.89</b>	<b>8382.15</b>
Profit Before Depreciation, Extra Ordinary Items & Tax	647.11	441.52	1769.77	1653.46
Less: Depreciation & Amortisation	21.25	31.34	564.73	915.68
<b>Profit Before Extra Ordinary Items &amp; Tax</b>	<b>625.86</b>	<b>410.18</b>	<b>1205.04</b>	<b>737.78</b>
Less: Extra Ordinary Items	Nil	Nil	Nil	Nil
<b>Profit Before Tax</b>	<b>625.86</b>	<b>410.18</b>	<b>1205.04</b>	<b>737.78</b>
Provision for Current Taxation	175.77	126.33	332.22	235.76
Deferred Tax Expenses/(Income)	(16.15)	19.32	1.60	45.21
Prior Period Tax Adjustment	7.99	(5.35)	(3.74)	(8.12)
Mat Credit Entitlement	Nil	Nil	(66.35)	Nil
Less: Minority Interest	Nil	Nil	101.09	63.05
Less: Share in Profit/(Loss) of Associates	Nil	Nil	Nil	NIL
<b>Net Profit After Tax</b>	<b>458.24</b>	<b>269.87</b>	<b>840.22</b>	<b>401.89</b>
<b>On account of Amalgamation/Subsidiaries</b>	<b>-</b>	<b>-</b>	<b>282.44</b>	<b>-</b>
<b>Balance Brought forward</b>	<b>1115.38</b>	<b>948.20</b>	<b>1567.28</b>	<b>1274.79</b>
<b>Amount Available for Appropriation</b>	<b>1573.62</b>	<b>1218.07</b>	<b>2689.94</b>	<b>1676.68</b>
Appropriations :				
Proposed Dividend	96.56	40.28	96.57	40.28
Dividend Tax	19.12	8.43	19.13	8.43
Transfer to General Reserve	Nil	NIL	NIL	Nil
Transfer to Statutory Reserve Fund	91.64	53.97	91.64	53.97
Loss of Standard Medserve brought Forward	Nil	Nil	Nil	Nil
Minority losses in excess of their Equity	Nil	Nil	Nil	Nil
Fixed assets traf. to retained earnings				
<b>Balance Carried forward</b>	<b>1366.28</b>	<b>1115.39</b>	<b>2482.6</b>	<b>1574.00</b>

**Review of Operations**

During the year under review, the finance division has performed well. Accordingly, the Company has achieved total revenue of Rs.982.73 Lacs and net profit after after tax is Rs.458.24 lacs for the current year against the previous year total revenue of Rs.862.70 lacs and net profit after tax Rs.269.87.

## **Dividend**

Your Directors are pleased to recommend a dividend of Rs. 0.05 per Equity Shares (i.e 5%) for the year ended March 31, 2018. There will be no deduction of tax at source. The provision for dividend payable is accounted on 193139860 Nos. Equity shares.

## **Fixed Deposits**

The Company has not accepted any deposits during the year under review and it continues to be a Non-deposit and Non Banking Financial Company in conformity with the guidelines of the Reserve Bank of India and Companies (Acceptance of Deposits) Rules, 1975.

## **Directors and Key Managerial Personnel**

Your Board comprises of efficient and able directors who have vast experience in this line of business. Mr. Meghraj S. Jain & Mr. Sandeep Maloo retires at the ensuing Annual General Meeting by rotation and being eligible, offers themselves for re-appointment as Director.

The brief details of all members of Board are annexed to this report.

The following persons are Key Managerial Personnel of the Company

- |    |                             |   |                   |
|----|-----------------------------|---|-------------------|
| 1. | Mr. Sandeep Maloo           | - | Managing Director |
| 2. | Mr. Meghraj Jain            | - | Managing Director |
| 3. | Ms. Madhuri Prakash Survase | - | Company Secretary |

Remuneration and other details of Key Managerial Personnel for the year ended 31st March, 2018 are stated in the extract of the Annual Return.

## **DECLARATION FROM INDEPENDENT DIRECTORS**

The Company has received necessary declaration from Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

## **SHARE CAPITAL**

During the year the Authorised Share Capital of the Company is Rs.25,00,00,000/-.

## **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

The Existing Authorised Share capital of the Company is Rs. 25,00,00,000/-consisting of 250000000 Equity Shares of Re.1/- each, Issued and Subscribed capital is Rs. 193139860/-consisting of 193139860 Equity Shares of Re.1/ each and paid up Share Capital is Rs. 193139860/- consisting of 193139860 Equity Shares of Re.1/ each

## **Directors' Responsibility Statement**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and the profit for the year ended on that date;

- The directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

#### **DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards sexual harassment at the workplace. The Company has been employing 6 women employees in various cadres as on 31st March, 2018. The Company has in place an Internal Complaint Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the FY 2017 - 2018, the Company has not received any complaint regarding sexual harassment as on 31st March, 2018.

#### **Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished here under.

SN	Particulars	Disclosure
1.	Conservation of Energy and Power consumption	The company continued to accord priority to conservation of energy and is continuing its efforts to utilise energy more efficiently.
2.	Technology Absorption and Research & Development	The company has not absorbed any technology nor any research & development work has been carried out.
3.	Foreign Exch. - Earnings	Nil
4.	Outgo	Nil

#### **Particulars Of Employees**

There are no employees of the category specified in under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### **Auditors and Audit Report**

M/s. MGB & Co. LLP, Chartered Accountants (FRN no.101169W/W-100035) were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on Aug 04, 2014. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### **Auditors Observations/Comments**

The director's report, corporate governance report, Secretarial audit report, management discussion analysis have addressed most of the issues and observations and the comments of the Auditors are self-explanatory.



### **Audit Committee**

The Composition of Audit Committee was changed from time to time. The present composition of Audit Committee consists of the following members:

Mr. Gurumurthy Ramachandran	-	Chairman
Mr. Sandeep Maloo	-	Member
Mr. Ratish Suresh Tawde	-	Member

The above composition of the Audit Committee, interalia, consists of independent Directors viz., Mr. Gurumurthy Ramachandran and Mr. Ratish Tawde who forms the majority. The Company has established a vigil mechanism to oversee through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the company. The more details of the Audit Committee are stated under Corporate Governance Report.

### **Stakeholders Relationship Committee**

The Share Transfer Committee constituted was renamed as The Share Transfer and Investors Grievances Committee. To comply with The Composition of Stakeholders Relationship Committee was changed from time to time. The present composition of Stakeholders Relationship Committee consists of the following members:

The Composition of Committee is as under:

Mr. Gurumurthy Ramachandran	-	Chairman
Mr. Ratish Suresh Tawde	-	Member
Ms. Swati Sharma	-	Member

### **Nomination & Remuneration Committee**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 framed there under, every listed company and prescribed class of companies, shall constitute Remuneration Committee (RC) of the Board consisting of 3 or more non – executive directors out of which not less than ½ shall be independent director.

The Composition of RC was changed from time to time.

The present composition of RC consists of the following members:

Mr. Gurumurthy Ramachandran	-	Chairman
Mr. Ratish Suresh Tawde	-	Member
Ms. Swati Sharma	-	Member

The above composition of the Nomination & Remuneration Committee, interalia, consist of Independent Directors viz., Mr. Gurumurthy Ramchandran and Mr Ratish Suresh Tawde, who forms the majority. The Remuneration Committee have formulated a policy as prescribed under the Act which, interalia, includes criteria for determining qualification, positive attributes and independence of a director and recommended to the Board for adoption of the Policy. The Policy also covers recommendation to the Board on the remuneration to the Board of Independent Directors, Key Managerial Personnel and other employees.

### **Corporate Social Responsibility Committee**

Corporate Social Responsibility is not applicable. Hence, the company has not made any provisions for Corporate Social Responsibility.

### Extract Of Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **“Annexure A”**.

### Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, M/s Vijay S. Tiwari & Associates, Company Secretaries in Whole-time practice (ACS no. 33084, C P No.12220), was appointed to conduct Secretarial Audit for the year ended 31st March, 2018.

M/s Vijay S. Tiwari & Associates, Practising Company Secretaries has submitted Report on the Secretarial Audit which is attached as **“Annexure B”** and forms a part of this report. There are some Qualifications or observations or remarks made by the Secretarial Auditor in the Report.

### Company’s Policy Relating To Directors Appointment, Payment Of Remuneration And Discharge Of Their Duties

The Company has a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors’ qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and under the provisions of Listing Agreement.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees, which covers various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### Related Party Transactions

All the Related Party Transactions have been approved by the Audit Committee and also by the Board. The transactions with Mangal group of the Company were approved by the shareholders at the AGM held on 30th September, 2015 and the approval is valid for a period of five years.

Transactions with related parties during the financial year under review are at arm’s length and in the ordinary course of business and confirming to the requirements of Companies Act, 2013. Omnibus approvals from Audit Committee were taken for the transactions that are foreseen and of repetitive in nature. Form AOC-2 as required under Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, is enclosed as **“Annexure C”**.

The Company has in place a Related Party Transaction Policy which was approved by the Board and has been placed on the website of the Company.

### CORPORATE GOVERNANCE

The Company has complied with the provisions pertaining to Corporate Governance as per the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 requirements of the Stock Exchanges and necessary disclosures have been made in this regard in the Report on Corporate Governance is annexed as **“Annexure-D”** along with a certificate from a Practising Company Secretary confirming compliance of the same.

### Number Of Board Meetings Conducted During The Year Under Review

The Company had 8 (Eight) Board meetings during the financial year under review. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

## Investor Services

As the members are aware, your company's shares are tradable compulsorily in electronic form and your company has established connectivity with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization of Company's shares on either of the Depositories as aforesaid.

## Subsidiaries, Joint Ventures and Associate Companies

During the year under review, following are the Companies / Bodies Corporate which became Subsidiaries or Joint Venture or Associate during the financial year 2017-18: Nil

During the year under review, following are the Companies / Bodies Corporate which ceased to be Subsidiaries or Joint Venture or Associate during the financial year 2017-18:

Sr. No.	Name of the Companies / Bodies Corporate	Subsidiaries or Joint Venture or Associate
1	Chakshu Realtors Private Limited	Subsidiary
2	Mangal Entertainment Private Limited	Subsidiary
3	Mangal Extrusion Private Limited	Subsidiary
4	Standard Infra Developers Private Limited	Subsidiary
5	Scarled Computech Private Limited	Associate

A statement containing the salient features of the financial statement of subsidiary (i.e. Part – A of Form AOC-1), as per Section 129(3) of the Act, is provided as **Annexure E**.

A statement containing the salient features of the financial statement of Associate / Joint Venture companies (i.e. Part – B of Form AOC-1), as per Section 129(3) of the Act, is Not Applicable during the year.

## Human Resources

Your Company considers people as one of the most valuable resources. It believes in the theme that success of any organization depends upon the engagement and motivation level of employees. All employees are committed to their work and proactively participate in their area of operations. The Company's HR philosophy is to motivate and create an efficient work force as manpower is a vital resource contributing towards development and achievement of organisational excellence.

## Internal Controls

The Company has an adequate system of internal checks on its day to day affairs, which acts as a internal control system commensurate with its size and the nature of its business.

The internal controls system of the Company are monitored and evaluated and reviewed by Management and Audit Committee of the Board of Directors. Auditor's observations in confirmation to policy in force has also been received.

## Statement Concerning Development and Implementation of Risk Management Policy of the Company

Pursuant to the requirement of SEBI (LODR) regulation, the Company has constituted a Risk Management Committee. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risk as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Risk Management Policy and Framework in line with Local legal requirements and SEBI guidelines
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycles.

- Defining framework for identification, assessment, monitoring, mitigation and reporting of risk.

Within its overall scope as aforesaid, the Committee shall review risk trends, exposure, potential impact analysis and mitigation plan.

### **Acknowledgements**

The Board wishes to place on record their appreciation for the sincere efforts of the Director, employees and the co-operation extended by the Bankers, Shareholders, clients & associates for their continue support towards the conduct of the Company.

### **For Mangal Credit and Fincorp Limited**

**Sd/-**

**(Mr. Meghraj Jain)**

Chairman & Managing Director

DIN: 01311041

**Place:** Mumbai

**Date:** 21st May, 2018



**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- L65990MH1961PLC012227  
 ii) Registration Date:- 29/12/1961  
 iii) Name of the Company:- MANGAL CREDIT AND FINCORP LIMITED  
 iv) Category / Sub-Category of the Company:- Company limited by shares / Indian Non Government Company  
 v) Address of the registered office and contact details:- Office No- 1701/1702, 17th Floor, A Wing, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (East) ,Mumbai ,Maharashtra ,400063.  
 Tel No:- (022) 42461300; Fax No:- (022) 42461310  
 vi) Whether listed company:- Yes  
 vii) Name, Address and Contact details of Registrar and Transfer Agent:  
**Link Intime India Pvt. Ltd.,**  
 C-13, Pannalal Silk Mills Compound,  
 L.B.S. Marg, Bhandup (W), Mumbai-400078

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Finance (including NBFCs)	65923	99%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sr. No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Indtrans Container Lines Private Limited	U63010MH2010PTC199252	Subsidiary	60.00%	Section 2(87)
2.	Mangal Buildhome Private Limited	U45201MH2010PTC259841	Subsidiary	74.99%	Section 2(87)
3.	Mangal Compusolution Private Limited	U72900MH2011PTC216111	Subsidiary	99.99%	Section 2(87)
4.	Mangal Global Marbles Private Limited	U14200RJ1998PTC014672	Subsidiary	95.56%	Section 2(87)
5.	Satco Capital Markets Limited	U65990MH1989PLC051506	Subsidiary	53.61%	Section 2(87)
6.	Indtrans Container Lines (Singapore) PTE Ltd (Indtrans Container Lines (Singapore) PTE Ltd is indirect subsidiary of Mangal Credit & Fincorp Limited and the same is 100% subsidiary of Indtrans Container Lines Pvt Ltd.)	NA	Ultimate Subsidiary	60.00%	Section 2(87)
7.	Satco Commodities Private Limited (Satco commodities is indirect subsidiary of Mangal Credit & Fincorp Limited and the same is 100% subsidiary of Satco Capital Markets Limited)	U70101MH1987PTC045107	Ultimate Subsidiary	53.61%	Section 2(87)
8.	Digital Edge Technologies	NA	Associate	50.00%	Section 2(6)

#### IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	40482580	0	40482580	25.13	6,04,82,580	0	6,04,82,580	31.32	6.19
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt (s)	0	0	0	0	0	0	0	0	
d) Bodies Corp.	26091000	0	26091000	16.19	3,46,90,282	0	3,46,90,282	17.96	1.77
e) Banks / FI	0	0	0	0	0	0	0	0	
f) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (1):-</b>	<b>66573580</b>	<b>0</b>	<b>66573580</b>	<b>41.32</b>	<b>9,51,72,862</b>	<b>0</b>	<b>9,51,72,862</b>	<b>49.28</b>	<b>7.96</b>
<b>(2) Foreign</b>									
a) NRIs -									
Individuals	0	0	0	0	0	0	0	0	
b) Other -	0	0	0	0	0	0	0	0	
Individuals									
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Banks / FI	0	0	0	0	0	0	0	0	
e) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>66573580</b>	<b>0</b>	<b>66573580</b>	<b>41.32</b>	<b>9,51,72,862</b>	<b>0</b>	<b>9,51,72,862</b>	<b>49.28</b>	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks / FI	0	15000	15000	0.001	0	15000	15000	0.001	
c) Central Govt	0	0	0	0	0	0	0	0	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIs	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>15000</b>	<b>15000</b>	<b>0.001</b>	<b>0</b>	<b>15000</b>	<b>15000</b>	<b>0.001</b>	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5966550	8554600	14521150	9.01	20341274	8452500	28793774	14.91	5.90
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	67456620	174000	67630620	41.97	60435145	714000	60609145	31.38	-10.59

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Hindu Undivided Family	3965130	0	3965130	2.46	1722479	0	1722479	0.89	-1.57
Non Resident Indians (Non Repat)	213040	24000	237040	0.14	267115	24000	291115	0.15	0.01
Non Resident Indians (Repat)	1136500	0	1136500	0.71	1682932	0	1682932	0.87	0.16
Clearing Member	1714300	0	1714300	1.06	1216259	0	1216259	0.63	-0.43
Bodies Corporate	5289860	37200	5327060	3.31	3599094	37200	3636294	1.88	-1.43
<b>Sub-total (B)(2):-</b>	<b>8271648</b>	<b>8789800</b>	<b>93508950</b>	<b>58.03</b>	<b>89264298</b>	<b>8702700</b>	<b>97966998</b>	<b>50.72</b>	
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>8276148</b>	<b>8804800</b>	<b>93523950</b>	<b>58.04</b>	<b>89264298</b>	<b>8702700</b>	<b>97966998</b>	<b>50.72</b>	
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
<b>Grand Total (A+B+C)</b>	<b>152315580</b>	<b>8804800</b>	<b>161120380</b>	<b>100</b>	<b>184437160</b>	<b>8702700</b>	<b>193139860</b>	<b>100</b>	

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Meghraj S Jain	25634180	15.91	--	35634180	18.45	--	2.5401
2	M/s Eally Consulting India Pvt Ltd	16797000	10.43	--	16797000	8.70	--	1.7251
3	Mr. Ajit S Jain	14842400	9.21	--	24842400	12.86	--	3.6481
4	M/s Shree Jaisal Electronics & Industries Limited	9294000	5.77	--	9294000	4.81	--	0.9583
5	Mr. Neeta Maloo	6000	0.00	--	6000	0.00	--	0
6	M/s Dhakad Properties Pvt Ltd	0	0	--	8599282	4.45	--	4.45
	<b>Total</b>	<b>66573580</b>	<b>41.32</b>	<b>--</b>	<b>95172862</b>	<b>49.28</b>		

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
<b>1. Name: MEGHRAJ SOHANLAL JAIN</b>						
a) At the beginning of the year	25634180	15.91	-	-	25634180	15.91
Conversion of warrants in to Equity			03.09.2017	10000000	35634180	
c) At the End of the year					35634180	18.45
<b>2. E ALLY CONSULTING INDIA PRIVATE LIMITED</b>						
a) At the beginning of the year	16797000	10.43			16797000	10.43
b) Changes during the year						
Transfer			No Change			
c) At the End of the year					16797000	8.70
<b>3. AJIT S JAIN</b>						

Sr. No	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
a) At the beginning of the year	14842400	9.21			14842400	9.21
b) Changes during the year						
(Conversion of warrants in to Equity)			03.09.2017	10000000	24842400	12.86
c) At the End of the year					24842400	12.86
<b>4. SHREE JAISAL ELECTRONICS AND INDUSTRIES LIMITED</b>						
a) At the beginning of the year	9294000	5.77			9294000	5.77
b) Changes during the year			No Change			
c) At the End of the year					9294000	4.81
<b>5. NEETA MALOO</b>						
a) At the beginning of the year	6000	0.00			6000	0.00
b) Changes during the year			No Change			
c) At the End of the year					6000	0.00
<b>6. DHKAD PROPERTIES PRIVATE LIMITED</b>						
a) At the beginning of the year	0	0				
b) Changes during the year			17/11/2017	12731	12731	
			21/11/2017	242150	254881	
			30/11/2017	49500	304381	
			01/12/2017	-40745	263636	
			04/12/2017	24902	288538	
			05/12/2017	19906	308444	
			06/12/2017	4085	312529	
			07/12/2017	-55722	256807	
			12/12/20017	59444	316251	
			13/12/2017	74715	390966	
			14/12/2017	36477	427443	
			15/12/2017	-20569	406874	
			18/12/2017	-382424	24450	
			26/12/2017	-24450	0	
			10/01/2018	500000	500000	
			11/01/2018	-215000	285000	
			15/01/2018	50000	335000	
			24/01/2018	480000	815000	
			25/01/2018	103197	918197	
			29/01/2018	563000	1481197	
			30/01/2018	758000	2239197	
			31/01/2018	1000000	3239197	
			01/02/2018	160000	3399197	
			02/02/2018	275099	3674296	
			05/02/2018	671461	4345757	
			06/02/2018	412000	4757757	
			07/02/2018	525	4758282	
			08/02/2018	3500000	8258282	
			09/02/2018	341000	8599282	
c) At the End of the year					8599282	4.45



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. no.	For each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	REKHA JAGDISH JAIN		2,980,520.00	1.85%	2,980,520.00	1.85%
		31-Aug-18			10,000,000.00	5.18%
2	PRAVIN UDAYLAL JAIN	Opening	-	0	-	0.00%
		2-Jun-17			215,000.00	0.13%
		7-Jul-17			74,000.00	0.05%
		8-Sep-17			1.00	0.00%
		6-Oct-17			100,001.00	0.05%
		27-Oct-17			138,103.00	0.07%
		17-Nov-17			1,408,144.00	0.73%
		24-Nov-17			1,391,498.00	0.72%
		1-Dec-17			1,440,444.00	0.75%
		8-Dec-17			1,474,164.00	0.76%
		22-Dec-17			1,492,164.00	0.77%
		29-Dec-17			1,070,000.00	0.55%
		12-Jan-18			1,078,192.00	0.56%
		19-Jan-18			1,281,686.00	0.66%
		26-Jan-18			1,411,686.00	0.73%
		2-Feb-18			1,461,686.00	0.76%
		16-Feb-18			1,461,147.00	0.76%
		23-Feb-18			1,678,634.00	0.87%
		2-Mar-18			2,068,872.00	1.07%
		23-Mar-18			2,535,956.00	1.31%
		31-Mar-18			2,453,809.00	1.27%
		Closing			2,453,809.00	1.27%
3	JAIDEEP NARENDRA SAMPAT	Opening	2,000,000.00	1.24%	2,000,000.00	1.24%
		Closing			2,000,000.00	1.04%
4	JYOTIVARDHAN JAIPURIA	Opening	2,500,000.00	1.55%	2,500,000.00	1.55%
		22-Sep-17			2,200,000.00	1.14%
		29-Sep-17			1,582,740.00	0.82%
		Closing			1,582,740.00	0.82%
5	JAYANT SADASHIV BASRUR	Opening	1,500,000.00	0.93%	1,500,000.00	0.93%
		Closing			1,500,000.00	0.78%
6	RAKESH JAIN	Opening	1,500,000.00	0.93%		
		Closing			1,500,000.00	0.78%
7	SHRADDHA SANDEEP BAGLA	Opening	1,500,000.00	0.93%		
		Closing			1,500,000.00	0.78%

S. no.	For each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	JAGDEEP JITENDRA KAPADIA	Opening	2,000,000.00	1.24%	2,000,000.00	1.24%
		5-Jan-18			1,910,000.00	0.99%
		12-Jan-18			1,889,000.00	0.98%
		19-Jan-18			1,466,983.00	0.76%
		16-Mar-18			1,463,032.00	0.76%
		Closing			1,463,032.00	0.76%
9	BHARTI RAKESH JAIN	Opening	1,500,000.00	0.93%	1,500,000.00	0.93%
		7-Jul-17			1,400,000.00	0.72%
		15-Dec-17			1,450,000.00	0.75%
		12-Jan-18			1,250,000.00	0.65%
		23-Mar-18			1,340,800.00	0.69%
		Closing			1,340,800.00	0.69%
10	SANDEEP SURAJPRAKASH BAGLA	Opening	1,500,000.00	0.93%	1,500,000.00	0.93%
		Closing			1,500,000.00	0.78%

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Name: Meghraj Sohanlal Jain				
	a) At the beginning of the year	25634180	15.91	25634180	15.91
	b) Changes during the year	10000000	5.17	35634180	5.17
	c) At the End of the year	35634180	18.45	35634180	18.45

## V. INDEBTEDNESS

## Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year i.e. 01.04.2017</b>				
i) Principal Amount	110923	176205870	0	16316793
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	13014815	0	13014815
<b>Total (i+ii+iii)</b>	<b>110923</b>	<b>189220685</b>	<b>0</b>	<b>189331608</b>
Change in Indebtedness during the financial year				
i) Addition	0	678643325	0	16316793
ii) Reduction	110923	772544011	0	772654934
<b>Net Change</b>	<b>-110923</b>	<b>-93900686</b>	<b>Nil</b>	<b>-94011609</b>

Indebtedness at the end of the financial year i.e 31.03.2018				
i) Principal Amount	0	79032341	0	79032341
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	88767	0	88767
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>79121108</b>	<b>0</b>	<b>79121108</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Meghraj Sohanlal Jain	Sandeep Maloo	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	720000	720000	14,40,000
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	<b>Total (A)</b>	<b>720000</b>	<b>720000</b>	<b>1440000</b>
	Ceiling as per the Act			

### B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mrs. Swati Sharma	Mr. Ratish Tawde	Mr. Gurumurthy Ramchandran	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	18000	15000	6000	39000/-
	<b>Total (1)</b>	<b>18000</b>	<b>15000</b>	<b>6000</b>	<b>39000/-</b>
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify				
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>18000</b>	<b>15000</b>	<b>6000</b>	<b>39000/-</b>
	<b>Total Managerial Remuneration</b>				
	<b>Overall Ceiling as per the Act</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	440000	NA	440000
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	Nil	440000	Nil	440000
	Ceiling as per the Act				

**VII. Penalties / Punishment/ Compounding of offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**Form No. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration) Rules, 2014]

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

To,  
The Members,  
**Mangal Credit and Fincorp Limited**  
Office No- 1701/1702, 17th Floor, A Wing,  
Lotus Corporate Park, Graham Firth Steel Compound,  
Western Express Highway, Goregaon (East), Mumbai-400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s MANGAL CREDIT AND FINCORP LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minutes books, forms and returns filed and other records maintained by the company as given in **Annexure I** and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018**, complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreements entered with the BSE Limited
- (vi) As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934, applicable to Non-Banking Financial Companies (Deposit Taking) are specifically not applicable to the Company:
- a. Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998;
  - b. Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
  - c. Guidelines for investment in unencumbered approved securities;
  - d. Reserve Bank of India (Non-Banking Financial Companies) Returns Specifications, 1997;
  - e. Guidelines for Asset Liability Management (ALM) system in Non-Banking Financial Companies;
  - f. Frauds- Future Approach towards monitoring of Frauds in Non-Banking Financial Companies;
  - g. Non-Banking Financial Companies Corporate Governance (Reserve Bank) Directions, 2015;
  - h. Regulation of excessive interest charged by NBFCs;
  - i. Revised Regulatory Framework for NBFC.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE).

During the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the as mentioned below:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that

2. The company has formulated a code of conduct for Insider Trading as provided in the SEBI Regulations however the Company is in the process to upload the formulated code of conduct in the website of the company.
3. The company has failed to deposit an unpaid dividend amount to Investor Education Protection Fund within prescribed time limit. However the same have been deposited later along with interest as applicable.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

We further report that during the audit period the company has following events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

**For Vijay S. Tiwari & Associates**  
Company Secretary

**Sd/-**  
**(VijayKumar Tiwari)**  
ACS No: 33084  
COP No: 12220

Place : Mumbai  
Date : 21/05/2018

**ANNEXURE TO SECRETARIAL AUDIT REPORT****LIST OF DOCUMENTS VERIFIED**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Remuneration Committee, Stakeholders' Relationship Committee, and Independent Directors along with Attendance Register held during the financial year under report.
4. Minutes of the Board and its Committee meetings, General Body Meetings and resolutions passed through E-voting and Poll held during the financial year under report.
5. Maintenance of various Statutory Registers viz.
  - Register of Directors & KMP.
  - Register of Directors' Shareholding.
  - Register of Investment.
  - Register of Contracts.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
8. Intimations received from Directors and Senior management under the prohibition of Insider Trading Code and Company information on opening and closing of trading window as per policy in place.
9. All statutory forms filed by the Company from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

**For Vijay S. Tiwari & Associates**  
Company Secretary

**Sd/-**  
**(VijayKumar Tiwari)**  
ACS No: 33084  
COP No: 12220

Place : Mumbai  
Date : 21/05/2018

**FORM AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188 (1) of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto

- 1) Details of contracts or arrangements or transactions not at arm's length basis: All transactions entered into by the Company during the year with related parties were on an arm's length basis.
- 2) Details of material contracts or arrangement or transactions at arm's length basis: The transactions entered into by the Company during the year with related parties on an arm's length basis, were not material in nature.

**For and on behalf of the Board of Directors  
Mangal credit and Fincorp Limited**

**Sd/-  
(Mr. Meghraj Jain)  
Chairman & Managing Director  
DIN: 01311041**

**Place: Mumbai  
Date: 21st May, 2018**

## ANNEXURE - D

## REPORT ON CORPORATE GOVERNANCE

## INTRODUCTION:

Your Company has complied in all material respects with the requirements of the Corporate Governance Code as per Schedule V (c) of the SEBI (LODR) Regulation, 2015.

Corporate Governance is most often viewed as both the structure and the relationships which determine corporate direction and performance. The Board of Directors is typically central to Corporate Governance. Its relationship to the other primary participants, typically shareholders and management, is critical. Additional participants include employees, customers, suppliers, and creditors. The Corporate Governance framework also depends on the legal, regulatory, institutional and ethical environment of the community.

The Corporate Governance report is pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and contains the details of Corporate Governance systems and practices at Mangal Credit & Fincorp Limited (MCFL).

## 1. Company's Philosophy

The Company's philosophy on corporate governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the company to achieve its goal in maximizing value for all its stakeholders. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical, in the interest of our stakeholders and is in compliance with applicable legislation. Our values reflect our continued commitment to ethical business practices across our operations. The Company's philosophy is based on the fair and transparent disclosure of issues related with the Company's business, financial performance and matters relating to stakeholders' interest.

We believe that Corporate Governance is the key element in improving efficiency, growth and investor's confidence.

## 2. Board of Director

There are Nine Directors on the Board all having expertise in financial services sector. As prescribed in the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has an optimum combination of executive and non-executive directors with Six Independent Directors. As per Section 149 (1) of the Companies Act, 2013, and Regulation 17 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Swati Sharma and Mrs. Nirupama Dattatray is appointed to the Board as Woman Independent Director.

The composition and category of Directors on the Board of the Company for the FY 2017-2018 were as under:

Name of the Director	Category	Attendance		* Other Directorships	Committee Positions in other companies *	
		Board Meeting	AGM/EGM		As Member	As Chairman
Mr. Meghraj Jain	C/ED	8	Yes	Yes	Yes	Yes
Mr. Sandeep Maloo	ED	8	Yes	Yes	Yes	Yes
Mr. Ratish Suresh Tawde	NED & IND	8	Yes	Yes	No	No
Mr. Gurumurthy Ramachandran	NED& IND	5	Yes	Yes	No	No
Mr. Shyamkumar Madanlal Agrawal	NED& IND	4	No	Yes	Yes	No
Mr. Sunil Ramachandran Nair	NED& IND	0	No	Yes	Yes	No
Mrs. Neeta Maloo	ED	3	No	Yes	No	No
Mrs. Swati Sharma	NED& IND	8	Yes	Yes	No	No
Mrs. Nirupama Dattatray	NED& IND	3	No	Yes	No	No



**Remarks:**

- Public companies except foreign companies and section 25 companies.
- NED = Non Executive Director; ED = Executive Director; C = Chairman; IND = Independent Director.
- Total 8 board meetings held on 11.04.2017, 12.05.2017, 20.06.2017, 28.07.2017, 14.08.2017, 14.11.2017, 14.02.2018 and 31.03.2018. Brief resumes of the directors are displayed on the website of the Company.
- Mrs. Neeta Maloo, Mrs. Nirupama Dattatray, Mr. Sunil Ramachandran Nair resigned from directorship w.e.f 20/06/2017.
- Mr. Shyamkumar Madanlal Agrawal resigned from directorship w.e.f 27/07/2017.

**3. Code of Conduct Board Members and Senior Management of the Company**

Applicability – To all members of the Board of Directors & Key Managerial Personnel.

Code – All the above named persons have agreed to – (a) act ethically, diligently and in the best interests of the Company; (b) maintain confidentiality of information, transparency in dealings and avoid conflict of interests, during & after termination of association with the Company; (c) abide by applicable laws including insider trading policy; (d) not to cause any harm, directly or indirectly, to the Company or its reputation or its employees; (e) assist the management to review & upgrade this policy periodically.

Declaration – All the board members and senior personnel have affirmed compliance with the above code of conduct for 2017-18 and this Code is posted on the Company's website.

**4. Code for Prevention of Insider Trading**

In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as amended in January 2015, the Board of Directors of the Company has formulated the code of conduct for prevention of insider trading in shares of the Company by its Directors and employees.

**5. CEO and CFO Certification**

In terms of Regulation 17 of the Listing Agreement, the Certification by MD & CEO and CFO on the Financial Statements and internal controls relating to financial reporting has been obtained.

**6. Audit Committee**

Terms of Reference – The primary objective of this Committee is to supervise the financial reporting, audit and internal controls processes, with a view to ensure accurate and timely disclosures. Details pertaining to composition, meetings and attendance during the year are:

*Name of Director	*Status	Meetings Held	Meetings Attended
Mr. Sunil Ramachandran Nair (Resigned Dated 20/06/2017)	Chairman	1	0
Mr. Gurumurthy Ramachandran	Chairman	3	3
Mr. Sandeep Maloo	Member	4	4
Mr. Shyamkumar Madanlal Agrawal (Resigned dated 28/07/2017)	Member	1	1
Mrs. Swati Sharma	Member	4	4
Mr. Ratish Suresh Tawde	Member	4	4

**Remarks**

- Total 4 committee meetings held on 12.05.2017, 14.08.2017, 14.11.2017 & 14.02.2018.
- The Committee has powers to formulate policies, prepare & review financial statements & internal control system, interact with the statutory/internal auditors, quarterly & annual reporting and seek information internally or externally as needed.

## 7. Nomination and Remuneration Committee

Terms of Reference – The purpose of the Committee is advising the board and formulation of remuneration or compensation policies for the Company's management and key personnel. Details pertaining to composition, meetings, attendance & remuneration are:

*Name of Director	*Status	Meetings	
		Held	Attended
Mr. Sunil Ramachandran Nair	Chairman	1	0
Mr. Gurumurthy Ramachandran (Resigned Dated 20/06/2017)	Chairman	3	3
Mr. Ratish Suresh Tawde	Member	4	4
Mr. Sandeep Maloo	Member	1	1
Mr. Shyamkumar Madanal Agrawal	Member	1	1
Mrs. Swati Sharma	Member	4	4

### Remarks :

- Total 4 committee meetings held on 12.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018.
- The Committee reviews the performance and makes recommendations for the remuneration package of the senior management.

## 8. REMUNERATION TO DIRECTORS

Directors	Sitting Fees for Per Board Meeting	Salary & Perks	Total
Mr. Meghraj Sohanlal Jain	0.00	720000	720000/-
Mr. Sandeep Maloo	0.00	720000	720000/-
Mrs. Neeta Maloo	0.00	0.00	0/-
Mr. Sunil Ramachandran Nair	0.00	0.00	0/-
Mrs. Nirupama Dattatray	0.00	0	0/-
Mr. Shyamkumar Madanal Agrawal	0.00	0	0/-
Mrs. Swati Sharma	18,000	0	18,000/-
Mr. Ratish Suresh Tawde	15,000	0	15,000/-
Mr. Gurumurthy Ramachandran	6,000	0	6,000/-

## 9. Stakeholders Relationship Committee

The committee has the mandate to review, assess and redress shareholder's grievances and expedite the share transfer process. The statistical details of the committee are –

Name of Director	Status	Meetings Held	Meetings Attended
Mr. Sandeep Maloo	Chairman	1	1
Mr. Gurumurthy Ramachandran (Appointed Dated 20/06/2017)	Chairman	3	3
Mr. Sunil Ramachandran Nair (Resigned Dated 20/06/2017)	Member	1	0
Mr. Shyamkumar Madanal Agrawal	Member	1	1
Mrs. Swati Sharma	Member	4	4
Mr. Ratish Suresh Tawde	Member	3	3

**Remarks:**

- Total 4 committee meetings held on 12.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018
- During the year, no investor complaints were received.
- The duty of addressing investor complaints is jointly shared by the Committee & the Registrars.

**10. Independent Directors Meeting**

Name of Director	Status	Meetings Held	Meetings Attended
Mrs. Swati Sharma	Member	1	1
Mr. Ratish Suresh Tawde	Member	1	1
Mr. Gurumurthy Ramachandran	Member	1	1

**11. Number Of Board Meetings And Board Procedures**

Your Company's Board met 8 times during the period and details of the meetings are highlighted below. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues. Your Company has placed all relevant information before the Board as per SEBI (LODR) Regulation.

Name of Director	Status	Meetings Held	Meetings Attended
Mr. Meghraj Sohanlal Jain	Chairman/Managing Director	8	8
Mr. Sandeep Maloo	Managing Director	8	8
Mrs. Neeta Maloo	Director	3	3
Mrs. Nirupama Dattatray	Director	3	3
Mr. Sunil Ramachandran Nair	Director	3	0
Mr. Shyamkumar Madanlal Agrawal	Director	4	4
Mrs. Swati Sharma	Director	8	8
Mr. Ratish Suresh Tawde	Director	8	8
Mr. Gurumurthy Ramachandran	Director	5	5

**12. General Body Meetings**

Year	Date	Venue	Time	Special Resolutions Passed
2016-17	29.09.2017	Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, Above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai-400091	03.00 P.M.	--
2015-16	30.09.2016	Premises no.A304, Oberoi Chambers, Commercial Premises Co Op Soc Ltd, Plot C-34, New Link Road, Andheri W, Mumbai-400053	10.00 A.M.	--
2014-15	30.09.2015	AIPMA House, A-52, 3rd Floor, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai-400093	10.00 A.M.	--

### 13. Disclosure Regarding Directors' Appointment And Re-Appointment

The personal information about the Directors being appointed / reappointed is already mentioned in the Directors Report and in the notice of the meeting convening Annual General Meeting and therefore is not separately mentioned in this report.

### 14. Disclosures

**Related Party Transactions** – The details of related party transactions are furnished under Notes to the Accounts and these have been placed before the Audit Committee who is of the opinion that there are no materially significant transactions that had conflict with the interest of the Company.

**Accounting Code** – Disclosures relating to accounting policies and accounting standards followed are provided in the board's report and Note to the accounts. The cash flow statement specifies the details of inflow, outflow and utilization of funds & generation (if any) of funds through issue of securities.

**Non-compliance** – There was no non-compliance during the year and no penalties were imposed on the Company by the Stock Exchange, SEBI or any other statutory authority. The Company obtained a certificate from the statutory auditor of the Company with respect to compliance with the conditions of corporate governance and annexed the certificate with the Directors' Report and sent the same to all the shareholders of the Company and to all the concerned Stock Exchanges along with the annual reports filed by the Company.

**Risk Management** – The Audit Committee has formulated informal risk assessment policies in consultation with the management and professionals along with measures for periodic review of these policies.

### 15. Meaning of Communication

Periodic financial results and official releases were displayed on the Company's website [www.mangalfincorp.com](http://www.mangalfincorp.com). No presentations were made to institutional investors or to analysts during the year.

### 16. General Shareholders Information

AGM – date, time & venue	Saturday, 29th September 2018 at 3.30 p.m., Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, Above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai-400091.
Financial year	1st April, 2017 to 31st March, 2018
Date of book closure	Saturday, 22nd September 2018 to Saturday 29th September 2018 (both days inclusive).
Dividend payment date	NA
Listings on Stock Exchanges & Stock Code	Bombay Stock Exchanges; Code – 505850
ISIN Code (Demat)	INE545L01021
Registrars & Transfer Agents	Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400078
Share Transfer System	The shares transfers (physical or demat) requests are processed by the Registrars, under the control of the Shareholder's Committee, within minimum time lag provided the lodgements are valid & error free.
Correspondence details	<a href="http://www.mangalfincorp.com">www.mangalfincorp.com</a>
Email	<a href="mailto:compliance@mangalfincorp.com">compliance@mangalfincorp.com</a>

**18. Market Price Data**

Table below gives the monthly high and low prices and volumes of trading of Equity Shares of the Company at Bombay Stock Exchange Limited (BSE) for the year 2017-18:

Month	High	Low	Volume (No. Of Share Traded) Millions
Apr-17	5.37	4.25	0.59
May-17	4.90	2.15	5.27
Jun-17	2.64	1.57	4.85
Jul-17	3.31	2.27	4.45
Aug-17	2.73	2.11	1.21
Sep-17	2.25	1.77	3.02
Oct-17	1.92	1.60	1.54
Nov-17	2.74	1.89	5.74
Dec-17	3.79	2.44	6.65
Jan-18	4.45	3.72	20.08
Feb-18	4.44	3.55	11.30
Mar-18	3.99	3.30	3.53

**Distribution of shareholding:**

Range of shares	No. of Shareholders	(%) of Total Shareholders	Total Shares for the Range	(%) of Issued Capital
0 - 500	926	15.6816%	225859	0.117%
501-1000	807	13.6664%	728680	0.377%
1001-2000	866	14.6655%	1409478	0.730%
2001-3000	1108	18.7638%	3222497	1.668%
3001-4000	136	2.3031%	508384	0.263%
4001-5000	662	11.2108%	3171004	1.642%
5001-10000	678	11.4818%	5172109	2.678%
Above 10001	722	12.2269%	178701849	92.525%



## ANNEXURE - E

## FORM - AOC - I

## (PURSUANT TO FIRST PROVISIO TO THE SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

## STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATES COMPANIES/ JOINT VENTURES

## Part A : Subsidiaries

Sl. No.	Name of the subsidiary	1	2	3	4	5	6	7
		Mangal Compusolution Private Limited	Indtrans Container Lines Private Limited	Mangal Buildhome Private Limited	Satco Capital Markets Limited	Satco Commodities Private Limited	Mangal Global Marbles Private Limited	Indtrans Container Lines (Singapore) PTE Limited
1.	The date since when subsidiary was acquired	28-Sep-2013	20-Feb-2014	25-Jul-2013	2-Dec-2013	2-Dec-2013	31-Mar-2014	23-Feb-2015
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA	NA	NA	NA	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA	NA	SGD & 49.67
4.	Share capital	20,000,000	10,000,000	20,000,000	124,151,500	18,492,000	2,250,000	496,700
5.	Reserves and surplus	46,858,285	12,230,143	6,857,458	54,450,581	6,635,893	33,609,730	(737,957)
6.	Total assets	420,029,851	119,469,712	378,753,913	486,991,985	43,221,649	196,264,620	2,858,583
7.	Total Liabilities	353,171,566	97,239,569	351,896,455	308,389,904	18,093,756	160,404,890	3,099,840
8.	Investments	5,156,984	2,068,768	1,000	34,798,168	-	-	-
9.	Turnover	146,376,269	242,144,516	104,685,158	74,742,478	9,695,080	381,128,416	4,413,277
10.	Profit before taxation	30,044,626	5,562,849	5,329,097	20,397,793	38,039	2,269,921	(63,164)
11.	Provision for taxation	3,253,504	1,431,390	1,367,650	2,853,129	16243	645,617	0
12.	Profit after taxation	26,791,122	4,131,459	3,961,447	17,544,664	21,796	1,624,304	(63,164)
13.	Proposed Dividend	-	-	-	-	-	-	-
14.	Extent of shareholding (in percentage)	99.99%	60.00%	74.99%	53.61%	53.61%	95.56%	60.00%
						(Ultimate Subsidiary)		(Ultimate Subsidiary)

### CEO / CFO Certificate for Compliance of Corporate Governance Code

To  
Board of Directors  
**Mangal Credit and Fincorp Limited,**

We, the Chairman/MD and the Director/CFO/CEO of **Mangal Credit and Fincorp Limited**, to the best of our knowledge and belief, certify that –

- (a) We have reviewed the financial statements, read with the cash flow statement of Mangal Credit and Fincorp Limited for the year ended 31st March, 2018 and that to the best of our knowledge and belief, we state that –
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - ii. these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and the Audit Committee that –
  - i. There are no significant changes in the internal control over financial reporting during the year;
  - ii. There are no significant changes in accounting policies made during the year, and that the same have been disclosed in the notes to the financial statements; and
  - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

On behalf of the board  
**For Mangal Credit and Fincorp Limited**

**Sd/-**  
**(Mr. Meghraj Jain)**  
Managing Director  
DIN:01311041

Date: 21st May, 2018

**DECLARATION ON COMPLIANCE OF CODE OF CONDUCT OF BOD & SENIOR MANAGEMENT****DECLARATIONS**

Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Mangal Credit and Fincorp Limited Code of Business Conduct and Ethics for the year ended March 31, 2018.

**For Mangal Credit and Fincorp Limited**

Sd/-

**(Mr. Meghraj Jain)**  
Managing Director  
DIN:01311041

Place: Mumbai  
Date: 21st May, 2018

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
**The Members of Mangal Credit and Fincorp Limited**

We have examined the compliance of conditions of Corporate Governance by Mangal Credit and Fincorp Limited (the Company), for the year ended on 31st March 2018, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid listing Agreement/Listing Regulations, as applicable.

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

For **Vijay S. Tiwari & Associates**  
Practicing Company Secretary

Place : Mumbai  
Date : 21/05/2018

Sd/-  
**(Vijay Tiwari)**  
ACS No: 33084  
COP No: 12220

## INDEPENDENT AUDITORS' REPORT

### To the Members of Mangal Credit & Fincorp Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Mangal Credit & Fincorp Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. Note No 22.1 to the Financial Statements stating the fact of non-provision of liability of Rs. 40,75,600/- arising on Income Tax Assessment for the A.Y. 2012-13 and A.Y. 2013-14 consequent upon search & seizure operations in the case of company on 01/10/2013.

Our opinion is not modified in respect of the above matters.

### Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
  - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:
    - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 22 to the financial statements.
    - ii. We have not come across any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. An amount of Rs. 1,39,880/- due to be transferred to Investor Education and Protection Fund on or before 15/11/2017 has been so transferred on 03/02/2018.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN:101169W/W-100035**

**Sandeep Jhanwar**  
**Partner**  
**M.No. 078146**

**Place: Mumbai**  
**Date : 21st May, 2018**



**Annexure to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c. According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
2. The company is a NBFC Company, primarily engaged in rendering loans services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the Company.
3. The Company has granted loan to 9 body corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) Act, for any of the services rendered by the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax & Interest	30,78,810	A.Y. 2014-15	CIT(A)
Income Tax Act, 1961	Income Tax & Interest	9,96,790	A.Y. 2013-14	CIT(A)

8. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, bank, and Government or Debenture holder as at the balance sheet date.
9. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loans during the year. Hence the clause 3 (ix) of the order is not applicable and hence not commented upon.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. Based on the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company and hence not commented upon.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN: 101169W/W-100035**

**Sandeep Jhanwar**  
**Partner**  
**M. NO. 078146**

**Place : Mumbai**  
**Date : 21st May, 2018**

## **Annexure - B to the Auditors' Report**

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

In conjunction with our audit of the consolidated financial statements as of and for the year ended 31st March 2018 we have audited the internal financial control over financial reporting of Mangal Credit & Fincorp Ltd. (the holding company) and its subsidiary companies which are companies incorporated in India as of that date.

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

The respective Board of Directors of the holding company and its subsidiary companies, which are incorporated in India are responsible for establishing and maintaining Internal Financial Controls based on the Internal Controls over Financial Reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the business including adherence to company policy, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the holding company and its subsidiary companies incorporated in India, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN:101169W/W-100035**

**Sandeep Jhanwar**  
**Partner**  
**M.No. 078146**

**Place: Mumbai**  
**Date : 21st May, 2018**

## Auditor's Additional Report

The Board of Directors  
**Mangal Credit & Fincorp Limited**  
1701-1702, A Wing, Lotus Corporate Park  
Ram Mandir Road, Western Express Highway  
Goregaon East  
Mumbai -400063

Dear Sirs

We have audited the balance sheet of Mangal Credit & Fincorp Limited (The Company) as at 31st March 2018 and related statement of profit and loss and the cash flow statement for the year ended on that date, issued our report dated 15th May, 2018.

In addition to the report made under section 143 of the Companies Act, 2013 on the financial statements of the Company for the year ended 31 March 2018 and as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 vide circular No. DNBS. PPD.03/66.15.001/2016-17 dated September 29, 2016 ('the Directions'), we are required to report on the matters specified in paragraph 3 and 4 of the aforesaid directions to the extent applicable.

### Management's Responsibility for the financial statements

The Company's management is responsible for the preparation of the financial statements that give a true and fair view of the financial position, the financial performance and the cash flows of the company in accordance with the accounting standards referred to in section 133 of 'the Companies Act, 2013' ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Management is also responsible for ensuring compliance with the applicable provisions of the RBI Act, 1934 and RBI directions and guidelines specified in the Directions.

### Auditor's Responsibility

Pursuant to the requirements of the aforesaid directions it is our responsibility to examine the books and records of the company and report on the matters specified in the directions to the extent applicable to the Company.

### Report

Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that:-

#### (A) In the case of all Non-Banking Financial Companies

- a. The Company is engaged in the business of non-banking financial institution and has obtained a certificate of registration from the reserve bank of India dated 11/03/1998, which has been revised in the name of "Mangal Credit & Fincorp Ltd." and fresh certificate is reissued on May 3, 2016 in pursuance of section 45-IA, of the RBI Act, 1934.
- b. The Company is entitled to continue to hold such certificate of registration in terms of its asset/income pattern as at 31 March 2018.
- c. The NBFC has complied with norms relating to net owned fund requirement as prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

#### (B) In the case of a non-banking financial company accepting/holding public deposits – Not Applicable

#### (C) In the case of a non-banking financial company not accepting public deposits

- a. The Board of Directors has passed a resolution dated 15/05/2018 for non- acceptance of any public deposits.

- b. The company has not accepted any public deposits during the year ended 31.03.2018.
- c. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016;
- d. Based on the criteria set forth by the Bank in the Notification viz; Non - Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2016 for classification of NBFCs as NBFC-MFIs, the company has not been classified as NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the applicable financial year.

**(D) In the case of a company engaged in the business of non-banking financial institution not required to hold COR subject to certain conditions – Not Applicable**

**Restrictions on use**

This report is issued pursuant to our obligations under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 to submit a report on exceptions noted while issuing our report dated 15/05/2018 on additional matters as stated in directions to the RBI and may not be suitable for any other purpose. Accordingly, our report should not be quoted or referred to in any other document made available to any other person or persons without our prior written consent.

**For MGB & Co. LLP  
Chartered Accountants  
FRN: 101169W/W-100035**

**Sandeep Jhanwar  
Partner  
M.No.078146**

**Place : Mumbai  
Date : 21st May, 2018**



**BALANCE SHEET AS AT MARCH 31, 2018**

Particulars	Notes	As at 31.03.2018	As at 31.03.2017
<b>EQUITY AND LIABILITIES</b>		<b>Rupees</b>	<b>Rupees</b>
Shareholders' Funds			
Share Capital	2	193,139,860	161,120,380
Reserves and Surplus	3	607,384,043	466,703,152
Money Received Against Warrants	4	-	44,213,375
		<b>800,523,903</b>	<b>672,036,907</b>
Share Application Money pending allotment		-	-
Non Current Liabilities			
Long Term Borrowings	5	-	-
Current Liabilities			
Short-Term Borrowings	6	79,032,341	176,205,870
Trade Payables		-	-
Other Current Liabilities	7	3,779,196	33,424,016
Short-Term Provisions	8	12,024,461	8,433,389
		<b>94,835,998</b>	<b>218,063,275</b>
<b>TOTAL</b>		<b>895,359,901</b>	<b>890,100,181</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipments	9	6,264,011	8,013,550
Non-Current Investments	10	320,431,288	163,954,503
Deferred Tax Assets	11	1,964,679	349,321
Long-Term Loans and Advances	12	20,800,750	20,800,750
		<b>349,460,728</b>	<b>193,118,124</b>
<b>Current Assets</b>			
Inventory		-	-
Trade Receivables		-	-
Cash and Bank Balances	13	2,517,095	16,309,936
Short-Term Loans and Advances	14	532,483,825	671,268,970
<b>Other Current Assets</b>	<b>15</b>	<b>10,898,253</b>	<b>9,403,151</b>
		<b>545,899,173</b>	<b>696,982,057</b>
<b>TOTAL</b>		<b>895,359,901</b>	<b>890,100,181</b>

Significant Accounting Policies  
Other Notes on Accounts

1  
2 to 30

**In terms of our audit report of even date**

**FOR MGB & Co. LLP**

Chartered Accountants  
FRN: 101169W/W-100035

**Sandeep Jhanwar**

Partner  
M.No. 078146

**Madhuri Prakash Survase**

Company Secretary  
M. No.: 32975

**For and on behalf of the board of directors**

**Mangal Credit & Fincorp Ltd**

**Meghraj Jain**

Managing Director  
DIN: 01311041

**Sandeep Maloo**

Managing Director  
DIN: 01145616

Place: Mumbai  
Date : 21st May, 2018

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

Particulars	Notes	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
		Rupees	Rupees
<b>Revenue from Operations</b>	<b>16</b>	94,624,866	82,753,241
<b>Other Income</b>	<b>17</b>	3,647,776	3,516,765
<b>Total Revenue</b>		<b>98,272,642</b>	<b>86,270,006</b>
<b>Expenses:</b>			
Employee Benefit Expenses	18	7,493,927	5,011,182
Finance Costs	19	19,655,269	12,542,253
Depreciation and Amortization	9	2,125,345	3,134,834
Other Expenses	20	6,411,698	24,564,197
<b>Total Expenses</b>		<b>35,686,239</b>	<b>45,252,466</b>
<b>Profit before extraordinary items and tax</b>		<b>62,586,403</b>	<b>41,017,540</b>
<b>Extraordinary items</b>		-	-
<b>Prior Period Item expense / (income)</b>		-	-
<b>Profit before Tax</b>		<b>62,586,403</b>	<b>41,017,540</b>
<b>Tax Expense:</b>			
(a) Current year		17,577,500	12,633,000
(b) Short / (Excess) provision for tax relating to prior years		799,651	(534,996)
(c) Net Current Tax Expense		18,377,151	12,098,004
(d) Deferred tax (credit) / charge		(1,615,358)	1,932,424
(e) MAT Credit		-	-
<b>Profit(Loss) for the period from continuing operations</b>		<b>45,824,611</b>	<b>26,987,112</b>
<b>Profit(Loss) from discontinuing operations</b>		-	-
<b>Tax expense of discontinuing operations</b>		-	-
<b>Profit(Loss) from Discontinuing operations (after tax)</b>		-	-
<b>Profit for the Period</b>		<b>45,824,611</b>	<b>26,987,112</b>
Earnings per ordinary share:			
<b>Basic</b>		<b>0.26</b>	<b>0.17</b>
<b>Diluted</b>		<b>0.26</b>	<b>0.13</b>

Nominal Value of each ordinary share is Rs.10/-

Significant Accounting Policies

1

Other Notes on Accounts

2 to 30

**In terms of our audit report of even date  
FOR MGB & Co. LLP**

Chartered Accountants  
FRN: 101169W/W-100035

**For and on behalf of the board of directors  
Mangal Credit & Fincorp Ltd**

**Sandeep Jhanwar**  
Partner  
M.No. 078146

**Madhuri Prakash Survase**  
Company Secretary  
M. No.: 32975

**Meghraj Jain**  
Managing Director  
DIN: 01311041

**Sandeep Maloo**  
Managing Director  
DIN: 01145616

Place: Mumbai

Date : 21st May, 2018

**CASH FLOW STATEMENT****For the year ended, 31st March, 2018**

	Current Year 2017-18		Previous Year 2016-17	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before tax and extraordinary items</b>		<b>62,586,403</b>		<b>41,017,540</b>
Adjustments for :				
Depreciation	2,125,345		3,134,834	
Interest Expenses - Unsecured Loan	19,319,415		11,745,231	
Interest Expenses - Secured Loan	2,919		31,346	
Income Tax - Appeal Fees	-		6,000	
Interest Income	(94,622,948)		(82,469,637)	
(Profit)/loss from Capital Gain on sale of shares	(3,599,640)		(2,004,557)	
Bad Debts	-		22,652,740	
Provision for Standard Loans	342,500		339,981	
Provision for Sub Standard Loans	(289,076)		(2,380,000)	
Provision for Doubtful Assets	-		(1,700,000)	
		<b>(76,721,485)</b>		<b>(50,644,062)</b>
		<b>(14,135,082)</b>		<b>(9,626,522)</b>
<b>Operating profit before working capital changes</b>				
Movement in Working Capital :				
(Increase)/Decrease in Other Current Assets	(3,916,997)		4,769,031	
(Increase)/Decrease in Unpaid Dividend Bank Account Balance	(113,357)		369,089	
(Increase)/Decrease in Short Term Loans & Advances - Loans	109,305,975		(122,882,976)	
(Increase)/Decrease in Short Term Loans & Advances - Others	26,479,169		(33,693,888)	
Increase/(Decrease) in Other Current Liabilities	(16,721,534)		7,208,595	
Increase/(Decrease) in Short Term Provision (Other Than Provision for Tax)	51,520	115,084,776	-	(144,230,149)
<b>Cash generated/ (Utilised) in Operations</b>		<b>100,949,694</b>		<b>(153,856,671)</b>
Interest Paid	(35,519,469)		(9,089,036)	
Interest Received	96,975,587		89,254,095	
Income Tax Paid (Net of Refund)	(14,891,022)	46,565,096	(2,490,756)	77,674,303
		<b>147,514,790</b>		<b>(76,182,368)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(375,806)		(83,090)	
Investment in Shares of Subsidiary & Associates	(32,600,000)		(42,375,000)	
Investment In Shares Of Other Than Subsidiary & Associates	(128,876,000)		-	
Sale of Investments in Share of Subsidiary (net of receivable)	8,673,380		44,054,700	
Sale of Investments in Share of Other Than Subsidiary	50,000			
Investment In Other Than Shares	(124,525)		-	
		<b>(153,252,951)</b>		<b>1,596,610</b>
<b>Cash Generated/(Used) in Investing Activities -B.</b>		<b>(153,252,951)</b>		<b>1,596,610</b>

	Current Year 2017-18		Previous Year 2016-17	
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of Long Term Borrowings	(110,923)		(302,650)	
Proceed from Short Term Borrowings	765,687,461		70,785,473	
Repayment of Short Term borrowings	(856,520,647)		-	
Increase in Share Capital & Security Premium (Net)	-		8,148,000	
Money Received against Share Warrant	87,533,250		-	
Dividend Distribution Tax Paid	(842,854)		-	
Dividend Paid	(3,914,324)	(8,168,038)	(368,180)	78,262,643
<b>Net cash used in financing activities</b>		<b>(8,168,038)</b>		<b>78,262,643</b>
<b>NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS</b>		<b>(13,906,199)</b>		<b>3,676,885</b>
<b>Cash and cash equivalents:</b>				
Opening balance as at the beginning of the year		15,766,122		12,089,237
Closing balance as at the end of the year		1,859,923		15,766,122
<b>Reconciliation of cash and cash equivalents as above with cash and bank balance as shown in balance sheet</b>				
<b>Cash and cash equivalent as at the end of the year as above</b>		<b>1,859,923</b>		<b>15,766,122</b>
Add: Balance in Unpaid Dividend Account		657,172		543,814
Add: Fixed Deposits with Bank		-		-
Add: Fixed Deposits with Bank under lien		-		-
<b>Cash and Bank Balance as shown in balance sheet</b>		<b>2,517,095</b>		<b>16,309,936</b>

**Notes:**

- The above cash flow statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
- Figures in negative indicates cash outgo.
- Previous year's figures have been re-grouped and reclassified wherever necessary.

**In terms of our audit report of even date****FOR MGB & Co. LLP**

Chartered Accountants  
FRN: 101169W/W-100035

**Sandeep Jhanwar**

Partner  
M.No. 078146

**Madhuri Prakash Survase**

Company Secretary  
M. No.: 32975

**For and on behalf of the board of directors****Mangal Credit & Fincorp Ltd****Meghraj Jain**

Managing Director  
DIN: 01311041

**Sandeep Maloo**

Managing Director  
DIN: 01145616

Place: Mumbai

Date : 21st May, 2018

## NOTES FORMING PART OF FINANCIAL STATEMENT

### Corporate Information

Mangal Credit & Fincorp Limited (the company) is a public company domiciled in India and incorporated under the Companies Act, 2013 whose Corporate Identity No. is L65990MH1961PLC012227. The Company has granted certificate of registration to carry on the business of Non-Banking Financial Institution by Reserve Bank of India, vide certificate no. 13.00329 dated March 11, 1998 which has been revised in the name of "Mangal Credit & Fincorp Ltd." and fresh certificate is reissued on May 3, 2016. The Company is Non Systemically Important Non Deposit Taking NBFC (NBFC-ND-Non SI) vide circular no. RBI/DNBR/2016-17/44DNBS (PD).007/03.10.119/2016-17 dated 1 September 01, 2016. It's shares are listed on Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange (ASE).

### Note 1: Significant Accounting Policies

#### i. Basis of preparation of accounts

The financial statements have been prepared and presented under the historical cost convention, on an accrual basis of accounting and in accordance with the generally accepted accounting principles and in compliance with the relevant provisions of the Companies Act, 2013. Further, the Company follows directions issued by the Reserve Bank of India ("RBI") as applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 read with RBI Directions as aforesaid. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

#### ii. Use of Estimates

The presentation of Financial Statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which results are known / materialized.

#### iii. Revenue Recognition

- i) Interest income from financing activities is recognized on an accrual basis except in the case of non-performing assets, where it is recognised on realisation, as per the prudential norms of the RBI.
- ii) Dividend from investments is accounted for as income when the Company's right to receive dividend is established.
- iii) Income from Interest on Fixed Deposits with Banks is recognized on accrual basis.

#### iv. Property, Plant & Equipments

##### a. Property, Plant & Equipments

Property, Plant & Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Subsequent expenditures related to an item of tangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

##### b. Intangible Assets

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated amortization and accumulated impairment losses, if any.

## NOTES FORMING PART OF FINANCIAL STATEMENT

### v. Depreciation

Depreciation is provided on written down value Method, at the rates so calculated by useful life as specified in Schedule II of the Companies Act, 2013. Depreciation is provided on pro-rata basis on the assets acquired, sold or disposed off during the year.

### vi. Investments

- a. Investments are classified into Non-Current Investments and Current Investments.
- b. Investments which are by nature readily realisable and intended to be held for not more than one year from the date of acquisition are classified as Current Investments and Investments other than Current Investments are classified as Non-Current Investments.
- c. Non-Current Investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for.
- d. Current Investments are valued at lower of cost and market value. In case of mutual funds, the net asset value of the units declared by the Mutual Funds is considered as the market value.

### vii. Leased Assets

- i) Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.
- ii) Assets given on operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct cost such as legal costs, brokerages etc. are charged to Statement of Profit and Loss as incurred.

### viii. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit & loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of the recoverable amount.

### ix. Taxes on Income

- i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- ii) Deferred tax asset is recognized with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences could be utilized.
- iii) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.
- iv) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

### x. Provisions, Contingent Liabilities and Contingent Assets

- i) A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



## NOTES FORMING PART OF FINANCIAL STATEMENT

- ii) Contingent liabilities are not recognized but disclosed in the financial statement when there is a:
  - Possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or
  - Present obligation that arises from past events where it is either not probable that an outflow of resources will be required to be settled or a reliable estimate of the amount cannot be made.
- iii) Contingent assets are neither recognized nor disclosed in the financial statements.
- iv) Provision on Standard assets is made @ 0.25% of standard loans in accordance with the directions issued by RBI for NBFC.
- v) Provision for non-performing assets is made in accordance with the directions issued by RBI for NBFC.

### xi. Earnings Per Share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating Diluted earnings per share the net profit for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or anti-dilutive, each issue or series of potential equity shares is considered separately rather than in aggregate.

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 2. SHARE CAPITAL

#### 2.1 Share Capital

(Amount in Rupees)

Share Capital	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised</b>				
Equity Shares of Rs.1/- each	250,000,000	250,000,000	250,000,000	250,000,000
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of Rs.1/- each	193,139,860	193,139,860	161,120,380	161,120,380
<b>Total</b>	<b>193,139,860</b>	<b>193,139,860</b>	<b>161,120,380</b>	<b>161,120,380</b>

#### 2.2 Reconciliation of the number of shares outstanding at the beginning and at the end of Financial Year 2017-18

(Amount in Rupees)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	161,120,380	161,120,380	158,139,860	158,139,860
Bonus shares issued during the year	-	-	-	-
Equity Shares issued during the year				
- on account of equity shares to the promoters/ non-promoters against share warrants	32,019,480	32,019,480	2,980,520	2,980,520
Equity Shares outstanding at the end of the year	193,139,860	193,139,860	161,120,380	161,120,380

#### 2.3 Rights attached to equity Shares

The Company has only one class of equity shares having face value of Rs.1/- per share. Each holder of equity share is entitled to one vote per share.

Every share is entitled to receive dividends in Indian Rupees, if declared.

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the company after distribution of the preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 2.4 Details of shares held by each shareholder holding more than 5% equity shares

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	35,634,180	18.45	25,634,180	16.21
Ajit S Jain	24,842,400	12.86	14,842,400	9.39
M/s E-ally Consulting (I) Pvt. Ltd	16,797,000	8.70	16,797,000	10.62
M/s Shree Jaisal Electronics and Inds. Ltd	9,294,000	4.81	9,294,000	5.88

## NOTES FORMING PART OF FINANCIAL STATEMENT

- 2.5** Over previous years, the company has allotted 7044075/- fully paid up equity shares of face value Rs. 10/- each during the quarter ended Dec 31st 2015 pursuant to bonus issue approved by the shareholder through a postal ballout. The record date fixed by the Board of Directors was December 19 2015 where 5 bonus equity share for every 1 existing equity share held were issued.
- 2.6** Conversion and forfeiture of share warrants
- For details of conversion and forfeiture of share warrants, refer note 4.
- 2.7** The 'Record Date' for the purpose of ascertaining the Members entitled to receive the said sub-divided equity shares of the Company was fixed by the Board of Directors of the Company as '06/05/2017. Subsequently, the Company has issued ten (10) sub-divided equity shares of Re.1/- each in lieu of one (1) equity share of Rs.10/- each to the eligible Members of the Company. In case of Members holding equity shares of the Company in physical form, the Company, without requiring the surrender of old share certificate(s), has directly issued and dispatched the new share certificate(s) of the Company for the sub-divided equity shares of Re.1/- each. The said new share certificate(s) were issued in lieu of the old share certificate(s), which were deemed to have been automatically cancelled and be of no effect. In the case of equity shares of the Company held in dematerialized form, the sub-divided equity shares have been duly credited to the respective beneficiary accounts of the Members with the respective Depository Participants, as per the existing credits representing the equity shares of the Company. In view of the aforesaid Stock Split, the number of equity shares of the Company and price of underlying equity share in the stock markets has been correspondingly adjusted by the Stock Exchanges, where the Company's shares are listed (i.e. BSE). The details of the Authorised and Paid-up share capital of the Company (pre & post Stock Split) is as follows:

Particulars	Authorised Share Capital		Paid up Share Capital	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Pre Stock Split	25000000	250,000,000	19313986	193,139,860
Post stock split	250000000	250,000,000	193139860	193,139,860

\* Sub-Division of Shares

The Sub division of equity shares of the company from face value Rs.10/- each to face value of Rs.1/- each ("Stock Split") and consequent alteration in Capital clause of MOA of the company was approved by the Members on 06/05/2017, through Postal Ballot.

### 3. RESERVES AND SURPLUS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Securities Premium</b>		
Opening Balance	274,127,770	266,244,290
Add: Premium received during the year on account of Preferential allotment to the promoters/non-promoters	-	-
Less: Amount utilised for issuance of bonus shares	-	-
Add: Premium received during the year on account of equity shares to the promoters/non-promoters against share warrants	84,691,520	7,883,480
<b>Closing Balance</b>	<b>358,819,290</b>	<b>274,127,770</b>
<b>General Reserve</b>		
Opening Balance	36,500,000	36,500,000
<b>Closing Balance</b>	<b>36,500,000</b>	<b>36,500,000</b>
<b>Contingency Reserve</b>	<b>2,500,000</b>	<b>2,500,000</b>
<b>Investment Reserve</b>	<b>700,000</b>	<b>700,000</b>

## NOTES FORMING PART OF FINANCIAL STATEMENT

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Statutory Reserve Fund</b>		
Opening Balance	36,455,264	31,057,842
Add: Transferred from Statement of Profit and Loss	9,164,922	5,397,422
<b>Closing Balance</b>	<b>45,620,187</b>	<b>36,455,264</b>
<b>Capital Reserve</b>		
Opening Balance	10,425	10,425
<b>Add: During the year</b>		
Forfeiture of Un-exercised Share warrant (Refer Note 4.1 Clause iii)	15,035,625	-
<b>Closing Balance</b>	<b>15,046,050</b>	<b>10,425</b>
<b>Proposed Dividend</b>	<b>9,656,993</b>	<b>4,028,010</b>
<b>Tax on Proposed Dividend</b>	<b>1,912,635</b>	<b>842,854</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	111,538,828	94,820,003
Add: Profit for the year	45,824,611	26,987,112
Less: Proposed Dividend	9,656,993	4,028,010
Tax on Proposed Dividend	1,912,635	842,854
Transferred To : Statutory Reserve Fund	9,164,922	5,397,422
<b>Closing Balance</b>	<b>136,628,889</b>	<b>111,538,828</b>
<b>Total</b>	<b>607,384,043</b>	<b>466,703,152</b>

### DIVIDEND

Dividend of Rs. 0.05/- share has been recommended for the FY 2017-18 (Dividend of Rs. 0.25/- share was provided in FY 2016-17).

#### 4. MONEY RECEIVED AGAINST SHARE WARRANTS

	No. of Warrant pending for conversion	Amount Received (in Rs.)
Balance at beginning of year	48519480	44,213,375
Add: Balance Money received during the year against share warrant	-	87,533,250
Total Amount Received	-	131,746,625
Share warrants converted during the year	32019480	116,711,000
Share warrants forfeited during the year	16500000	15,035,625

#### 4.1 Disclosures in relation to money received against share warrants

- (i) Money received against share warrant represent amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity share of the face value of Rs 1 each.
- (ii) During last year, the Company issued to its promoters/non-promoters 10,50,000 warrants dtd. 23.02.2016 and 41,00,000 warrants dtd. 03.03.2016 of a face value of Rs. 10 each, having option to apply for and be allotted an equivalent number of equity shares of a face value of Rs. 10 each at a premium of Rs. 26.45/- each determined in accordance with Regulation 76 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ('SEBI ICDR Regulations'). The holder of the warrants

## NOTES FORMING PART OF FINANCIAL STATEMENT

would need to exercise the option to subscribe to shares before 22.08.2017 and 02.09.2017 upon payment of the balance amount of Rs. 14,07,88,125/-. Also in the year itself 2980520 shares were issued against equivalent number of warrant on payment by subscriber.

- (iii) During current year, 32019480 shares were issued against equivalent number of warrant on payment by subscriber and on balance 16500000 shares the amount of Rs 1,50,35,625/- were forfeited on non payment of balance amount till the exercise date and transferred to capital reserve.
- (iv) The equity shares to be issued up on the exercise of the warrant shall be subject to companies Memorandum of Association and Articles of Association of the company and shall rank paripasu in all respect with the existing equity shares including the right with respect to dividend.

### 5. LONG TERM BORROWINGS

Particulars	As at 31.03.2018	As at 31.03.2017
	Rupees	Rupees
<b>Secured</b>		
Term Loans	-	110,924
Less: Current Maturities(Refer Note No. 7)	-	110,924
<b>Total</b>	-	-

- 5.1 Term Loans represents term loans against hypothecation of vehicles. These term loans carry interest of 14% to 17% p.a. and are payable in 36 to 60 monthly installments from the date of loan.

### 6. SHORT TERM BORROWINGS

Particulars	As at 31.03.2018	As at 31.03.2017
	Rupees	Rupees
<b>Unsecured</b>		
Inter-Corporate Loans	59,350,000	79,022,843
Loan from Directors	19,682,341	97,183,027
<b>Total</b>	<b>79,032,341</b>	<b>176,205,870</b>

### 7. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2018	As at 31.03.2017
	Rupees	Rupees
Current maturities of long term debt (Refer Note No. 5)	-	110,924
Interest accrued and due on borrowings	88,767	13,014,815
Unearned interest income	43248	-
Unpaid Dividends*	638,409	524,723
<b>Other Payables</b>		
Security Deposit against Rent	-	-
Duties and Taxes	1,941,398	1,189,989
Creditors for Expenses & Others	1,067,374	18,583,565
<b>Total</b>	<b>3,779,196</b>	<b>33,424,016</b>

\* Investor Education and Protection Fund was deposited as and when due.

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 8. SHORT TERM PROVISIONS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
Contingent Provisions against Standard Assets	1,272,174	1,561,250
Provision on Sub Standard Assets	612,500	270,000
Outstanding Expenses	17,769	
Advance Tax/TDS (Net of provision for taxation)	10,122,018	6,602,139
<b>Total</b>	<b>12,024,461</b>	<b>8,433,389</b>

### 9. Property, Plant & Equipments

(Amount in Rupees)

A. Tangible assets	Gross block				Accumulated depreciation and impairment				Net Block	
	Balance as at 1 April, 2017	Additions	Deductions	Balance as at 31 March, 2018	upto 31 March, 2017	Depreciation / amortisation for the period	Eliminated on deductions of assets	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 31 March, 2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Plant and Equipment	2,699,920	375,806	-	3,075,726	1,329,383	250,875	-	1,580,258	1,495,468	1,370,537
(b) Furniture and Fixtures	15,930,360	-	-	15,930,360	10,178,796	1,514,767	-	11,693,563	4,236,797	5,751,564
(c) Vehicles	4,467,125	-	-	4,467,125	3,992,303	185,628	-	4,177,931	289,194	474,822
(d) Office equipment	5,240,726	-	-	5,240,726	4,824,099	174,075	-	4,998,174	242,552	416,627
<b>Total</b>	<b>28,338,131</b>	<b>375,806</b>	<b>-</b>	<b>28,713,937</b>	<b>20,324,581</b>	<b>2,125,345</b>	<b>-</b>	<b>22,449,926</b>	<b>6,264,011</b>	<b>8,013,550</b>
Previous year	28,255,041	83,090	-	28,338,131	17,189,746	3,134,834	-	20,324,580	8,013,551	11,065,294

### 10. NON CURRENT INVESTMENT

Particulars	As At 31.03.2018		As At 31.03.2017	
	No. of Shares	Amount	No. of Shares	Amount
A) Investment in Land		14,104,245		13,979,720
<b>Sub Total (A)</b>		<b>14,104,245</b>		<b>13,979,720</b>
B) Investment in Shares				
<b>i) Unquoted, Long Term (valued at cost)</b>				
<b>a) Investment in Subsidiaries (Group Concerns)</b>				
Chakshu Realtors Pvt Ltd	-	-	9,999	99,990
Mangal Buildhome Pvt Ltd	1,499,999	14,917,990	1,499,999	14,917,990
Mangal Compusolution Pvt Ltd	1,999,999	20,749,940	1,999,999	20,749,940
Mangal Entertainment Pvt Ltd	-	-	9,999	2,499,750
Indtrans Container Lines Pvt Ltd	600,000	6,000,000	600,000	6,000,000
Mangal Globle Marble Pvt Ltd	215,000	32,750,000	15,000	150,000
Mangal Extrusion Pvt Ltd	-	-	237,500	2,375,000
Satco Capital Markets Ltd	4,511,755	63,033,113	4,511,755	63,033,113
Standard Infra Developers Pvt Ltd	-	-	9,900	99,000
<b>Total Investment in equity shares of subsidiaries (a)</b>		<b>137,451,043</b>		<b>109,924,783</b>
<b>b) Investment in Associates (Group Concerns)</b>				
Scarled Computech Private Limited	-	-	5,000	50,000
<b>Total Investment in equity shares of others (b)</b>		<b>-</b>		<b>50,000</b>



**NOTES FORMING PART OF FINANCIAL STATEMENT**

Particulars	As At 31.03.2018		As At 31.03.2017	
	No. of Shares	Amount	No. of Shares	Amount
<b>c) Investment in preference shares of subsidiaries</b>		-		
Satco Capital Markets Ltd	4,000,000	40,000,000	4,000,000	40,000,000
<b>Total Investment in preference shares of subsidiaries (c)</b>		<b>40,000,000</b>		<b>40,000,000</b>
<b>d) Investment in equity shares of other company</b>				
- Quoted Equity Shares	-	-	-	-
- Unquoted Equity Shares	809,420	128,876,000	-	-
<b>Total Investment in preference shares of subsidiaries (c)</b>		<b>128,876,000</b>		-
<b>Total Investment in unquoted equity &amp; preference shares (a) + (b) + (c) + (d) Sub Total (B)</b>		<b>306,327,043</b>		<b>149,974,783</b>
<b>TOTAL INVESTMENT (A) + (B)</b>	<b>13,636,173</b>	<b>320,431,288</b>	<b>12,899,151</b>	<b>163,954,503</b>

**11 Deferred Tax Assets**

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Deferred Tax Liability :</b>		
Provision for Sub Standard Assets	-	785,400
Provision for Doubtful Assets	-	561,000
<b>Deferred Tax Assets :</b>		
Difference between wdv as per book & IT Act	1,445,451	1,583,527
Provision for Standard Assets	350,484	112,194
Provision for Sub Standard Assets	168,744	-
<b>Net Deferred Tax Asset (DTA)</b>	<b>1,964,679</b>	<b>349,321</b>
<b>Incremental/(Decremental) DTA taken to Profit &amp; Loss Account</b>	<b>1,615,358</b>	<b>(1,932,424)</b>

**12 LONG-TERM LOANS & ADVANCES**

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Unsecured, considered good</b>		
Security Deposits	20,050,750	20,050,750
Other Loans and advances		
- Balances with Revenue Authorities*	750,000	750,000
<b>Total</b>	<b>20,800,750</b>	<b>20,800,750</b>

\*Balance with revenue authorities includes cash of the Company seized by the Income Tax Authorities on 01.10.2013 from the residence of director of the company. (Refer Note 25)

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 13. CASH AND BANK BALANCES

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>A. Cash and Cash Equivalents</b>		
(a) Cash in hand	80,939	83,464
(b) Balances with banks in current account	1,778,984	15,682,658
	1,859,923	15,766,122
<b>B. Other Bank Balances</b>		
(a) Unpaid Dividend Account	657,172	543,814
	<b>657,172</b>	<b>543,814</b>
<b>Total</b>	<b>2,517,095</b>	<b>16,309,936</b>

### 14. SHORT TERM LOANS AND ADVANCES

Particulars		As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Secured, considered good</b>			
Other Loans		80,117,401	93,875,000
	<b>(a)</b>	<b>80,117,401</b>	<b>93,875,000</b>
<b>Unsecured, considered good</b>			
Loans and Advances to Subsidiaries		92,784,990	120,588,988
Other Loans		341,924,077	412,668,456
	<b>(b)</b>	<b>434,709,067</b>	<b>533,257,443</b>
<b>Other Advances</b>			
Balance with Revenue Authorities		387,226	125,393
Advance for Shares acquisition		7,750,000	35,000,000
Income Tax Refundable		8,987,384	8,994,134
Prepaid Expenses		26,247	-
Advance to Staff		506,500	17,000
	<b>(c)</b>	<b>17,657,357</b>	<b>44,136,527</b>
<b>Total (a+b+c)</b>		<b>532,483,825</b>	<b>671,268,970</b>

### 15. OTHER CURRENT ASSETS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Unsecured, considered good</b>		
Interest accrued and due on lending	4,417,966	6,796,612
Others Receivables	6,480,287	2,606,539
<b>Total</b>	<b>10,898,253</b>	<b>9,403,151</b>

**NOTES FORMING PART OF FINANCIAL STATEMENT****16. REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
<b>Interest Income</b>		
on Loans to Subsidiary	16,670,345	11,102,370
on Loans to Others	77,952,603	71,367,267
on Fixed Deposits	1,918	283,604
<b>Total</b>	<b>94,624,866</b>	<b>82,753,241</b>

**17. OTHER INCOME**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Loan Processing Fees	48,136	-
Rent from Leasing of Motor Cars	-	900,000
Profit/(Loss) on sale of shares	3,599,640	2,004,557
Interest on Income Tax Refund	-	429,208
Misc. Income	-	183,000
<b>Total</b>	<b>3,647,776</b>	<b>3,516,765</b>

**18. EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Director's Remuneration	1,440,000	1,440,000
Directors Sitting Fees	39,000	10,000
Salaries, Bonus and Allowances	5,770,299	3,390,353
Staff Welfare Expenses	244,628	170,829
<b>Total</b>	<b>7,493,927</b>	<b>5,011,182</b>

**19. FINANCE COSTS**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
<b>Interest cost:</b>	<b>2,919</b>	<b>31,346</b>
On Car Loan	9,064,504	10,372,451
On Inter-Corporate Deposits	10,587,847	2,138,456
Others	19,655,269	12,542,253
<b>Total</b>	<b>19,655,269</b>	<b>12,542,253</b>

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 20. OTHER EXPENSES

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Advertisement Expenses	201,575	71,202
Payment to Auditor		
- Statutory Audit Fees	250,000	200,000
- Tax Audit Fees	25,000	50,000
- Others	34,032	29,346
Internal Audit Fees	180,000	180,000
Conveyance Expenses	348,658	223,035
CDSL custody fees	156,663	-
Office Expenses	119,979	214,500
Bad Debts	-	22,652,740
Electricity Charges	1,554,223	1,247,183
Legal & Prof.Charges	1,138,718	1,246,766
Repair & Maintenance	48,400	60,431
Annual Maintenance Charges	110,250	100,870
Membership Fees	25,000	10,000
Miscellaneous Expenses	2,658	233,190
Listing Fees	260,000	331,193
Postage, Courier & Telegrams	157,281	53,703
Printing & Stationery	615,853	633,345
Penalty	302,916	-
Rent, Rates and Taxes	191,324	-
Provision on Standard Assets	(289,076)	339,981
Provision on Sub Standard Assets	342,500	(2,380,000)
Provision on Doubtful Assets	-	(1,700,000)
ROC Filling Fee	2,400	10,050
Stamp Duty Shares Registration	11,000	-
Sundry Debit Balances W/Off.	524	14,040
Swachh Bharat Cess	3,931	5,403
Travelling Expenses	27,792	15,750
Telephone & Internet Charges	590,096	721,470
<b>Total</b>	<b>6,411,698</b>	<b>24,564,197</b>

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 21. Earnings per Share

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Number of equity shares outstanding at the beginning of the year	161,120,380	158,139,860
Number of equity shares issued		
- bonus issue	-	-
- preferential allotment to the promoters/non promoters	-	-
- on account of equity shares to the promoters/non-promoters against share warrants	32,019,480	2,980,520
Number of equity shares outstanding at the end of the year	193,139,860	161,120,380
Weighted average number of shares		
a) Basic	179,542,547	158,548,150
b) Effect of dilutive equity shares on account of:		
- share warrants	-	48,519,480
c) Diluted	179,542,547	207,067,630
Profit/(Loss) after tax	45,824,611	26,987,112
Basic earnings/(loss) per share (Rs.)	0.26	0.17
Diluted earnings/(loss) per share (Rs.)	0.26	0.13
Nominal value per share (Rs.)	1	1

### 22. Contingent Liabilities & Commitments

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
(i) Contingent Liabilities		
(a) Claims against company not acknowledged as debt	0.49 Crore	0.49 Crore
(b) Guarantees	109.86 Crore	17.00 Crore
(c) Other money for which the company is contingently liable	-	-
(ii) Commitments		
(a) Estimated Amounts of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investment partly paid up	-	-
(c) Other commitments	-	-

**22.1** Claims against the company not acknowledged as debts for the year ended 31st March, 2018 include demand from the Income Tax Authorities for payment of tax of Rs. 40,75,600/- upon completion of their tax assessment for Assessment Years 2013-14 & 2014-15. The company has filed an appeal with the income tax appellate authorities. The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and result of operation.

## NOTES FORMING PART OF FINANCIAL STATEMENT

### 22.2 The company has given the following guarantees:

- i. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of Rs. 25.60 crore availed by M/s Mangal Buildhome Pvt. Ltd., subsidiary of the company.
- ii. Guarantee to Fullerton India Credit India Pvt. Ltd. for Loan of Rs. 5 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- iii. Guarantee to Indiabulls Home Loan for Loan of Rs. 1.55 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- iv. Guarantee to Reliance Home Finance for Loan of Rs. 2.32 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- v. Guarantee to Bank of India for Loan of Rs. 30 crore availed by M/s Satco Capital Markets Ltd., subsidiary of the company.
- vi. Guarantee to HDFC for Loan of Rs. 63 crore availed by M/s Satco Capital Markets Ltd., subsidiary of the company.
- vii. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of Rs. 1 crore availed by M/s Mangal Extrusion Pvt. Ltd., which was subsidiary of the company during the year.
- viii. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of Rs. 4.37 crore availed by M/s Mangal Entertainment Pvt. Ltd., which was subsidiary of the company during the year.

### 23. Related Party

As required under the Accounting Standard- 18 on Related Party Disclosure issued by the Institute of Chartered Accountants of India, the disclosure of name of related parties & their transactions are as under:

#### Name of Related Parties and Relationships

23.1	Name of Subsidiary	in %	
S. No.	Particulars	Holding as at March 31	
		2018	2017
1	Chakshu Realtors Pvt Ltd(3)	-	99.99
2	Indtrans Container Lines Pvt Ltd	60.00	60.00
3	Mangal Buildhome Pvt Ltd	74.99	74.99
4	Mangal Compusolution Pvt Ltd	99.99	99.99
5	Mangal Entertainment Pvt Ltd(3)	-	99.99
6	Mangal Global Marble Pvt Ltd(4)	95.56	60.00
7	Satco Capital Markets Ltd	53.61	53.61
8	Indtrans Container Lines (Singapore) PTE Ltd(1)	100.00	100.00
9	Satco Commodities Private Ltd(2)	100.00	100.00
10	Mangal Extrusion Pvt Ltd(3)	-	75.00
11	Standard Infra Developers Pvt Ltd(3)	-	99.00
	(Previously known as Standard Medserve Tpa Pvt Ltd)		

- (1) Wholly-owned subsidiary of Indtrans Container Lines Pvt Ltd
- (2) Wholly-owned subsidiary of Satco Capital Markets Ltd
- (3) Shares Disposed off during the year
- (4) Shares Acquired during the year



**NOTES FORMING PART OF FINANCIAL STATEMENT**

<b>23.2</b>	<b>Name of Joint Venture</b>	<b>in %</b>	
<b>S. No</b>	<b>Particulars</b>	<b>Holding as at March 31</b>	
		<b>2018</b>	<b>2017</b>
1	Scarled Computech Pvt Ltd (1)	0.00	50.00

(1) Shares Disposed off during the year

<b>23.3</b>	<b>Name of Associate</b>	<b>in %</b>	
<b>S. No</b>	<b>Particulars</b>	<b>Partner's Share as at March 31</b>	
		<b>2018</b>	<b>2017</b>
1	GoldCrest Realty(1) (Partner of our subsidiary Mangal Buildhome Pvt. Ltd.)	0.00	90.00
2	Student films Festivals(1) (Partner of our subsidiary Mangal Entertainment Pvt. Ltd.)	0.00	55.00
3	Bliss Entertainment(1) (Partner of our subsidiary Mangal Entertainment Pvt. Ltd.)	0.00	50.00
4	Digital Edge Technology (Partner of our subsidiary Mangal Compusolution Pvt. Ltd.)	50.00	50.00

(1) Disposed off dated 01.04.2017

**23.4 Companies / Others Under Common Control**

<b>S. No</b>	<b>Particulars</b>
1	Ally Insurance Brokers Private Limited
2	Bansiwala Real Estates Private Limited
3	Dhakad Proprietries & Financial Services Private Limited
4	E-Ally Commodities India Private Limited
5	E-Ally Consulting India Private Limited
6	E-Ally Equities India Private Limited
7	Mangal Meta Forging Private Limited
8	Shwet Developers Private Limited
9	Vijay Dwellers Private Limited
10	Mangal Charitable Trust
11	Mangal Extrusion
12	Customer Centria Technologies LLP
13	Mangal Mines & Minerals Private Limited
14	CNX Corporation Ltd.
15	Vizonark Solutions Private Limited
16	Datamatics HR & Consultancy Private Limited
17	Aelera Technologies India Private Limited
18	Magnetic Rent A Car Private Limited
19	Vizonark Business Technology Private Limited

## NOTES FORMING PART OF FINANCIAL STATEMENT

- 20 Woodland Constructions Private Limited
- 21 Ecotech Informatics Private Limited
- 22 Anjana Buildestate Private Limited
- 23 Xangars Solutions Private Limited
- 24 Saahil Global Business Private Limited

### 23.5 Key Managerial Personnel

S. No.	Particulars	Relation
1	Sandeep Maloo	Managing Director
2	Meghraj Sohanlal Jain	Managing Director
3	Neeta Maloo (resigned w.e.f. 20.06.2017)	Director
4	Sunil Ramachandran Nair (resigned w.e.f. 20.06.2017)	Director
5	Nirupama Dattatray (resigned w.e.f. 20.06.2017)	Director
6	Shyamkumar Madanlal Agarwal (resigned w.e.f. 20.06.2017)	Director
7	Ratish Suresh Tawde	Add. Director
8	Swati Sharma	Director
9	Gurumurthy Ramchandran	Add. Director

Transaction with Related Parties are Shown in Annexure - A1

#### Note 24

The leverage ratio of the Non-Banking Finance Company is less than 7 as per norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

#### Note 25

The company has complied with norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

#### Note 26

#### Additional disclosures:

#### Capital to Risk Assets Ratio (CRAR)

Particulars	March 31, 2018	March 31, 2017
CRAR (percent)	82.81%	63.11%
CRAR - Tier I Capital (percent)	82.81%	63.11%
CRAR - Tier II Capital (percent)	0.00	0.00

**NOTES FORMING PART OF FINANCIAL STATEMENT****Note 27****Loan portfolio classification and provision (As per RBI Prudential Norms)**

(Rs. in Lacs)

Particulars	Gross Loan Outstanding		Provision For Standard Assets		Net Loan Outstanding	
	March, 2018	March, 2017	March, 2018	March, 2017	March, 2018	March, 2017
Standard Asset	5087.01	6244.99	12.72	15.61	5074.30	6229.38
Sub Standard Asset	61.25	27.00	6.12	2.70	55.12	24.30
Doubtful Asset	-	-	-	-	-	-
Loss Asset	-	-	-	-	-	-
<b>Total</b>	<b>5148.26</b>	<b>6271.99</b>	<b>18.84</b>	<b>18.31</b>	<b>5129.42</b>	<b>6205.08</b>

**Note 28****Schedule to the Balance Sheet of Non-Deposit Taking Non-Banking Financial Company**

(as required in terms of paragraph 18 of chapter IV - Prudential Regulations of Master Directions – Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking company (Reserve Bank) Directions, 2016

(Rs. in Lacs)

S. No.	Particulars	Amount Outstanding	Amount Overdue
<b>Liability side:</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		
	(a) Debenture : Secured	-	-
	Unsecured	-	-
	(Other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-Corporate Loans and Borrowings	593.50	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*		
	(g) Other Loans;	-	-
	- Bank Overdraft	-	-
	-Loan from Directors	196.82	-
*Please see <b>Note (a)</b> Below			
(2)	<b>Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecure Debenture	-	-
	(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-
	(c) Other Public Deposits	-	-
*Please see <b>Note (a)</b> Below			

## NOTES FORMING PART OF FINANCIAL STATEMENT

(Rs. in Lacs)

S. No.	Particulars	Amount Outstanding
	<b>Assets Side :</b>	
(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below ] :</b>	
	(a) Secured	801.17
	(b) Unsecured	4347.09
(4)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financing Lease	-
	(b) Operating Lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Asset on hire	-
	(b) Repossessed Asset	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where asset have been repossessed	-
	(b) Loans other than (a) above	-
(4)	<b>Break-up of Investments :</b>	
	<b>Current Investments :</b>	
	1. Quoted	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	<b>Long Term Investments :</b>	
	1. Quoted	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-

**NOTES FORMING PART OF FINANCIAL STATEMENT**

(Rs. in Lacs)

S. No.	Particulars	Amount Outstanding
	2. Unquoted	
	(i) Shares : (a) Equity	2663.27
	(b) Preference	400.00
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others – Investment in Land	141.04

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**

Please see Note (b) below

(Rs. in Lacs)

Category		Amount Net of Provisions		
		Secured	Unsecured	TOTAL
1.	Related Parties			
(a)	Subsidiaries	-	927.85	927.85
(b)	Companies in the same group	-	-	-
(c)	Other related parties	-	-	-
2.	Other than related parties	801.17	3419.24	4220.41
	<b>TOTAL</b>	<b>801.17</b>	<b>4347.09</b>	<b>5148.26</b>

**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Please see Note (c) below

(Rs. in Lacs)

Category		Market Value Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties		
(a)	Subsidiaries	2259.22	1774.51
(b)	Companies in the same group	-	-
(c)	Other related parties	-	-
2.	Other than related parties	1288.76	1288.76
	<b>TOTAL</b>	<b>3547.98</b>	<b>3063.27</b>

**8. Other Information:**

	Amount Outstanding
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	61.25
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	55.12
Assets acquired in satisfaction of debt	-

## NOTES FORMING PART OF FINANCIAL STATEMENT

### Sub Notes:

- a. As defined in point xix of paragraph 3 of chapter II of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking company (Reserve Bank) Directions, 2016.
- b. Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking company (Reserve Bank) Directions, 2016
- c. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

### Note 29

Disclosure required as per clause 32 of Listing Agreement has been set out in a separate **Annexure A2** attached to the financial statement.

### Note 30: Previous Year Figures

Previous year figures have been regrouped, re-arranged and reclassified wherever necessary to confirm to the current year's classification.

#### In terms of our audit report of even date FOR MGB & Co. LLP

Chartered Accountants  
FRN: 101169W/W-100035

#### Sandeep Jhanwar

Partner  
M.No. 078146

#### Madhuri Prakash Survase

Company Secretary  
M. No.: 32975

#### For and on behalf of the board of directors Mangal Credit & Fincorp Ltd

#### Meghraj Jain

Managing Director  
DIN: 01311041

#### Sandeep Maloo

Managing Director  
DIN: 01145616

Place: Mumbai  
Date : 21st May, 2018

## NOTES FORMING PART OF FINANCIAL STATEMENT

### Formatting Part of Notes on Accounts Annexure -"A1"

#### Name of Related Parties and Their Transaction

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2017-18		Nature of Transaction	2016-17	
		Transaction Value	O/s Amount carried to Balance Sheet		Transaction Value	O/s Amount carried to Balance Sheet
<b>Subsidiaries</b>						
Chakshu Realtors Pvt Ltd	Loan Given	2,396,155	-	Loan Given	14,688,535	1,479,188
	Loan Repayment Received	3,875,343	-	Loan Payment Received	15,147,000	-
	Interest Income	35,552	-	Interest Income	624,504	2,054
	Security Deposit Received	-	20,000,000	Security Deposit Received	-	20,000,000
	Share Disposed Off	99,990	-	Share Disposed Off	-	-
Indtrans Container Lines Pvt Ltd	Loan Taken	40,483,286	-	Loan Given	34,996,752	2,106,700
	Loan Repaid	38,376,586	-	Loan Payment Received	32,890,052	-
	Interest Paid	875,000	-	Interest Income	43,697	327
Mangal Buildhome Pvt Ltd	Loan Given	104,467,856	-	Loan Given	370,209,373	2,938,144
	Loan Repayment Received	107,406,000	-	Loan Repayment Received	403,130,000	-
	Interest Income	1,608,110	-	Interest Income	3,205,860	5,274
Mangal Compusolution Pvt Ltd	Loan Taken	46,560,850	-	Loan Given	19,575,514	960,800
	Loan Repaid	45,600,050	-	Loan Repayment Received	45,468,000	-
	Interest Paid	477,023	-	Interest Income	1,034,921	1,429
	Purchase of Computer	293,406	-	Purchase of Computer Accessories	50,400	134,400
Mangal Entertainment Pvt Ltd	Loan Given	14,934,127	-	Loan Given	21,606,021	7,053,755
	Loan Repayment Received	21,987,882	-	Loan Repayment Received	21,030,100	-
	Interest Income	1,170,385	-	Interest Income	1,404,150	3,735
	Share Disposed Off	3,899,610	-	Share Disposed Off	-	-
Mangal Goble Marble Pvt Ltd	Loan Given	66,682,493	27,624,990	Loan Given	41,144,629	24,850,401
	Loan Repayment Received	31,307,904	-	Loan Repayment Received	16,585,000	-
	Interest Income	4,413,368	-	Interest Income	2,685,100	1,590
	Shares Purchase	32,600,000	-	Share Purchase	-	-
Satco Capital Markets Ltd	Loan Given	175,850,000	59,160,000	Loan Given	219,100,000	75,200,000
	Loan Repayment Received	191,890,000	-	Loan Repayment Received	144,907,493	-
	Interest Income	9,085,000	286,728	Interest Income	2,066,920	60,228
Standard Infra Developers Pvt Ltd	Loan Given	-	6,000,000	Loan Given	6,000,000	6,000,000
	Other Reimbursement	-	50,667	Miscellaneous payments	10,000	50,667
	Shares Disposed off	99,000	-	Shares Disposed off	-	-
Mangal Extrusions Pvt Ltd	Loan Given	3,471,192	-	Loan Given	1,884,602	-
	Loan Payment Received	3,471,192	-	Loan Payment Received	1,884,602	-
	Interest Income	294,824	-	Interest Income	37,218	-
	Shares Disposed off	2,375,000	-	Shares Acquired	2,375,000	-
<b>Joint Ventures</b>						
Scarled Computech Private Limited	Loan Given	-	-	Loan Given	-	-
	Loan Repayment Received	-	-	Loan Repayment Received	32,378	-
	Interest Income	-	-	Interest Income	3,526	-
	Share Disposed Off	50,000	-	-	-	-
<b>Associates</b>						
Digital Edge Technology	Rent Income	-	-	Rent Income	-	-
	Other Reimbursements	35,141	-	Miscellaneous Payments	62,050	36,907



## NOTES FORMING PART OF FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2017-18		Nature of Transaction	2016-17	
		Transaction Value	O/s Amount carried to Balance Sheet		Transaction Value	O/s Amount carried to Balance Sheet
<b>Companies / Others under Common Control</b>						
E-Ally Commodities India Private Limited	Loan Repayment	67,933	-	Loan Repaid	62,682,145	-
	Loan Given	67,933	-	Loan Given	62,682,145	-
	Interest Received	-	-	Interest Received	140,336	-
E-Ally Consulting India Private Limited	Loan Taken	59,364	-	Loan Taken	49,881,667	-
	Loan Repaid	59,364	-	Loan Repayment	65,925,579	-
	Interest Paid	-	-	Interest Paid	1,161,852	-
E-Ally Equities India Private Limited	Loan Given	25,641	-	Loan Given	246,361	-
	Loan Repaid	25,641	-	Loan Repaid	246,361	-
	Interest Received	-	-	Interest Received	5,864	-
	Other Reimbursements	-	-	Miscellaneous Payment	1,000	-
E-Ally Securities India Private Limited	Loan Taken	16,321	-	Loan Taken	20,125,000	-
	Loan Repaid	16,321	-	Loan Repaid	20,125,000	-
	Interest Received	-	-	Interest Received	156,182	-
Mangal Mines & Minerals Pvt Ltd	Loan Given	93,030	-			
	Loan Repayment Received	93,030	-			
	Interest Received	2,370	-			
Shwet Developers Private Limited	Loan Taken	4,950,000	-	Loan Taken	-	-
	Loan Repaid	4,950,000	-	Loan Repaid	-	-
Ecotech Informatics Private Limited	Interest Received	-	-	Interest Received	51,207	-
	Loan Given	-	-	Loan Given	1,460,000	-
	Loan Repaid	-	-	Loan Repaid	1,460,000	-
<b>Key Management Person</b>						
Sandeep Maloo	Directors Remuneration	720,000	-	Directors Remuneration	720,000	-
	Loan Taken	156,046,659	-	Loan Taken	61,815,874	10,990,884
	Loan Repaid	167,037,543	-	Loan Repaid	72,692,894	-
	Interest Paid	603,048	-	Interest Paid	173,401	6,061
Meghraj Jain	Directors Remuneration	720,000	-	Directors Remuneration	720,000	-
	Loan Taken	394,537,302	19,682,341	Loan Taken	259,640,106	86,192,143
	Loan Repaid	461,047,104	-	Loan Repaid	173,447,963	-
	Interest Paid	8,299,840	-	Interest Paid	1,199,380	9,442
	Shares Acquired	50,000	50,000	Shares Acquired	44,054,700	-
<b>Key Management Person's Relatives</b>						
Lokesh Devilal Jain	Loan Repayment Received	-	-	Loan Repaid	850,000	-
	Interest Income	-	-	Interest Income	67,182	-
Sohanlal V Jain	Sale of Shares	3,104,610	3,104,610	Sale of Share	-	-
Bhagwati M Jain	Sale of Shares	1,220,000	1,220,000	Sale of Share	-	-
Harshvardhan Birani	Sale of Shares	1,950,000	1,950,000	Sale of Share	-	-
Labh Chand Maloo	Sale of Shares	99,000	99,000	Sale of Share	-	-

**NOTES FORMING PART OF FINANCIAL STATEMENT**

ANNEXURE A2 REFERRED TO IN NOTE NO 34 OF NOTES FORMATING PART OF THE FINANCIAL STATEMENTS :

**Disclosures Required as per Clause 32 of the Listing Agreement :**

(Amount in Rs.)

Name of Company	Loans & Advances			
	Amount O/s as on	Maxium Balance O/s	Amount O/s as on	Maxium Balance O/s
	Saturday, March 31, 2018	Saturday, March 31, 2018	Friday, March 31, 2017	Friday, March 31, 2017
<b>Subsidiaries</b>				
1 Chakshu Realtors Pvt Ltd	-	2,008,835	21,481,242	8,064,406
2 Indtrans Container Lines Pvt Ltd	-	18,469,113	2,107,027	15,611,177
3 Mangal Buildhome Pvt Ltd	-	45,629,729	2,943,418	78,792,919
4 Mangal Compusolution Pvt Ltd	-	18,008,266	1,096,629	30,883,286
5 Mangal Entertainment Pvt Ltd	-	21,987,882	7,057,490	14,761,444
6 Mangal Globle Marble Pvt Ltd	27,624,990	63,759,304	24,851,991	35,436,991
7 Mangal Extrusions Pvt Ltd	-	3,149,000	-	1,310,000
8 Satco Capital Markets Ltd	59,446,728	120,789,772	75,260,228	75,260,228
9 Standard Infra Developers Pvt Ltd	6,000,000	6,050,667	6,050,667	6,050,667
	<b>93,071,718</b>	<b>299,852,568</b>	<b>140,848,692</b>	<b>266,171,118</b>
<b>Associates &amp; Joint Ventures</b>				
10 Scarled Computech Private Limited	-	-	-	35,904
11 Digital Edge Technology	-	-	36,907	36,907
	-	-	<b>36,907</b>	<b>72,811</b>
<b>Companies Under Common Control</b>				
12 Shwet Developers Private Limited	-	-	-	-
13 E- Ally Equities India pvt ltd	-	-	-	146,723
14 E-Ally Commodities India Private Limited	-	67,933	-	18,829,141
15 E-Ally Consulting India Private Limited	-	50,134	-	24,359,562
16 E-Ally Securities India Private Limited	-	16,321	-	17,281,182
17 Ecotech Informatics Private Limited	-	-	-	875,500
	-	<b>134,388</b>	-	<b>61,492,108</b>
	<b>93,071,718</b>	<b>299,986,956</b>	<b>140,885,599</b>	<b>327,736,037</b>

## INDEPENDENT AUDITOR'S REPORT

To The Members of Mangal Credit & Fincorp Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MANGAL CREDIT & FINCORP LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2018, and their

consolidated profit/loss and their consolidated cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial statements:

1. Note No 32.1 to the Consolidated Financial Statements stating the fact of non-provision of liability of Rs. 195.89 lakhs arising on Income Tax Assessment for the A.Y. 2013-14 and A.Y. 2014-15 consequent upon search & seizure operations in the case of company on 01/10/2013.

Our opinion is not modified in respect of this matter.

## Other Matter

We had audited the financial statements of 3 subsidiaries whose financial statements reflect total assets of Rs. 9,182.53 lacs as at 31st March, 2018, total revenues of Rs. 5,020.72 lacs and net cash outflow amounting to Rs. 42.63 lacs for the year ended on that date, as considered in the consolidated financial statements.

We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of Rs. 7,264.78 lacs as at 31st March, 2018, total revenues of Rs. 5,186.09 lacs and net cash flows amounting to Rs. 364.69 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of Rs. 0.92 lacs for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of one associate, also whose financial statements have not been audited by us. Except in case of Indtrans Containers Lines (Singapore) PTE Ltd. whose financial statements are yet to be audited and which reflect total assets amounts of Rs. 15.56 lacs as on 31st March, 2018, total loss of Rs. 2.11 lacs and net cash flows represents cash outflow amounting to Rs 8.00 lacs for the year ended on that date. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by subsection 3 of section 143 of the Act, we report, to the extent applicable that:
  - a) 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 of the consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2018, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the group companies, its associate companies and jointly controlled companies in India is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note No. 33 to the consolidated financial statements.
  - ii. We have not come across any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. An amount of Rs. 139880/- due to be transferred to Investor Education and Protection Fund on or before 15/11/2017 has been so transferred on 03/02/2018 by the holding company.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN: 101169W/W-100035**

**Sandeep Jhanwar**  
**Partner**  
**M.No.078146**

**Place: Mumbai**  
**Date : 21st May, 2018**

## **Annexure - A to the Auditors' Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") In conjunction with our audit of the consolidated financial statements as of and for the year ended 31st March 2018 we have audited the internal financial control over financial reporting of Mangal Credit & Fincorp Ltd. (the holding company) and its subsidiary companies which are companies incorporated in India as of that date.

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

The respective Board of Directors of the holding company and its subsidiary companies, which are incorporated in India are responsible for establishing and maintaining Internal Financial Controls based on the Internal Controls over Financial Reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the business including adherence to company policy, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the holding company and its subsidiary companies incorporated in India, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MGB & Co. LLP**  
Chartered Accountants  
FRN:101169W/W-100035

**Sandeep Jhanwar**  
Partner  
M.No. 078146

Place: Mumbai  
Date : 21st May, 2018



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018**

Particulars	Notes	As at	As at
		31.03.2018	31.03.2017
		Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
Shareholders' Funds			
Share Capital	2	193,139,860	161,120,380
Reserves and Surplus	3	720,086,231	514,192,795
Money Received Against Warrants	4	-	44,213,375
		<b>913,226,091</b>	<b>719,526,550</b>
Share Application Money pending allotment		-	-
Minority Shareholder		84,304,410	73,437,618
Non Current Liabilities			
Long Term Borrowings	5	398,766,775	304,850,833
Deferred Tax Liabilities (Net)	6	8,886,225	8,752,344
Other Long Term Liabilities	7	9,049,154	2,486,897
Long Term Provisions	8	3,254,388	2,586,833
		<b>419,956,542</b>	<b>318,676,907</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	9	251,990,934	399,609,603
Trade Payables	10	287,673,986	358,329,027
Other Current Liabilities	11	311,948,824	325,124,463
Short-Term Provisions	12	23,275,894	13,911,547
		<b>874,889,638</b>	<b>1,096,974,639</b>
<b>TOTAL</b>		<b>2,292,376,681</b>	<b>2,208,615,714</b>
<b>ASSETS</b>			
Non-Current Assets			
Fixed Assets	13		
Tangible Assets		193,429,104	252,138,757
Intangible Assets		1,781,047	4,431,591
Capital work-in-progress		32,374,180	-
Goodwill on Consolidation		38,041,571	12,133,042
Non-Current Investments	14	148,139,229	20,598,709
Deferred Tax Assets		-	-
Long-Term Loans and Advances	15	213,636,285	189,338,073
Other Non Current Assets	16	35,652,197	24,108,473
		<b>663,053,612</b>	<b>502,748,645</b>
<b>Current Assets</b>			
Inventory	17	180,344,226	298,490,203
Current Investments	18	17,906,336	-
Trade Receivables	19	292,919,903	252,519,865
Cash and Bank Balances	20	310,272,289	294,594,705
Short-Term Loans and Advances	21	751,762,863	843,399,259
Other Current Assets	22	76,117,451	16,863,036
		<b>1,629,323,068</b>	<b>1,705,867,069</b>
<b>TOTAL</b>		<b>2,292,376,681</b>	<b>2,208,615,714</b>

Significant Accounting Policies  
Other Notes on Accounts

1  
2 to 45

**In terms of our audit report of even date**  
**FOR MGB & Co. LLP**  
Chartered Accountants  
FRN: 101169W/W-100035

**For and on behalf of the board of directors**  
**Mangal Credit & Fincorp Ltd**

**Sandeep Jhanwar**  
Partner  
M.No. 078146

**Madhuri Prakash Survase**  
Company Secretary  
M. No.: 32975

**Meghraj Jain**  
Managing Director  
DIN: 01311041

**Sandeep Maloo**  
Managing Director  
DIN: 01145616

Place: Mumbai  
Date : 21st May, 2018

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

Particulars	Notes	For the Year Ended 31.03.2018 Rupees	For the Year Ended 31.03.2017 Rupees
Revenue from Operations	23	1,102,147,939	792,156,466
Other Income	24	61,441,482	46,059,118
<b>Total Revenue</b>		<b>1,163,589,421</b>	<b>838,215,584</b>
<b>Expenses:</b>			
Cost of Material/Services Consumed	25	304,464,117	389,079,932
Purchases of Stock-in-Trade	26	356,267,713	192,531,059
Changes in Inventories of Finished Goods, Work in Progress	27	82,571,288	(151,624,312)
Employee Benefit Expenses	28	82,870,911	75,082,748
Finance Costs	29	78,877,048	66,715,942
Depreciation and Amortization	30	56,473,219	91,568,011
Other Expenses	31	81,561,613	101,083,377
<b>Total Expenses</b>		<b>1,043,085,908</b>	<b>764,436,757</b>
<b>Profit before extraordinary items and tax</b>		<b>120,503,512</b>	<b>73,778,827</b>
Extraordinary items		-	-
Prior Period Item expense / (income)		-	-
<b>Profit before Tax</b>		<b>120,503,512</b>	<b>73,778,827</b>
<b>Tax Expense:</b>			
(a) Current year		33,222,257	23,575,780
(b) Short / (Excess) provision for tax relating to prior years		(374,295)	(811,983)
(c) Net Current Tax Expense		32,847,962	22,763,797
(d) Deferred tax (credit) / charge		160,128	4,520,807
(e) MAT Credit		(6,635,437)	-
<b>Profit(Loss) for the period from continuing operations</b>		<b>94,130,859</b>	<b>46,494,223</b>
<b>Profit available for Minority before elimination round</b>			
<b>Profit(Loss) from discontinuing operations</b>		-	-
<b>Tax expense of discontinuing operations</b>		-	-
<b>Profit(Loss) from Discontinuing operations (after tax)</b>		-	-
Minority Interest		10,108,803	6,304,847
<b>Profit for the Period</b>		<b>84,022,056</b>	<b>40,189,376</b>
Earnings per ordinary share:			
<b>Basic</b>		<b>0.47</b>	<b>0.25</b>
<b>Diluted</b>		<b>0.47</b>	<b>0.19</b>

Nominal Value of each ordinary share is Rs.1/-

Significant Accounting Policies  
Other Notes on Accounts

1  
2 to 45

**In terms of our audit report of even date**  
**FOR MGB & Co. LLP**  
Chartered Accountants  
FRN: 101169W/W-100035

**For and on behalf of the board of directors**  
**Mangal Credit & Fincorp Ltd**

**Sandeep Jhanwar**  
Partner  
M.No. 078146

**Madhuri Prakash Survase**  
Company Secretary  
M. No.: 32975

**Meghraj Jain**  
Managing Director  
DIN: 01311041

**Sandeep Maloo**  
Managing Director  
DIN: 01145616

Place: Mumbai  
Date: 21st May, 2018

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended, 31st March, 2018

(Amount in Lacs)

	Current Year 2017-18		Previous Year 2016-17	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before tax and extraordinary items</b>		<b>1,205.04</b>		<b>737.79</b>
Adjustments for :				
Depreciation	563.01		914.51	
Provision for Gratuity	7.90		4.53	
Provision for Compensated Expenses	1.08		0.36	
(Profit) / loss on sale of Fixed Assets	(0.52)		(25.65)	
Provision for Standard Loans	3.43		3.40	
Interest Expenses	726.75		616.61	
Borrowing Cost Capitalized to Project	42.57		64.73	
Interest Income on Income Tax Refund	(1.05)		(0.05)	
Interest Income	(1,026.35)		(930.07)	
Loss Share from Partnership Firm	(0.65)		(8.11)	
Share Capital Increase Expense	0.28		1.07	
Interest income from Partnership firm	(0.60)		(9.63)	
(Profit)/loss from Capital Gain on sale of shares	(2.47)		23.89	
(Profit)/loss on De-subsidiarisation of subsidiary	22.94		-	
Preliminary Expenses	-		0.03	
Provision for Doubtful Assets	71.33		(17.00)	
Provision for Sub Standard Loans	(2.89)		(23.80)	
Balance written off	(22.54)		-	
Bad Debts	-		226.53	
Dividend on Investments	(3.60)	378.62	(1.56)	839.78
		<b>1,583.66</b>		<b>1,577.57</b>
<b>Operating profit before working capital changes</b>				
Movement in Working Capital :				
(Increase)/Decrease in Inventories	1,141.83		(1,840.74)	
Increase in Trade Receivables & Other Receivable	(276.78)		(950.11)	
(Increase)/Decrease in Short Term Loans & Advances	537.53		(1,756.79)	
(Increase)/Decrease in Other Current Assets	(144.26)		48.17	
Increase in Trade payables	(78.52)		27.02	
Increase / Decrease in unpaid dividend account	(1.13)		3.69	
Increase / Decrease in Other Loans & Advances	2.06		(7.29)	
Increase in Other Current Liabilities	118.66		1,737.93	
Increase in Short Term Provision(Other Than Provision for Tax)	(0.23)	1,299.16	(82.44)	(2,820.57)
<b>Cash generated/ (Utilised) in Operations</b>		<b>2,882.82</b>		<b>(1,242.99)</b>
Interest Paid	(341.69)		(90.89)	
Interest Received	820.96		752.15	
Income Tax Paid (Net of Refund)	(219.67)	259.60	(122.45)	538.81
<b>Net Cash from Operating Activities -A.</b>		<b>3,142.42</b>		<b>(704.18)</b>

	Current Year 2017-18		Previous Year 2016-17	
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase / ( Sale ) of Fixed Assets	(961.61)		(1,371.41)	
Sale in Investments	15.85		440.55	
Purchase of Investments	(1,748.57)		(0.02)	
Investment in Partnership Firm (Net)	(0.40)		45.96	
(Increase)/Decrease in Fixed Deposits	(14.55)		(451.51)	
(Increase)/Decrease in Loans & Advances	(552.97)		41.30	
Interest Received	229.04		149.61	
Security deposit Given/Refund	-		(21.95)	
Dividend Received on Investments	3.60	(3,029.61)	1.56	(1,165.91)
<b>Net Cash Generated/(Used) in Investing Activities - B.</b>		<b>(3,029.61)</b>		<b>(1,165.91)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceed from Long Term Borrowings	468.37		1,471.23	
Proceed from Short Term Borrowings	(970.92)		867.08	
Increase in Share Application / Share Capital & Security Premium (Net)	326.00		81.46	
Share Capital Increase Expenses/ Company Inc. Expense	(0.80)		(0.35)	
Money Received against Share Warrant	875.33		-	
Interest Paid	(585.92)		(544.65)	
Dividend Distribution Tax Paid	(8.43)		-	
Dividend Paid	(39.14)	64.49	(3.68)	1,871.09
<b>Net cash used in financing activities - C</b>		<b>64.49</b>		<b>1,871.09</b>
<b>NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>177.30</b>		<b>1.00</b>
<b>Cash and cash equivalents:</b>				
Opening balance as at the beginning of the year		2,918.89		458.52
Closing balance as at the end of the year		3,096.15		2,940.50
<b>Reconciliation of cash and cash equivalents as above with cash and bank balance as shown in balance sheet</b>				
Cash & cash equivalent as at the end of the year as above		3,096.15		2,940.50
Add: Balance in Unpaid Dividend Account		6.57		5.44
<b>Cash and Bank Balance as shown in balance sheet</b>		<b>3,102.72</b>		<b>2,945.94</b>

**Notes:**

- The above cash flow statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
- Figures in brackets indicates cash outgo.
- Previous year's figures have been re-grouped and reclassified wherever necessary.
- Difference in Previous year's closing cash balance & Current year opening cash balance is on account of elimination & addition of subsidiaries.

**In terms of our audit report of even date**

**FOR MGB & Co. LLP**  
Chartered Accountants  
FRN: 101169W/W-100035

**Sandeep Jhanwar**  
Partner  
M.No. 078146

**Madhuri Prakash Survase**  
Company Secretary  
M. No.: 32975

**For and on behalf of the board of directors  
Mangal Credit & Fincorp Ltd**

**Meghraj Jain**  
Managing Director  
DIN: 01311041

**Sandeep Maloo**  
Managing Director  
DIN: 01145616

Place: Mumbai  
Date : 21st May, 2018

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### Overview

Mangal Credit & Fincorp Limited (the company) is a public company domiciled in India and incorporated under the Companies Act, 1956 whose Corporate Identity No. is L65990MH1961PLC012227. The Company has granted certificate of registration to carry on the business of Non-Banking Financial Institution by Reserve Bank of India, vide certificate no. 13.00329 dated March 11, 1998 which has been revised in the name of “Mangal Credit & Fincorp Ltd.” and fresh certificate is reissued on May 3, 2016. The Company is Non Systemically Important Non Deposit Taking NBFC (NBFC-ND-Non SI) vide circular no. RBI/DNBR/2016-17/44DNBS (PD).007/03.10.119/2016-17 dated 1 September 01, 2016.

The Company is incorporated in India and listed on Bombay stock exchange Limited and Ahmedabad Stock Exchange in India. The company has invest in various subsidiary companies. It has also invested into certain Associated Enterprises and Joint Ventures. As per the requirement of clause 41 of Equity Listing Agreement, the company having subsidiaries should also submit annual consolidated financial results to the stock exchange. Hence the consolidated financial statements are presented in accordance with Accounting Standard – 21 - ‘Consolidated Financial Statements’, Accounting Standard-23, and Accounting Standard-27 specified in the Companies (Accounting Standards) Rules, 2006.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### i. Basis of Preparation

The consolidated financial statement of Mangal Credit Fincorp Limited (“the Company”) and its subsidiaries and joint venture (the Company, its subsidiaries and its jointly controlled entity constitute “the Group”) are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 2013.

#### ii. Basis for Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Company, its subsidiaries, its jointly controlled entities and its associates as on March, 31 2018 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:-

- a. The financial statements of the Company and its **subsidiaries** have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intragroup balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 21 on “Consolidated Financial Statements” as notified by the Companies (Accounting Standards) Rules, 2006.
- b. The financial statements of **jointly controlled entities** have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 27 on “Financial Reporting of Interest in Joint Ventures” as notified by the Companies (Accounting Standards) Rules, 2006 using the “proportionate consolidation” method.
- c. The Consolidated financial statements include the share of profit / (loss) of **associated companies**, which are accounted under the “Equity Method” in accordance with Accounting Standard (AS) 23 on ‘Accounting for Investments in associates in consolidated financial statements’ as notified by the companies (Accounting Standards) Rules, 2006, the share of profit / (loss) of the associated company has been added / deducted to the cost of investment. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a jointly controlled entity.
- d. The financial statements of the subsidiaries, joint ventures and the associates used in the consolidation are drawn upto the same **reporting date** as that of the Company, i.e. March 31, 2018.
- e. The financial statements of the subsidiaries disposed off during the year used in the consolidation are drawn upto the date of disposal.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- f. Investments in subsidiaries are eliminated and differences between the cost of investment over the net assets on the date of investment in subsidiaries are recognised as **Goodwill or Capital Reserve**, as the case may be.
- g. **Minority Interest's share of net profit or loss** of subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Company.
- h. **Minority Interest's share of net assets** of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet as a separate item from liabilities and the Shareholders' Equity.
- i. The Consolidated Financial Statements are prepared using **uniform Accounting Policies** for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

The Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are as under:

Name of the entity	Proportion of ownership interest March 31, 2018	Proportion ownership interest March 31, 2017	Country of Incorporation
<b>(a) Subsidiaries/sub-subsidiaries</b>			
Mangal Compusolution Private Limited	99.99%	99.99%	India
Mangal Entertainment Private Limited	-	99.99%	India
Standard Infra Developers Pvt. Ltd. (Formerly Standard Medserve TPA Private Limited)	-	99.00%	India
Indtrans Container Lines Private Limited	60.00%	60.00%	India
Chakshu Realtors Private Limited	-	99.99%	India
Mangal Buildhome Private Limited	74.99%	74.99%	India
Mangal Globle Marble Private Limited	95.56%	60.00%	India
Satco Capital Markets Limited	53.61%	53.61%	India
Satco Commodities Private Limited	100.00%	100.00%	India
Indtrans Containers Lines (Singapore) PTE Ltd.	100.00%	100.00%	Singapore
Mangal Extrusions Private Limited	-	75.00%	India

### iii. Use of Estimates

The presentation of Financial Statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses on the date of financial statements and the reported amount of revenue expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which results are known / materialized.

### iv. Revenue Recognition

- i) Interest income from financing activities is recognized on an accrual basis except in the case of non-performing assets, where it is recognised on realisation, as per the prudential norms of the RBI.
- ii) Dividend from investments is accounted for as income when the Group's right to receive dividend is established.
- iii) Income from Interest on Fixed Deposits is recognized on accrual basis.
- iv) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of sales tax and sales returns.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- v) Revenue from brokerage activities is accounted for on the trade date of transaction.
  - vi) Revenue from delayed payment charges from customers is recognized on a monthly basis up to the last day of accounting period.
  - vii) Commission on mutual fund is recognized on accrual basis.
- v. Income from arbitrage and trading in securities and derivatives comprises profit/ loss on sale of securities held as stock in- trade and profit/ loss on equity derivative instruments and Other income recognition

### **Profit/loss on equity derivative transactions is accounted for as explained below:-**

- a.) Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/Stock Futures and or equity Index/stock options which are released on final settlement/squaring-up of underlying contracts are disclosed under Current Assets, Loans and advances. "Mark-to-market margin- Equity Index/ Stock Futures" representing the amounts paid in respect of mark to market margin is disclosed under Loans and Advances and amount received is shown under current liabilities.
- b.) "Equity Index/Stock Option Premium Account" represents premium paid or received for buying or selling the options, respectively.
- c.) On final settlement or squaring up of contracts for equity index/ stock futures, the realized Profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss . On settlement or squaring up of equity index/ stock options before expiry, the premium prevailing in "Equity Index/ Stock Option Premium Account" on that date is recognized in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity index/ stock futures or equity index/ stock options contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the Profit/loss on squaring-up.

As at the balance sheet date, the mark to market on all hedged transactions comprising of Securities and Equity Derivatives positions is determined on a Portfolio basis with net unrealized losses being recognized in the Statement of Profit and Loss. Unrealized gains (on portfolio basis) are not recognized in the Statement of Profit and Loss on grounds of prudence as enunciated in Accounting Standard-1, Disclosure of Accounting Policies.

In respect of other transactions, the unrealized losses on equity derivatives determined on scrip-basis are recognized in Statement of Profit and Loss and unrealized gains are ignored; and in case of securities (shares, etc) the net unrealized losses are recognized in Statement of Profit and Loss and net unrealized gains are ignore.

Other income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

### **vi. Fixed Assets**

#### **a. Tangible Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Subsequent expenditures related to an item of tangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### **b. Intangible Assets**

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation and accumulated impairment losses, if any.

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### vii. Depreciation

Depreciation is provided on written down value Method, at the rates so calculated by useful life as specified in Schedule II of the Companies Act, 2013 except in respect of Leased Computer Equipment and accessories wherein useful life is estimated to be 5 years on the basis of management assessment and past experience.

Depreciation is provided on pro-rata basis on the assets acquired, sold or disposed off during the year.

### viii. Investments

- a. Investments are classified into Long Term Investments and Current Investments.
- b. Investments which are by nature readily realisable and intended to be held for not more than one year from the date of acquisition are classified as Current Investments and Investments other than Current Investments are classified as Long Term Investments.
- c. Long Term Investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for.
- d. Current Investments are valued at lower of cost and market value. In case of mutual funds, the net asset value of the units declared by the Mutual Funds is considered as the market value.

### ix. Inventories

Stock is valued at weighted average cost. Cost of inventory comprises of all cost of conversion and other cost incurred in bringing them to their respective present location and condition.

Stock in trade comprising of securities held for the purpose of trading is valued at lower of cost and market value.

### x. Employee Benefits

Employee benefits include provident fund, gratuity fund, compensated absences and post-employment benefits.

#### Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

#### Defined benefit plans

The Company has unfunded defined benefit plans namely long term compensated absences and gratuity for all the employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in Profit and Loss account as income or expenses.

### xi. Leased Assets

- i) Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.
- ii) Assets given on operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

expense in the statement of profit and loss. Initial direct cost such as legal costs, brokerages etc. are charged to Statement of Profit and Loss as incurred.

### xii. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit & loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of the recoverable amount.

### xiii. Foreign Currency Transaction

- i) All monetary assets & liabilities in foreign currencies are translated in Indian rupee at exchange rates prevailing at the balance sheet date as notified by the Foreign Exchange Dealers Association of India (FEDAI).
- ii) All the non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iii) Items of income and expenditure relating to foreign exchange transaction are recorded at exchange rate prevailing on the date of transaction.
- iv) Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

### xiv. Taxes on Income

- i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- ii) Deferred tax asset is recognized with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences could be utilized.
- iii) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group re-assesses unrecognised deferred tax assets, if any.
- iv) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

### xv. Provisions, Contingent Liabilities and Contingent Assets

- i) A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- ii) Contingent liabilities are not recognized but disclosed in the financial statement when there is a
  - Possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or
  - Present obligation that arises from past events where it is either not probable that an outflow of resources will be required to be settled or a reliable estimate of the amount cannot be made.

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

- iii) Contingent assets are neither recognized nor disclosed in the financial statements.
- iv) Provision on standard assets is made @ 0.25% of standard loans in accordance with the directions issued by RBI for NBFC.
- v) Provision for non-performing assets is made in accordance with the directions issued by RBI for NBFC.

**xvi. Service tax input credit/GST input credit**

Service tax liability on transactions/trades is accounted on accrual basis. Service tax credit has been utilized on payment basis.

GST liability on transactions/trades is accounted on accrual basis. GST input credit has been utilized on payment basis.

**xvii. Segment Reporting**

The Group's reportable segment consists of Financing Activity, Renting of Movable Assets, Broking, Event/ Entertainment Activity and Others. Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses are disclosed as unallocable expenses. Similarly assets and liabilities directly attributable to segments are reported under each reportable segment. All other assets and liabilities are disclosed as unallocable.

**xviii. Earnings Per Share**

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating Diluted earning per share the net profit for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or anti dilutive, each issue or series of potential equity shares is considered separately rather than in aggregate.

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT****2. SHARE CAPITAL****2.1 Share Capital**

(Amount in Rupees)

Share Capital	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised</b>				
Equity Shares of Rs.1/- each	250,000,000	250,000,000	250,000,000	250,000,000
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of Rs.1/- each	193,139,860	193,139,860	161,120,380	161,120,380
<b>Total</b>	<b>193,139,860</b>	<b>193,139,860</b>	<b>161,120,380</b>	<b>161,120,380</b>

**2.2 Reconciliation of the number of shares outstanding at the beginning and at the end of Financial Year 2017-18**

(Amount in Rupees)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	161,120,380	161,120,380	158,139,860	158,139,860
Bonus shares issued during the year	-	-	-	-
Equity Shares issued during the year				
- on account of equity shares to the promoters/ non-promoters against share warrants	32,019,480	32,019,480	2,980,520	2,980,520
Equity Shares outstanding at the end of the year	193,139,860	193,139,860	161,120,380	161,120,380

**2.3 Rights attached to equity Shares**

The Company has only one class of equity shares having face value of Rs.1/- per share. Each holder of equity share is entitled to one vote per share.

Every share is entitled to receive dividends in Indian Rupees, if declared.

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the company after distribution of the preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.4 Details of shares held by each shareholder holding more than 5% equity shares**

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	35,634,180	18.45	25,634,180	16.21
Ajit S Jain	25,842,400	12.86	14,842,400	9.39
M/s E-ally Consulting (I) Pvt. Ltd	16,797,000	8.7	16,697,000	10.62
M/s Shree Jaisal Electronics and Inds. Ltd	9,294,000	4.81	9,294,000	5.88

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

2.5 Over previous years, the company has allotted 7044075/- fully paid up equity shares of face value Rs. 10/- each during the quarter ended Dec 31st 2015 pursuant to bonus issue approved by the shareholder through a postal ballout. The record date fixed by the Board of Directors was December 19 2015 where 5 bonus equity share for every 1 existing equity share held were issued.

### 2.6 Conversion and forfeiture of share warrants

- For details of conversion and forfeiture of share warrants, refer note 4.

2.7 The 'Record Date' for the purpose of ascertaining the Members entitled to receive the said sub-divided equity shares of the Company was fixed by the Board of Directors of the Company as '06/05/2017. Subsequently, the Company has issued ten (10) sub-divided equity shares of Re.1/- each in lieu of one (1) equity share of Rs.10/- each to the eligible Members of the Company. In case of Members holding equity shares of the Company in physical form, the Company, without requiring the surrender of old share certificate(s), has directly issued and dispatched the new share certificate(s) of the Company for the sub-divided equity shares of Re.1/- each. The said new share certificate(s) were issued in lieu of the old share certificate(s), which were deemed to have been automatically cancelled and be of no effect. In the case of equity shares of the Company held in dematerialized form, the sub-divided equity shares have been duly credited to the respective beneficiary accounts of the Members with the respective Depository Participants, as per the existing credits representing the equity shares of the Company. In view of the aforesaid Stock Split, the number of equity shares of the Company and price of underlying equity share in the stock markets has been correspondingly adjusted by the Stock Exchanges, where the Company's shares are listed (i.e. BSE). The details of the Authorised and Paid-up share capital of the Company (pre & post Stock Split) is as follows:

Particulars	Authorised Share Capital		Paid up Share Capital	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Pre Stock Split	25000000	250,000,000	19313986	193,139,860
Post stock split	250000000	250,000,000	193139860	193,139,860

\* Sub-Division of Shares

The Sub division of equity shares of the company from face value Rs.10/- each to face value of Rs.1/- each ("Stock Split") and consequent alteration in Capital clause of MOA of the company was approved by the Members on 06/05/2017, through Postal Ballot.

### 3. RESERVES AND SURPLUS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Securities Premium</b>		
Opening Balance	274,127,770	266,244,290
Less: Amount utilised for issuance of bonus shares	-	-
Add: Premium received during the year on account of equity shares to the promoters/ non-promoters against share warrants	84,691,520	7,883,480
Closing Balance	358,819,290	274,127,770
<b>General Reserve</b>		
Opening Balance	36,500,000	36,500,000
Closing Balance	36,500,000	36,500,000
Contingency Reserve	2,500,000	2,500,000
Investment Reserve	700,000	700,000

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
<b>Statutory Reserve Fund</b>		
Opening Balance	36,455,264	31,113,242
Add: Transferred from Statement of Profit and Loss	9,164,922	5,397,422
<b>Closing Balance</b>	<b>45,620,186</b>	<b>36,510,664</b>
Capital Reserve on Consolidation	991,892	1,560,582
Capital Reserve (Refer 4.1 clause iii)	15,046,050	10,425
Foreign Currency Translation Reserve	(30,677)	16,144
Foreign Currency Translation Reserve on Consolidation	110,442	(3,420)
Proposed Dividend	9,656,993	4,028,010
Tax on Proposed Dividend	1,912,635	842,854
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	156,728,519	127,478,675
Add: Profit for the year	84,022,056	40,189,376
Add: On Account of Amalgamation/Disposal of Subsidiaries	28,243,394	-
Less: Proposed Dividend	9,656,993	4,028,010
Tax on Proposed Dividend	1,912,635	842,854
Transferred To : Statutory Reserve Fund	9,164,922	5,397,422
Minority Interest due to change in shareholding	-	-
<b>Closing Balance</b>	<b>248,259,419</b>	<b>157,399,765</b>
<b>Total</b>	<b>720,086,231</b>	<b>514,192,795</b>

**DIVIDEND**

Dividend of Rs. 0.05/- share has been recommended for the FY 2017-18 (Dividend of Rs. 0.25/- share was provided in FY 2016-17).

**4. MONEY RECEIVED AGAINST SHARE WARRANTS**

	<b>No. of Warrant pending for conversion</b>	<b>Amount Received (in Rs.)</b>
Balance at beginning of year	48519480	44,213,375
Add: Balance Money received during the year against share warrant	-	(41,713,375)
Total Amount Received	-	2,500,000
Share warrants converted during the year	32019480	2,500,000
Share warrants forfeited during the year	16500000	-

**4.1 Disclosures in relation to money received against share warrants**

- (i) Money received against share warrant represent amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity share of the face value of Rs 1 each.
- (ii) During last year, the Company issued to its promoters/non-promoters 10,50,000 warrants dtd. 23.02.2016 and 41,00,000 warrants dtd. 03.03.2016 of a face value of Rs. 10 each, having option to apply for and be allotted an equivalent number of equity shares of a face value of Rs. 10 each at a premium of Rs. 26.45/- each determined in accordance with Regulation 76 of

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ('SEBI ICDR Regulations'). The holder of the warrants would need to exercise the option to subscribe to shares before 22.08.2017 and 02.09.2017 upon payment of the balance amount of Rs. 14,07,88,125/-. Also in the year itself 2980520 shares were issued against equivalent number of warrant on payment by subscriber.

- (iii) During current year, 32019480 shares were issued against equivalent number of warrant on payment by subscriber and on balance 16500000 shares the amount of Rs 1,50,35,625/- were forfeited on non payment of balance amount till the exercise date and transferred to capital reserve.
- (iv) The equity shares to be issued up on the exercise of the warrant shall be subject to companies Memorandum of Association and Articles of Association of the company and shall rank paripasu in all respect with the existing equity shares including the right with respect to dividend.

### 5. LONG TERM BORROWINGS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Secured</b>		
Term Loans (Refer Note 5.1)	58,019,652	46,726,135
From NBFC's (Refer Note 5.2)	155,289,703	118,087,428
Term Loan - The Bharat Co-Operative Bank (Mumbai) Ltd (Refer Note 5.3)	172,440,114	212,330,280
Less: Current Maturities(Refer Note 11)	20,426,707	72,293,010
<b>Unsecured</b>		
Loan from Directors	33,444,013	-
<b>Total</b>	<b>398,766,775</b>	<b>304,850,833</b>

- 5.1** Term Loan represents sanction amount of Rs. 4.91 crore under the guarantee of directors & director's relatives taken from Kotak Mahindra Bank Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of Director's residence.

(Period of defaults: NIL, No defaults in repayment of Interest)

Term Loans represents term loans against hypothecation of vehicles. These term loans carry interest of 14% to 17% p.a. and are payable in 36 to 60 monthly installments from the date of loan.

### 5.2 Loan from NBFC's represents

- sanction amount of Rs. 5 crore under the guarantee of directors & director's relatives and group company taken from Fullerton India Credit Company Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of company controlled by relative of Director.

(Period of defaults: NIL, No defaults in repayment of Interest)

- sanction amount of Rs.9.06 crore under the guarantee of directors and group company taken from Indiabulls Housing Finance Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of company controlled by Director. (Period of defaults: NIL, No defaults in repayment of Interest)

- sanction amount of Rs. 2.5 crore under the guarantee of directors and group company taken from Reliance Home Finance and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of company controlled by Director. (Period of defaults: NIL, No defaults in repayment of Interest)

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 5.3 Against Loan from The Bharat Co-Operative Bank (Mumbai) Ltd

#### Nature of Security

- A. Sanction amount of \_\_\_ crore secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of office at Lotus Corporate Park - A-1701/1702)(Period of defaults: NIL, No defaults in repayment of Interest)
- B. Sanction amount of 11 crore secured by way of Equitable Mortgage by depositing of title deeds of immovable properties being residence of directors relative & Group company's office & hypothecation charges over company's fixed assets) (Period of defaults: Nil, No defaults in repayment of Interest)
- C. Sanction amount of 3 crore secured by way of Equitable Mortgage by depositing of title deeds of immovable properties being residence of director's relative & hypothecation charges over company's fixed assets. (Period of defaults: Nil, No defaults in repayment of Interest)
- D. Sanction amount of 20 crore secured by way of Equitable Mortgage by registering mortgage of Land & saleable flats of "Amarpali Chs Ltd" the project for which loan taken and guaranteed by directors and holding company(Period of defaults Nil, No default in repayment of interest)

### 6. DEFERRED TAX LIABILITY

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
Deferred Tax Liability:		
Difference between wdv as per book & IT Act	12,505,105	10,625,604
Provision for Substandard Assets	-	785,400
Provision for Doubtful Assets	-	561,000
Deferred Tax Assets:		
Difference between wdv as per book & IT Act	3,099,652	3,107,466
Provision for Standard Assets	350,484	112,194
Provision for Sub Standard Assets	168,744	-
Net Deferred Tax Liability (Net)	8,886,225	8,752,344

### 7. OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Unsecured</b>		
Security Deposit from Branches	4,549,154	2,486,897
Deposit for Infrastructure and other facility from subsidiary	4,500,000	-
<b>Total</b>	<b>9,049,154</b>	<b>2,486,897</b>

### 8. LONG TERM PROVISIONS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Unsecured</b>		
Provision for Gratuity	2,907,108	2,292,116
Provision for Compensated Absences	347,280	294,717
<b>Total</b>	<b>3,254,388</b>	<b>2,586,833</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 9. SHORT TERM BORROWINGS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Secured</b>		
Cash Credit facility- The Bharat Co-operative Bank (Mumbai) Ltd. (Refer Note 9.1)	79,161,325	72,497,104
Bank Overdraft against FD (Refer Note 9.2)	18,111,460	29,600,023
LAS Facility from Bank	4,034,329	-
<b>Unsecured</b>		
Inter-Corporate Loans	74,427,105	110,024,272
Loan from Directors	36,256,715	147,488,205
Loan from Others	40,000,000	40,000,000
<b>Total</b>	<b>251,990,934</b>	<b>399,609,603</b>

#### 9.1 Against Cash Credit facility from The Bharat Co-Operative Bank (Mumbai) Ltd

##### Nature of Security

- A. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of office at Lotus Corporate Park - A-1701/1702)(Period of defaults: NIL, No defaults in repayment of Interest)
- B. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of Gala No. 1, 2 & 3 on ground floor, Rajprabha Meenakshi Ind. Estates No. 4, Village Valiv, Vasai)(Period of defaults: NIL, No defaults in repayment of Interest)
- C. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of director's residence & Group company's office premises.(Period of defaults: NIL, No defaults in repayment of Interest)

#### 9.2 Bank Overdraft carry an interest of 12.00% p.a. secured against lien of fixed deposits as margin money with bank.

### 10. TRADE PAYABLE

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
Payable for Goods/Services	282,607,582	355,242,353
Payable for Expenditure	5,066,404	3,086,674
<b>Total</b>	<b>287,673,986</b>	<b>358,329,027</b>

### 11. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
Current maturities of long term debt (Refer Note No. 5)	21,329,844	72,293,010
Interest accrued and due on borrowings	16,101,316	20,536,736
Unearned Interest Income	43,248	-
Outstanding Expenses	733,974	-
Unpaid Dividends*	638,409	524,723



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Bank Overdraft in Bank Accounts	2,516,232	9,813,843
Other Payables		
Advance against Contractual Obligation	231,800,000	178,500,000
Retention Money	652,161	562,815
Duties and Taxes	6,496,003	7,693,829
Creditors for Expenses & Others	3,868,162	21,643,499
Equity Index / Stock Option / Currency Option Premium Account	18,604,022	4,920,446
Advance from Customers	9,016,617	8,250,000
Others	148,835	385,561
<b>Total</b>	<b>311,948,824</b>	<b>325,124,463</b>

\* Investor Education and Protection Fund was deposited as and when due.

**12. SHORT TERM PROVISIONS**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Contingent Provisions against Standard Assets	1,272,174	1,561,250
Provision on Sub Standard Assets	612,500	270,000
Provision for Income Tax (Net of Advance Tax/TDS)	19,288,142	9,813,861
Provision for Freight Payable	-	1,024,396
Provision for Bonus	822,300	687,100
Provision for Gratuity	89,142	73,965
Provision for Rebate Expenses	700,000	-
Provision for Audit Fees	485,000	467,500
Provision for Compensated Absences	6,636	13,475
<b>Total</b>	<b>23,275,894</b>	<b>13,911,547</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### Note 13. FIXED ASSETS

(Amount in Rupees)

Particulars	Gross block			Accumulated depreciation and impairment			Net Block			
	Balance as at 1 April, 2017	Additions	Disposals	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / amortisation for the period	Eliminated on deductions of assets	Balance as at 31 March, 2018	Balance as at 31 March, 2017	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Tangible Assets										
(a) Plant and Equipment	14,341,007	1,873,170	202,198	16,011,980	10,046,859	1,020,573	80,705	10,986,727	5,025,253	4,697,506
(b) Furniture and Fixtures	19,076,448	10,156	60,400	19,026,204	12,364,305	1,767,632	32,144	14,099,793	4,926,411	6,745,391
(c) Vehicles	8,247,125	3,261,500	-	11,508,625	6,055,752	1,118,846	-	7,174,598	4,334,027	2,191,374
(d) Computer & Printers										
-For own use	6,334,422	1,448,569	117,500	7,665,491	5,262,882	1,267,843	107,514	6,423,212	1,242,279	1,071,540
-On lease	314,356,622	35,177,682	11,216,180	338,318,124	167,332,669	50,405,885	9,613,290	208,125,264	130,192,860	144,592,826
(e) Land & Building	1,790,262	23,655,000	-	25,445,262	239,753	237,439	-	477,192	24,968,070	68,335,825
(f) Leasehold Land & Building	23,999,015	-	-	23,999,015	1,124,494	134,317	-	1,258,811	22,740,204	24,504,295
Sub Total (A)	388,144,901	65,426,077	11,596,278	441,974,701	202,426,714	55,952,536	9,833,653	248,545,597	193,429,104	252,138,757
Intangible Assets										
(a) Computer Software	5,464,359	117,500	-	5,581,859	3,451,872	348,941	-	3,800,813	1,781,047	4,431,591
Sub Total (B)	5,464,359	117,500	-	5,581,859	3,451,872	348,941	-	3,800,813	1,781,047	4,431,591
Capital Work in Progress	-	32,374,180	-	32,374,180	-	-	-	-	32,374,180	-
Sub Total (C)	-	32,374,180	-	32,374,180	-	-	-	-	32,374,180	-
Total (A+B+C)	393,609,260	97,917,757	11,596,278	479,930,740	205,878,586	56,301,477	9,833,653	252,346,409	227,584,331	256,570,348
Previous year	350,066,830	150,724,568	24,689,837	476,101,561	141,753,807	91,470,143	13,692,738	219,531,213	256,570,348	209,211,661

#### Notes:

**13.1** During the year ended March 31, 2018 the management based on technical assessment and past performance reassessed the remaining useful life of assets primarily consisting of computers with effect from April 1, 2014. Accordingly the useful lives of certain assets required a change from the previous estimates.

The existing and revised useful lives are as below:

Category of Assets	Earlier Useful Life	Current Useful Life
	(Years)	(Years)
Computer equipment and its parts	3 years	5 years

Had the company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2018 would have been higher by Rs. 7.68 crore for assets held at April 1, 2014. The revision of the useful lives will result in the following changes in the depreciation expense as compared to the original useful life of the assets.

Particulars	Impact on 2014-15	Impact on 2015-16	Impact on 2016-17	Effect on 2017-18
Increase / (Decrease in depreciation expense)	(8,041,655)	(10,489,660)	(7,214,464)	25,745,778

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT****14 NON CURRENT INVESTMENTS**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
a) Investment in Land	14,104,245	19,763,020
b) Investment in Equity Instruments of Other Companies		
Quoted	4,161,333	-
Unquoted	128,879,000	7,000
c) Investment in Digital Edge	994,650	149,156
d) Investment in Gold Cress Reality	-	679,534
<b>Total</b>	<b>148,139,229</b>	<b>20,598,709</b>

**15 LONG-TERM LOANS & ADVANCES**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
<b>Unsecured, considered good</b>		
Security Deposits	21,330,491	817,531
Capital Advance	65,953,000	65,953,000
<b>Other Loans and advances</b>		
-Balances with Revenue Authorities*	8,950,488	797,180
-MAT Credit Entitlement	7,296,196	693,362
-Others	110,106,110	121,077,000
<b>Total</b>	<b>213,636,285</b>	<b>189,338,073</b>

\*Balance with revenue authorities includes cash of the Company seized by the Income Tax Authorities on 01.10.2013 from the residence of director of the company.

**16 OTHER NON CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Rent Deposit	11,635,505	5,549,581
Share Capital Increase Expenses	84,480	-
Arbitration Deposit	7,000,000	7,000,000
Deposit with Stock Exchange & Clearing Member	12,129,000	11,228,000
Other Deposit	4,803,212	330,892
<b>Total</b>	<b>35,652,197</b>	<b>24,108,473</b>

**17 INVENTORY**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Inventory	180,344,226	298,490,203
<b>Total</b>	<b>180,344,226</b>	<b>298,490,203</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 18 CURRENT INVESTMENTS

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
a) Investment in Equity Instruments of Other Companies		
Quoted	16,306,168	-
Unquoted	-	-
b) Fixed Deposit (lien with Govt Of India under GST)	1,600,168	-
<b>Total</b>	<b>17,906,336</b>	<b>-</b>

### 19 TRADE RECEIVABLES

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>Outstanding for a period exceeding six months from the date they were due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	44,984,839	23,865,008
Doubtful	-	-
Less: Provision for doubtful trade receivable	-	-
<b>Other trade receivable/ Advance to Supplier</b>		
Secured, considered good	-	-
Unsecured, considered good	247,935,064	228,654,857
Doubtful	-	-
Less: Provision for doubtful trade receivable	-	-
<b>Total</b>	<b>292,919,903</b>	<b>252,519,865</b>

- The company has not received any Registration Certificate from any vendor as to whether it is Registered under the Sec 22 of Micro, Small & Medium Enterprises Development Act, 2006.

### 20. CASH AND BANK BALANCES

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
<b>A. Cash and Cash Equivalents</b>		
(a) Cash in hand	1,858,968	1,219,521
(b) Balances with banks in current account	17,024,527	44,732,580
	<b>18,883,495</b>	<b>45,952,101</b>
<b>B. Other Bank Balances</b>		
(a) Unpaid Dividend Account	657,172	543,814
	<b>657,172</b>	<b>543,814</b>
<b>C. Fixed Deposit with Bank</b>		
FD with Bank against Guarantees	186,944,532	154,433,364
FD with Bank against OD	96,950,000	80,800,000
FD Pledged with Exchange	6,837,090	8,340,256
FD with Bank	-	4,525,170
<b>Total (A+B+C)</b>	<b>310,272,289</b>	<b>294,594,705</b>

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT****21. SHORT TERM LOANS AND ADVANCES**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Secured, considered good		
Other Loans	80,117,401	93,875,000
<b>(a)</b>	<b>80,117,401</b>	<b>93,875,000</b>
<b>Unsecured, considered good</b>		
Loans and Advances to Subsidiaries	-	-
Loans and Advances to Related Parties other than Subsidiaries	6,327,105	92,307,939
Other Loans	622,045,463	566,213,193
<b>(b)</b>	<b>628,372,568</b>	<b>658,521,132</b>
<b>Other Advances</b>		
Balance with Revenue Authorities	459,386	15,400,929
SAD Refund Receivable	1,715,243	5,632,571
Prepaid Expenses	3,628,998	4,063,614
Advance to Staff	1,290,429	595,458
Advance for Shares acquisition	7,750,000	35,000,000
Receivable from Stock Exchange	2,397,153	9,231,696
GST Receivable	9,012,140	-
Income Tax Refundable	14,295,001	8,994,134
Advance Tax/TDS (Net of provision for taxation)	2,724,544	12,084,727
<b>(c)</b>	<b>43,272,894</b>	<b>91,003,128</b>
<b>Total (a+b+c)</b>	<b>751,762,863</b>	<b>843,399,259</b>

**22. OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31.03.2018 Rupees</b>	<b>As at 31.03.2017 Rupees</b>
Advance to Vendor	49,100,000	49,500
Unsecured, considered good		
Interest accrued and due on lending	16,011,837	8,465,449
Interest on Deposit	3,161,373	4,940,445
Others Receivables	7,692,931	2,555,872
Preliminary Expenses	-	821,580
Unamortized Expenses	28,160	-
Deposits	123,150	30,190
<b>Total</b>	<b>76,117,451</b>	<b>16,863,036</b>

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 23. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
A. Interest Income	78,053,179	71,650,871
B. Sale of Product	432,107,986	239,352,613
C. Sale of Services	569,973,516	477,297,457
D. Other Operating Revenue	22,013,257	3,855,525
<b>Total</b>	<b>1,102,147,939</b>	<b>792,156,466</b>

### 24. OTHER INCOME

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Commission/Brokerage Income	184,586	18,000
Dividend Income	360,522	155,667
Discount Received	247,348	39,442
Rent from Leasing of Motor Cars	-	900,000
Profit/(Loss) on sale of shares	304,925	-
Profit/(Loss) on share and Bond Trading	15,636,343	16,470,783
Profit on sale of Investment	16,787,312	-
Profit on sale of Fixed Assets	52,074	2,564,644
Misc. Income	412,546	835,151
Gain from Foreign Exchange Fluctuations	125,426	839,363
Interest on Loans & Advances	2,285,656	3,289,478
Interest on Deposits	17,357,501	14,089,873
Interest on FD & other parties	5,007,939	4,543,899
Interest on Income Tax Refund	302,405	546,691
Sundry Payable Written off	2,311,471	-
Interest on Partner's Capital	-	954,813
Profit/Loss of Associate	65,429	811,314
<b>Total</b>	<b>61,441,482</b>	<b>46,059,118</b>

### 25. COST OF MATERIAL/SERVICES CONSUMED

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Cost of Material Consumed/Services Consumed	304,464,117	389,079,932
<b>Total</b>	<b>304,464,117</b>	<b>389,079,932</b>

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT****26. PURCHASE OF STOCK IN TRADE**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Purchase of Stock in Trade	356,267,713	192,531,059
<b>Total</b>	<b>356,267,713</b>	<b>192,531,059</b>

**27. CHANGES IN INVENTORIES**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
<b>Inventory at the end of year</b>		
Stock-in-Trade	183,426,581	265,997,868
	<b>183,426,581</b>	<b>265,997,868</b>
<b>Inventory at the beginning of the year</b>		
Stock-in-Trade	265,997,868	114,373,557
	<b>265,997,868</b>	<b>114,373,557</b>
<b>Total</b>	<b>82,571,288</b>	<b>(151,624,312)</b>

\* Difference in previous year's closing Inventory & opening year inventory is on account of elimination & addition of subsidiaries

**28. EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Director's Remuneration	11,889,080	9,959,277
Directors Fees/Travelling	39,000	10,000
Salaries, Bonus and Allowances	65,490,496	60,268,847
Staff Welfare Expenses	2,160,312	1,944,167
Contribution to Provident & Other Funds	2,502,220	2,447,596
Gratuity	789,803	452,861
<b>Total</b>	<b>82,870,911</b>	<b>75,082,748</b>

**29. FINANCE COSTS**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
<b>Interest cost:</b>		
On Bank Loan	47,846,172	41,400,062
On Car Loan	2,919	31,346
On Unsecured Loan	18,300,328	11,163,573
On Late Payment of Statutory Dues	349,959	298,453

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Others	4,969,028	4,982,872
<b>Other Borrowing Cost :</b>		
Bank Guarantee Fee	4,184,799	3,965,652
Bank Charges	1,480,220	1,161,856
Loan Processing Charges	1,743,623	3,712,129
<b>Total</b>	<b>78,877,048</b>	<b>66,715,942</b>

## 30. DEPRECIATION &amp; AMORTISATION EXPENSES

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Depreciation	56,445,059	91,448,165
Share capital increase expenses written off	28,160	35,000
Deferred Revenue expenditure written off	-	71,706
Preliminary Expenses written off	-	13,140
<b>Total</b>	<b>56,473,219</b>	<b>91,568,011</b>

## 31. OTHER EXPENSES

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
Advertisement Expenses	208,550	1,037,730
Payment to Auditor	814,032	1,154,008
Internal Audit Fees	180,000	180,000
Discount Allowed	627,876	1,847,879
Loss on sale of Subsidiary	-	2,389,087
Loss on sale of Fixed Asset	57,535	-
Decrease in value of stock	-	633,841
Brokerage & Commission Expenses	8,816,831	6,574,610
Business Promotion Expenses	3,539,339	5,502,685
Donation	33,152	104,000
Electricity & Water Charges	3,942,683	4,137,987
Exchange Expenses	3,822,830	3,327,616
Freight Expenses	214,838	1,053,368
Food & Beverages Expenses	42,535	1,815,504
Insurance	439,280	446,003
Legal & Prof.Charges	12,804,757	11,349,195
Office Expenses	1,993,034	1,749,742
Overtime- Outstanding Working Pay	88,200	106,965
Motor Car Expenses	928,808	720,000
Repair & Maintenance	4,852,504	4,930,074



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Membership Fees	352,778	518,084
Miscellaneous Expenses	1,699,118	1,836,980
Listing Fees	260,000	331,193
CDSL Custody Fees	156,663	-
Postage, Courier & Telegrams	966,550	800,997
Printing & Stationery	1,988,560	1,852,132
Property Tax	51,894	318,798
Rent, Rates and Taxes	14,732,940	12,376,211
Provision on Standard Assets	(289,076)	339,981
Provision on Sub Standard Assets	342,500	(2,380,000)
Provision on Doubtful Assets	-	(1,700,000)
Penalty	302,916	-
ROC Filling Fee	89,370	27,159
Bad Debts	8,147,452	27,649,716
Website Design Expenses	66,430	37,100
Service Tax Expense	1,533,217	80,821
Swachh Bharat Cess Written off	60,866	254,719
VAT Expenses	227,888	-
GST Expenses	79,322	-
Conveyance Expenses	3,567,449	5,655,723
Telephone & Internet Charges	3,817,992	4,023,470
<b>Total</b>	<b>81,561,613</b>	<b>101,083,377</b>

**32. Earnings per Share**

<b>Particulars</b>	<b>For the Year ended 31.03.2018 Rupees</b>	<b>Previous Year ended 31.03.2017 Rupees</b>
Number of equity shares outstanding at the beginning of the year	161,120,380	158,139,860
Number of equity shares issued		
- bonus issue	-	-
- preferential allotment to the promoters/non promoters	-	-
- on account of equity shares to the promoters/non-promoters against share warrants	32,019,480	2,980,520
Number of equity shares outstanding at the end of the year	193,139,860	161,120,380
Weighted average number of shares		
a) Basic	179,542,547	158,548,150
b) Effect of dilutive equity shares on account of:		
- share warrants	-	48,519,480
c) Diluted	179,542,547	207,067,630
Profit/(Loss) after tax	84,022,056	40,189,376
Basic earnings/(loss) per share (Rs.)	0.47	0.25
Diluted earnings/(loss) per share (Rs.)	0.47	0.19
Nominal value per share (Rs.)	1	1

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 33. CONTINGENT LIABILITIES & COMMITMENTS

Particulars	For the Year ended 31.03.2018 Rupees	Previous Year ended 31.03.2017 Rupees
(i) Contingent Liabilities		
(a) Claims against company not acknowledged as debt (Refer Note 33.1)	195.89 Lacs	435.62 Lacs
(b) Guarantees (Refer Note 33.2)	14021 Lacs	4860 Lacs
(c) Other money for which the company is contingently liable	-	-
(ii) Commitments		
(a) Estimated Amounts of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investment partly paid up	-	-
(c) Other commitments	-	-

**33.1** Claims against the Company not acknowledged as debts for the year ended March 31, 2018 included demand from the Indian income tax authorities for payment of tax Rs. 195.89 Lacs.

Demands included addition u/s 68 of the Income tax Act, 1961. The addition arose on account of contention of the Id. A.O. by way of treating unsecured loan from Praveen Kumar Jain Group as cash credit.

The matter is pending before Commissioner of Income Tax – Appeals-47, Mumbai. The company is contesting the demand and the Management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have any adverse effect on the Company's financial position and results of operations.

(In Lacs)

Name of the Company	Amount as on 31.03.2018	For the Period
Mangal Credit & Fincorp Ltd	30.79	A.Y. 2014-15
	9.97	A.Y. 2013-14
Mangal Buildhome Pvt.Ltd.	143.25	A.Y.2013-14
Satco Capital Markets Ltd.	11.88	A.Y. 2011-12
	<b>195.89</b>	

In the matter of Rahul Bajaj v/s Satco Capital markets Limited of 2001, Appeal filed u/s 37 by Satco before Division Bench is pending for hearing. By Interim order dated 25th August 2016, Award u/s 34 of the Arbitration and Order u/s 36 of High Court is stayed. Further Satco has deposited Rs 7000000/- (Refer Note No 14 (iii)) as per the said order. As per the management's interpretation of the said order the eventual maximum liability, if any of the company shall be limited to such deposit.

### 33.2 The company has given the following guarantees:

- Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of Rs. 25.60 crore availed by M/s Mangal Buildhome Pvt. Ltd., subsidiary of the company.
- Guarantee to Fullerton India Credit India Pvt. Ltd. for Loan of Rs. 5 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- Guarantee to Indiabulls Home Loan for Loan of Rs. 1.55 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

- iv. Guarantee to Reliance Home Finance for Loan of Rs. 2.32 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- v. Guarantee to Bank of India for Loan of Rs. 30 crore availed by M/s Satco Capital Markets Ltd., subsidiary of the company.
- vi. Guarantee to HDFC for Loan of Rs. 63 crore availed by M/s Satco Capital Markets Ltd., subsidiary of the company.
- vii. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of Rs. 1 crore availed by M/s Mangal Extrusion Pvt. Ltd., which was subsidiary of the company during the year.
- viii. Satco Commodities Private Limited had issued bank guarantee on behalf of Stock Exchange for Rs. 275 lacs.
- ix. Satco Capital Market Limited had issued bank guarantee on behalf of Stock Exchange for Rs. 2760 lacs.

**34 FOREIGN CURRENCY TRANSACTIONS**

Particulars		For the Period ended 31.03.2018	For the Period ended 31.03.2017
i)	Value of Imported Components calculated on C.I.F. basis	Nil	Nil
ii)	Expenditure in Foreign Currency :-		
	Freight Expenses	516.12 Lacs	364.00 Lacs
	Insurance Expenses	3.26 Lacs	3.55 Lacs
	Membership Fees	0.34 Lacs	0.34 Lacs
	Endorsement Expenses	3.37 Lacs	2.67 Lacs
iii)	Earning in Foreign Currency	16.45 Lacs	15.85 Lacs
iv)	Value of exports on F.O.B basis	Nil	Nil
v)	Remittance in foreign currencies on account of dividend to non-resident Share Holders	Nil	Nil
vi)	Capital Commitment Outstanding	Nil	Nil

- 35. During the year following subsidiaries are disposed off - Chakshu Realtors Private Limited, Mangal Extrusion Private Limited, Standard Infra Developers Private Limited and Mangal Entertainment Private Limited.**

**The effect of disposal of subsidiaries on the financial position and results as included in the consolidated financial statements as at and for the year ended 31st March, 2018 are given below:**

In Lacs

<b>EQUITY AND LIABILITIES</b>	<b>AMOUNT</b>
Share Capital	28.00
Reserve & Surplus	31.69
Long Term Borrowings	154.57
Deferred tax liabilities - Net	0.44
Other Non Current Liabilities	250.00
Short Term Borrowings	1,015.96
Trade Payables	19.33
Other Current Liabilities	132.19
Short Term Provisions	1.57
	<b>1,633.76</b>

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

<b>ASSETS</b>	
Fixed Assets	688.13
Non Current Investments	58.95
Deferred Tax Asset - Net	0.20
Long term Loans and Advances	1.02
Other Non Current Assets	21.25
Inventories	26.39
Trade Receivables	115.17
Cash & Cash Equivalents	6.82
Short Term Loans and Advances	715.83
Other Current Assets	-
	<b>1,633.76</b>
<b>REVENUE</b>	
Revenue from Operations	625.41
<b>Other Income</b>	<b>4.19</b>
<b>EXPENSES</b>	
Purchases Cost	159.09
Changes in Inventory	13.24
Employee Benefits Expense	19.05
Finance Costs	70.81
Depreciation & Amortisation Expenses	1.44
Office & Administrative Expenditure	35.69
PROFIT/(LOSS) BEFORE TAX	330.28

**36. Employee Benefit****Satco Capital Market Pvt. Ltd.**

Provident Fund, Gratuity and Long Term Compensated Absences - disclosures as per Accounting Standard (AS) 15 (Revised) - Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006: Contributions are made to Government Provident Fund and Family Pension Fund and other statutory funds which cover all regular employees eligible under the respective acts. Both the employees and the Company make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs.11,75,049/- (Previous year Rs. 11,60,596/-) towards employer contribution for the above mentioned funds. Provision for Unfunded Gratuity and Long Term Compensated Absences for all employees is based upon actuarial valuation carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Profit and Loss account.

**Disclosures in respect of Gratuity and Compensated Absences:**

Changes in the present value of the Defined Gratuity Benefits Obligation representing reconciliation of opening and closing balance thereof:

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
1. Present Value of Defined Benefit Obligation as on 31-3-2017	2,287,336	1,920,416	288,985	301,307
2. Interest Cost @ (0.075)	171,550	153,633	21,674	24,105
3. Current Service Cost	265,082	204,286	868	(23,410)
4. Benefits Paid during the year ending 31-3-2018	(72,692)	(71,475)	(54,403)	(47,992)
5. Actuarial (Gain)/ loss on Defined Benefit Obligation	344,974	80,476	56,931	34,975
6. Present Value of Defined Benefit Obligation as on 31-3-2018	2,996,250	2,287,336	314,055	288,985

**Amounts to be recognised in the Balance Sheet as on 31-3-2018**

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
1. Present Value of the Defined Benefit Obligation:31-3-2018	2,996,250	2,287,336	314,055	288,985
2. Fair Value of Plan Assets: 31-3-2018	NIL	NIL	NIL	NIL
3. Liability recognised in Balance Sheet : 31-3-2018	2,996,250	2,287,336	314,055	288,985
Long-Term	-	10,411,066	-	-
Short-Term	2,996,250	(8,123,730)	314,055	288,985

**Amounts to be recognised in the statement of Profit & Loss for the year ended 31-3-2018**

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
1. Current Service Cost	265,082	204,286	868	(23,410)
2. Interest Cost on Obligation	171,550	153,633	21,674	24,105
3. Expected return on plan assets	NIL	NIL	NIL	NIL
4. Net Actuarial (gain)/loss recognised in the year ended 31.3.2018	344,974	80,476	56,931	34,975
5. Expenses recognised in the statement of Profit & Loss	781,606	438,395	79,473	35,670

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity and Compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	31st March, 2018	31st March, 2017
a) Rate of Interest	7.50% per annum	7.50% per annum
b) Salary Growth	7.5% per annum	7% per annum
c) Withdrawal Rate	1%	1%
d) Mortality Rates	Indian Assures Lives (2006-08) Ultimate Mortality Rates.	Indian Assures Lives (2006-08) Ultimate Mortality Rates.
e) Retirement Age	58 years	58 years

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### Satco Commodities Pvt. Ltd.

#### Employee Benefits:

Gratuity and Long Term Compensated Absences - disclosures as per Accounting Standard (AS) 15 (Revised) - Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006:

Provision for Unfunded Gratuity and Long Term Compensated Absences for all employees is based upon actuarial valuation carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Profit and Loss account.

#### Disclosures in respect of Gratuity and Compensated Absences:

Amount (Rs.)

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
1. Present Value of commitments (as per Actuarial valuation)	-	78,745	39,861	19,207
2. Net liability in the Balance sheet (as per Actuarial valuation)	-	78,745	39,861	19,207
3. Movement in net liability recognised in the Balance Sheet	-	-	-	-
4. Net liability as at the beginning of the year	78,745	64,279	19,207	18,997
5. Amount paid during the year	86,942	-	7,955	-
Net expenses recognised in the Profit and Loss Account	8,197	14,466	28,609	210

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity and Compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	31st March, 2018	31st March, 2017
a. Rate of Interest	7.5% per annum	7.75% per annum
b. Salary Growth	7.5% per annum	7% per annum
c. Withdrawal Rate	1%	1%
d. Mortality Rates	Indian Assures Lives (2006-08) Ult. Mortality Rates.	Indian Assures Lives (2006-08) Ult. Mortality Rates.
e. Retirement Age	58 years	58 years

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

### 37' SEGMENT INFORMATION :

#### A) Information about Business Segments- Primary MCFL

S. No.	Particulars	Finance	Construction	Marbles	Renting of Movable Assets	Broking	Logistics	Others	Elimination	Total
<b>1.</b>	<b>Segment Revenue</b>									
	Gross Revenue (a)	982.73	1,070.13	3,812.54	1,494.46	1,374.81	2,500.26	629.60	-	11,864.52
		<b>(842.65)</b>	<b>(246.87)</b>	<b>(1,529.04)</b>	<b>(1,539.44)</b>	<b>(1,183.63)</b>	<b>(2,453.96)</b>	<b>(760.22)</b>	-	<b>(8,555.83)</b>
	Inter Segment Revenue (b)	199.40	-	4.77	-	-	8.75	15.71	-	228.63
		<b>(-111.02)</b>	-	<b>(-0.95)</b>	-	-	-	<b>(-61.7)</b>	-	<b>(173.67)</b>
	<b>Total Revenue (a-b)</b>	<b>783.33</b>	<b>1,070.13</b>	<b>3,812.54</b>	<b>1,489.69</b>	<b>1,374.81</b>	<b>2,491.51</b>	<b>613.89</b>	-	<b>11,635.89</b>
<b>2.</b>	<b>Segment Result :</b>									
	Profit / (Loss) Before Taxation	623.02	90.02	65.28	653.58	410.06	117.88	33.97	-	1,993.81
		<b>(380.64)</b>	<b>(43.49)</b>	<b>(52.38)</b>	<b>(482.64)</b>	<b>(272.68)</b>	<b>(107.50)</b>	<b>(65.63)</b>	-	<b>(1,404.95)</b>
	Less :									
	1) Interest / Finance Cost	183.03	19.49	(1.55)	357.91	104.35	69.38	56.16	-	788.77
		<b>(125.42)</b>	<b>(0.26)</b>	<b>(14.48)</b>	<b>(327.53)</b>	<b>(79.23)</b>	<b>(48.10)</b>	<b>(72.13)</b>	-	<b>(667.16)</b>
	2) Other unallocated corporate expenses									
	Income Tax	167.62	13.68	6.46	32.54	28.69	14.31	0.43	-	263.73
		<b>(140.30)</b>	<b>1.41</b>	<b>(3.59)</b>	<b>(66.23)</b>	<b>(40.07)</b>	<b>(16.10)</b>	<b>(7.97)</b>	-	<b>(272.84)</b>
	Profit from Ordinary Activity	272.37	56.85	60.38	263.14	277.01	34.18	(22.63)	-	941.31
<b>3.</b>	<b>Other information :</b>									
	Segment Assets	6,288.72	4,200.30	1,962.65	4,200.30	5,100.73	1,203.44	-	-	22,956.15
		<b>(5,968.32)</b>	<b>(3,500.61)</b>	<b>(1,305.60)</b>	<b>(3,684.09)</b>	<b>(4,911.39)</b>	<b>(1,219.10)</b>	<b>(1,042.00)</b>	-	<b>(21,631.11)</b>
	Add : Unallocated common assets	-	-	-	-	-	-	-	-	-
	<b>Total Assets</b>	<b>6,288.72</b>	<b>4,200.30</b>	<b>1,962.65</b>	<b>4,200.30</b>	<b>5,100.73</b>	<b>1,203.44</b>	-	-	<b>22,956</b>
	Segment Liabilities	948.36	3,518.96	1,327.50	3,406.96	2,670.37	987.44	-	-	12,859.60
		<b>(7,130.00)</b>	<b>(3,271.65)</b>	<b>(1,303.10)</b>	<b>(3,479.61)</b>	<b>(2,340.61)</b>	<b>(1,119.10)</b>	<b>(1,052.54)</b>	-	<b>(19,696.61)</b>
	Add : Unallocated common liabilities	-	-	-	-	-	-	-	-	-
	<b>Total Liabilities</b>	<b>948.36</b>	<b>3,518.96</b>	<b>1,327.50</b>	<b>3,406.96</b>	<b>2,670.37</b>	<b>987.44</b>	-	-	<b>12,859.60</b>
4.	Capital Expenditure during the year:	-	-	286.38	-	37.36	-	-	-	323.74
5.	Depreciation and amortisation :	21.25	0.28	5.53	511.13	24.10	1.01	-	-	563.30
		<b>(31.35)</b>	<b>1.25</b>	<b>(0.79)</b>	<b>(803.52)</b>	<b>(39.88)</b>	<b>(1.93)</b>	<b>(39.42)</b>	-	<b>(915.64)</b>
6.	Add : Unallocated Depreciation	-	-	-	-	-	-	-	-	-
	Non - Cash Expenditure :	-	-	-	-	-	-	-	-	-

Note: Amount in brackets representation previous year figure.

**Note 38 Name of Related Parties and Relationships****S. Related Parties****No.****A Common Directors**

Ally Insurance Brokers Private Limited	Glanz Diam Private Limited
Bansiwala Real Estates Private Limited	Oyea Diamonds Private Limited
Dhakad Proprietries & Financial Services Private Limited	Shree Jaisal Electronics & Ind. Ltd.
E-Ally Commodities India Private Limited	Sumpragatti Enterprises Private Limited
E-Ally Consulting India Private Limited	Ekdanta Builders Pvt.Ltd.
E-Ally Equities India Private Limited	Vibrant Granite Private Limited
Mangal Meta Forging Private Limited	Shwet Developers Private Limited
Vijay Dwellers Private Limited	Shree Mangal Jewels Private Limited
Mangal Charitable Trust	Shree Ratna Mangal Jewels Private Limited
Mangal Extrusion	Shreeradhey Mangal Gold Chain Private Limited
Customer Centria Technologies LLP	Mangal Royal Jewels Private Limited
Mangal Mines & Minerals Private Limited	Swarn Bhavya Mangal Jewels Private Limited
CNX Corporation Ltd.	Shree Mangal Abhushan Private Limited
Vizonark Solutions Private Limited	D'han International Private Limited
Datamatics HR & Consultancy Private Limited	Satgurus
Aelera Technologies India Private Limited	Premium Financial Services Ltd
Magnetic Rent A Car Private Limited	Chakshu Realtors Pvt Ltd
Vizonark Business Technology Private Limited	
Woodland Constructions Private Limited	
Ecotech Informatics Private Limited	
Anjana Buildestate Private Limited	
Xangars Solutions Private Limited	
Saahil Global Business Private Limited	
Palkar Infraprojects Private Limited	

**List of Key Managerial Person****C. Key Management Personnel**

Sandeep Maloo	Ajit Jain
Meghraj Sohanlal Jain	Deepak Palkar
Neeta Maloo	Raghav Mucchal
Sunil Ramachandran Nair	Aushtosh Mantri
Nirupama Dattatray	Gurumurthy Ramchandran
Shyamkumar Madanlal Agarwal	Lokesh Jain
Ratish Suresh Tawde	Anaheeta R Balsara
Swati Sharma	Pathik M desai
Rajendra M Babani	
S T Gerela	
Naresh Tejwani	



**D. List of Relatives of Key Managerial Person**

Lokesh Devikal Jain	M. G. Babani HUF
Rayomand Balsara	Vinti Rajendra Babani
Bhavna Jain	Yash Rajendra Babani
Pathik Computers	Jaikrishna Naresh Tejwani
Meghraj Jain HUF	Sneha Naresh Tejwani
Sohanlal Jain	Rohan Naresh Tejwani
Sangeeta Babani	Chaitali Rajiv Gerela
Mohini Babani	Suneeta M Tejwani
Rajiv Srichand Gerela	
Prerana Srichand Gerela	

**E PROPRIETY CONCERNS OF DIRECTORS**

Ambaji Marbles  
Mantri Stonex

Note: Transaction from related parties are attached in Annexure - A1 to notes

**Name of Related Parties and Their Transaction**

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2017-18		2016-17	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
<b>Companies / Others under Common Control</b>					
E-Ally Commodities India Private Limited	Loan Repayment	67,933	-	62,682,145	-
	Loan Given	67,933	-	62,682,145	-
	Interest Received	-	-	140,336	-
E-Ally Consulting India Private Limited	Loan Taken	59,364	-	49,881,667	-
	Loan Repaid	59,364	-	65,925,579	-
	Interest Paid	-	-	1,161,852	-
	Sales	-	3,650	-	-
E-Ally Equities India Private Limited	Loan Given	25,641	-	246,361	-
	Loan Repaid	25,641	-	246,361	-
	Interest Received	-	-	5,864	-
	Other Reimbursements	-	-	1,000	-
E-Ally Securities India Private Limited	Loan Taken	16,321	-	20,125,000	-
	Loan Repaid	16,321	-	20,125,000	-
	Interest Received	-	-	156,182	-
Mangal Mines & Minerals Pvt Ltd	Loan Given	93,030	-	-	-
	Loan Repayment Received	93,030	-	-	-
	Interest Received	2,370	-	-	-
Shwet Developers Private Limited	Loan Taken	32,500,000	43,573,939	-	-
	Loan Repaid	5,579,000	-	-	-

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2017-18		2016-17	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Ecotech Informatics Private Limited	Interest Received	-	-	51,207	-
	Loan Given	-	-	1,460,000	-
	Loan Repaid	-	-	1,460,000	-
Woodland Constructions Pvt Ltd	Loan Given	10,000,000	-	-	-
	Loan Repaid	2,000,000	8,000,000	-	-
Shree Mangal Jewels Pvt.Ltd.	Reimbursement of Expenses	-	-	671,467	-
Mantri Stonex	Purchase of goods	466,769	-	-	-
	Sale of goods	-	-	15,973,569	3,973,569
	Receipts Against Debtor Balance	3,466,769	506,800	-	-
Satguru	Rent Payment	2,250,000	-	-	-
	Brokerage income	60,606	-	-	-
Chakshu	Rent Payment	42,000,000	-	-	-
Dhakad Properties & Financial Services Pvt Ltd	Brokerage income	116,807	-	-	-
Premium Financial Services Ltd	Brokerage income	2,057	-	-	-
<b>Key Management Person</b>					
Sandeep Maloo	Directors Remuneration	1,350,000	-	720,000	-
	Loan Taken	252,908,159	-	61,815,874	10,990,884
	Loan Repaid	255,811,528	33,444,013	72,692,894	-
	Interest Paid	2,935,538	2,099,241	173,401	6,061
	Sales	-	58,800	-	-
Meghraj Jain	Directors Remuneration	720,000	-	720,000	-
	Loan Taken	422,437,302	31,382,341	259,640,106	86,192,143
	Loan Repaid	477,247,104	-	173,447,963	-
	Interest Paid	8,299,840	-	1,199,380	9,442
	Shares Acquired	50,000	50,000	44,054,700	-
	Sales	148,690	166,690		
	Brokerage income	7,320			
Anaheeta R Balsara	Expenses Reimbursement	192,424	1,278	-	-
	Directors Remuneration	1,680,000	-	-	-
Pathik M Desai	Loan Taken	42,670	-	-	-
	Loan Repaid	42,670	-	150,000	-
	Interest Paid	-	-	-	-
	Bonus	-	-	45,000	-
	Director Remuneration	594,000	-	553,500	-
Akhilesh Bhatra	Loan taken	-	-	-	50,000
	Loan Repaid	50,000	-	-	-
Ashutosh Mantri	Director Remuneration	960,000	45,500	840,000	-

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2017-18		2016-17	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Raghav Mucchal	Director Remuneration	300,000	300,000	-	-
S T Gerela	Director Remuneration	1,490,000	-		
	Brokerage income	3,941			
Rajendra Babani	Director Remuneration	1,800,000	-	-	-
	Loan received	1,500,000	-	-	-
	Loan repaid	8,300,000	-	-	-
	Brokerage income	625	-	-	-
Naresh Tejani	Director Remuneration	1,800,000	-		
<b>Key Management Person's Relatives</b>					
Lokesh Devilal Jain	Loan Repaid	469,583	-	850,000	-
	Interest Income	-	-	67,182	-
	Expenses Reimbursement	112,171			
Sohanlal V Jain	Sale of Shares	3,104,610	3,104,610	-	-
Bhagwati M Jain	Sale of Shares	1,220,000	1,220,000	-	-
Harshvardhan Birani	Sale of Shares	1,950,000	1,950,000	-	-
Labh Chand Maloo	Sale of Shares	99,000	99,000	-	-
Raymond Balsara	Expenses Reimbursement	206,916	-	168,150	-
	Professional Charges Paid	1,370,000	-	900,000	-
Bhavna Jain	Salary Paid	400,000	49,800	600,000	-

**Note 39****Lease:**

The Company has significant leasing arrangements in respect of operating leases for premises and utilities. Operating lease rental charged to revenue amount to 1,19,67,183/- ( Previous year 94,42,714/-)

**Note 40**

The leverage ratio of the Non-Banking Finance Company is less than 7 as per norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

**Note 41**

The company has complied with norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

**Note 42****Additional disclosures:****Capital to Risk Assets Ratio (CRAR)**

Particulars	March 31, 2018	March 31, 2017
CRAR (percent)	82.81%	63.11%
CRAR - Tier I Capital (percent)	82.81%	63.11%
CRAR - Tier II Capital (percent)	0.00	0.00

**Note 43**

Loan portfolio classification and provision (As per RBI Prudential Norms)

(Rs. in Lacs)

Particulars	Gross Loan Outstanding		Provision For Standard Assets		Net Loan Outstanding	
	March, 2018	March, 2017	March, 2018	March, 2017	March, 2018	March, 2017
Standard Asset	5087.01	6244.99	12.72	15.61	5074.30	6229.38
Sub Standard Asset	61.25	27.00	6.12	2.70	55.12	24.30
Doubtful Asset	-	-	-	-	-	-
Loss Asset	-	-	-	-	-	-
<b>Total</b>	<b>5148.26</b>	<b>6271.99</b>	<b>18.84</b>	<b>18.31</b>	<b>5129.42</b>	<b>6205.08</b>

**Note 44**

Schedule to the Balance Sheet of Non-Deposit Taking Non-Banking Financial Company

(as required in terms of paragraph 18 of chapter IV - Prudential Regulations of Master Directions – Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking company (Reserve Bank) Directions, 2016)

(Rs. in Lacs)

S. No.	Particulars	Amount Outstanding	Amount Overdue
	<b>Liability side:</b>		
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		
	(a) Debenture : Secured	-	-
	Unsecured (Other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-Corporate Loans and Borrowings	593.50	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*		
	(g) Other Loans;	-	-
	- Bank Overdraft	-	-
	- Loan from Directors	196.82	-
*Please see Note (a) Below			

<b>(2)</b>	<b>Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured Debenture	-	-
	(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-
	(c) Other Public Deposits	-	-
*Please see Note (a) Below			

(Rs. in Lacs)

<b>S. No.</b>	<b>Particulars</b>	<b>Amount Outstanding</b>
	<b>Assets Side :</b>	
<b>(3)</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
	(a) Secured	801.17
	(b) Unsecured	4347.09
<b>(4)</b>	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financing Lease	-
	(b) Operating Lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Asset on hire	-
	(b) Repossessed Asset	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where asset have been repossessed	-
	(b) Loans other than (a) above	-
<b>(4)</b>	<b>Break-up of Investments :</b>	
	<b>Current Investments :</b>	
	<b>1. Quoted</b>	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	<b>2. Unquoted</b>	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	<b>Long Term Investments :</b>	
	<b>1. Quoted</b>	
	(i) Shares : (a) Equity	-

S. No.	Particulars	Amount Outstanding
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted	
	(i) Shares : (a) Equity	2663.27
	(b) Preference	400.00
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others – Investment in Land	141.04

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**

Please see Note (b) below

(Rs. in Lacs)

Category		Amount Net of Provisions		
		Secured	Unsecured	TOTAL
<b>1.</b>	<b>Related Parties</b>			
(a)	Subsidiaries	-	927.85	927.85
(b)	Companies in the same group	-	-	-
(c)	Other related parties	-	-	-
<b>2.</b>	<b>Other than related parties</b>	<b>801.17</b>	<b>3419.24</b>	<b>4220.41</b>
	<b>TOTAL</b>	<b>801.17</b>	<b>4347.09</b>	<b>5148.26</b>

**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Please see Note (c) below

(Rs. in Lacs)

Category		Market Value Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1.</b>	<b>Related Parties</b>		
(a)	Subsidiaries	2259.22	1774.51
(b)	Companies in the same group	-	-
(c)	Other related parties	-	-
<b>2.</b>	<b>Other than related parties</b>	<b>1288.76</b>	<b>1288.76</b>
	<b>TOTAL</b>	<b>3547.98</b>	<b>3063.27</b>

**8. Other Information:**

	<b>Amount Outstanding</b>	
(i)	Gross Non-Performing Assets	
(a)	Related Parties	-
(b)	Other than related parties	61.25
(ii)	Net Non-Performing Assets	
(a)	Related Parties	-
(b)	Other than related parties	55.12
	Assets acquired in satisfaction of debt	-

**Sub Notes:**

- As defined in point xix of paragraph 3 of chapter II of Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking company (Reserve Bank) Directions, 2016
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

**Note 45: Previous Year Figures**

Previous year figures have also been regrouped, re-arranged and reclassified wherever necessary to confirm to the current year's classification.

**In terms of our audit report of even date****FOR MGB & Co. LLP**

Chartered Accountants  
FRN: 101169W/W-100035

**Sandeep Jhanwar**

Partner  
M.No. 078146

**Madhuri Prakash Survase**

Company Secretary  
M. No.: 32975

**For and on behalf of the board of directors****Mangal Credit & Fincorp Ltd****Meghraj Jain**

Managing Director  
DIN: 01311041

**Sandeep Maloo**

Managing Director  
DIN: 01145616

Place: Mumbai

Date : 21st May, 2018



## MANGAL CREDIT AND FINCORP LIMITED

(FORMERLY KNOWN AS "TAK MACHINERY AND LEASING LIMITED")

CIN: L65990MH1961PLC012227

**REGISTERED & CORPORATE OFFICE**

Office No- 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Graham Firth Steel Compound,  
Western Express Highway, Goregaon (East), Mumbai-400063

### Attendance Slip

1. Name(s) & Registered Address Of the sole / first named Member :	
2. i) Registered Folio No.: ii) DP ID No & Client ID No. [Applicable to Members Holding shares in dematerialized Form]	
3. Number of Shares(s) held:	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 56th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 3.30 p.m at Plot No-44/47 , Shivam Hall , RSC-13 , Gorai - 2 , Next to Mangal Murti Hospital , Above Hanuman Mandir , Gorai Bridge Shop , Borivali (W) , Mumbai -400091

\_\_\_\_\_  
Member's / Proxy's signature

----- Cut Here -----

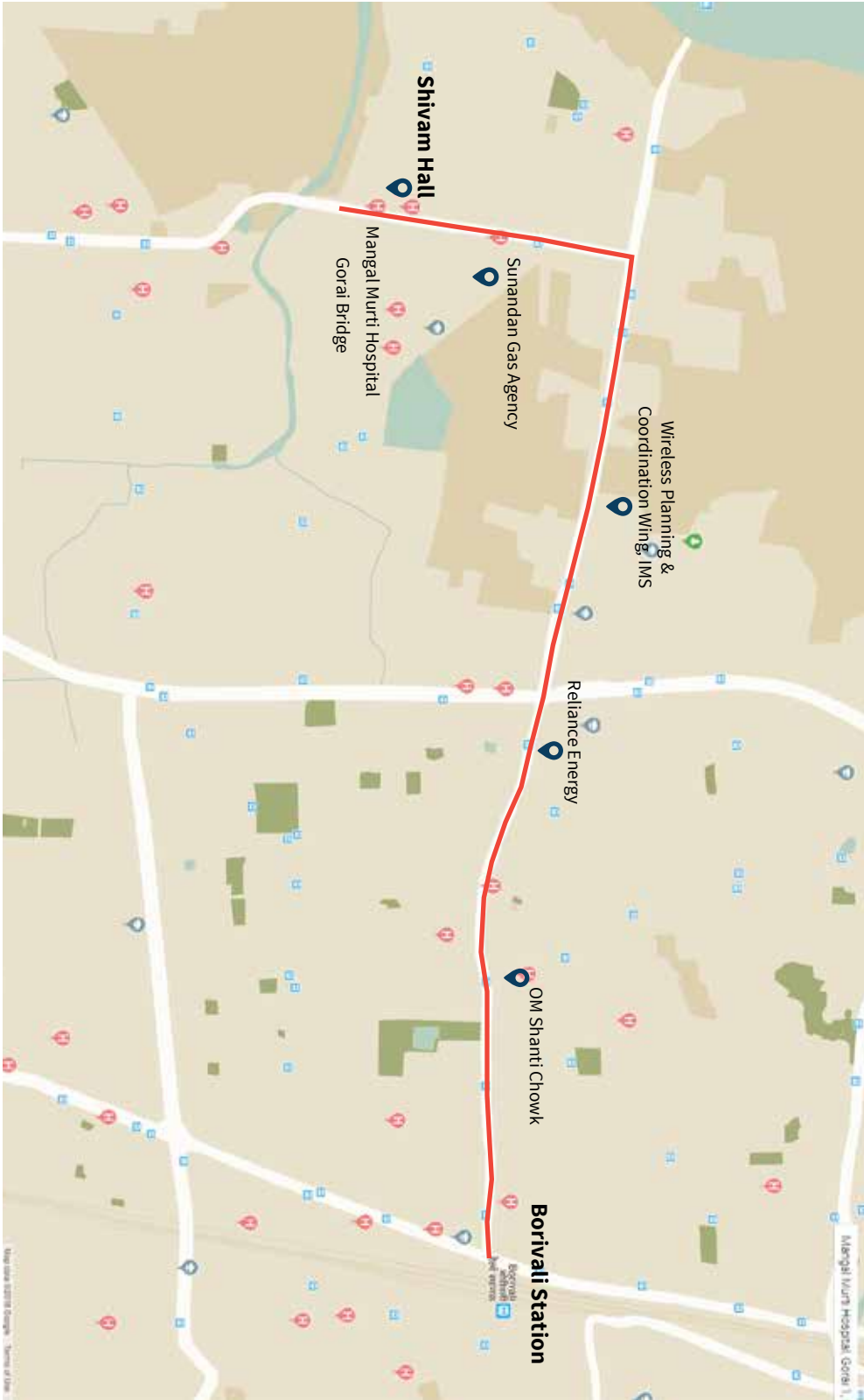
### ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
180831098		

**Note :** Please read the complete instructions given under the Note 14 ( The instructions for shareholders voting electronically) to the Notice of 56th Annual General Meeting. The remote e-voting time starts on September 24, 2018 at 9.00 a.m and ends in September 28, 2018 at 5.00 p.m. The voting module shall be disabled by CDSL for voting thereafter.



# Route Map



Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2,  
Next to Mangal Murti Hospital,  
Above Hanuman Mandir, Gorai Bridge Stop,  
Borivali (W), Mumbai-400091



# MANGAL CREDIT AND FINCORP LIMITED

(FORMERLY KNOWN AS "TAK MACHINERY AND LEASING LIMITED")

**CIN:** L65990MH1961PLC012227

## REGISTERED & CORPORATE OFFICE

Office No- 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Graham Firth Steel Compound,  
Western Express Highway, Goregaon (East), Mumbai-400063

### PROXY FORM

#### (Form No. MGT - 11)

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

CIN : L65990MH1961PLC012227

NAME OF THE COMPANY : MANGAL CREDIT AND FINCORP LIMITED

REGISTERED OFFICE : 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Graham Firth Steel Compound,  
Western Express Highway, Goregaon (East), Mumbai-400063.

CORPORATE OFFICE : 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Graham Firth Steel Compound,  
Western Express Highway, Goregaon (East), Mumbai-400063.

Name of the member(s) :

Registered Address :

Folio No. / Client ID :

DP ID :

Email ID :

I/We, being the member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint:

1. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
2. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
3. Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 3:30 p.m at Plot No-44/47 , Shivam Hall , RSC-13 , Gorai - 2 , Next to Mangal Murti Hospital , Above Hanuman Mandir , Gorai Bridge Shop , Borivali (W) , Mumbai -400091.

SR NO	ITEM NO.	I ASSENT TO THE RESOLUTION	I DISSENT FROM THE RESOLUTION
1.	To receive, consider and adopt the Annual Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31stMarch, 2018 and the Reports of the Board of Directors and Statutory Auditors thereon;		
2.	To declare the final dividend on equity shares for the financial year ended 31stMarch, 2018		
3.	To appoint a Director in place of Mr. Meghraj S. Jain (DIN:01311041),who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment		
4.	To appoint a Director in place of Mr. Sandeep Maloo (DIN: 01145616),who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment		
5	To re-appoint Mr. Meghraj Jain (DIN: 01311041) as Managing Director		
6.	To appoint Mr. Naval Maniyar(DIN: 0665440) as Executive Director of the Company		
7.	To appoint Mr. Srichand Teckchand Gerela (Din: 01565534) as Non-Executive Director of the Company		
8.	To appoint Mrs. Nirupama Dattatray (Din: 01605060)as an Independent Director of the Company		
9.	To appoint Mr. Abhishek Jain (Din: 02147449)as an Independent Director of the Company		
10.	To appoint Mr. Ramanathan Annamalai (Din: 02645247)as an Independent Director of the Company		
11.	To Consolidate The Equity Shares Of The Company		

Place:

Affix One Rupee  
Revenue Stamp

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

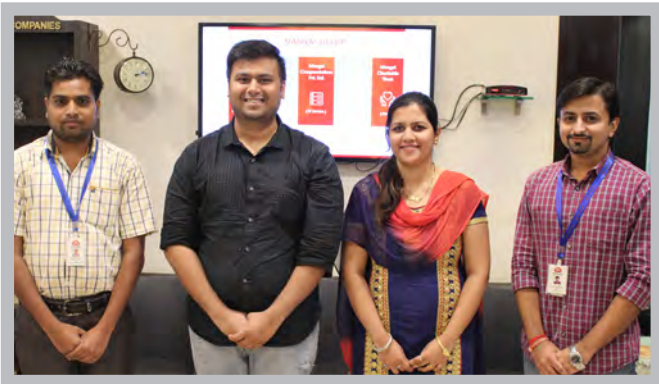
(SIGNATURE OF SHAREHOLDER)

Signature of Proxy holder(s) \_\_\_\_\_

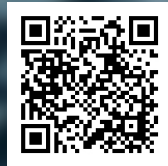
**Notes:**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy. However, such person shall not act as proxy for any other shareholders.

# MCFL Team







**THE ANNUAL REPORT ONLINE**

This 2018 Annual Report can also be downloaded as a PDF file from our website online at

<http://www.mangalfincorp.com/uploads/annual-report/>



**Address:** A-1701-1702, Lotus Corporate Park, Ram Mandir Road,  
Off Western Highway, Goregaon (East), Mumbai - 400 063,  
Phone: +91 22 4246 1300, Fax: +91 22 4246 1310, E-mail: [info@mangalfincorp.com](mailto:info@mangalfincorp.com)