



MANGAL
CREDIT & FINCORP LIMITED

MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS "TAK MACHINERY AND LEASING LIMITED")

53RD ANNUAL REPORT 2014-2015

BOARD OF DIRECTORS

Mr. Meghraj Sohanlal Jain
Mr. Sandeep Maloo
Mr. Ajitkumar Sohanlal Jain
Mrs. Neeta Maloo
Mr. Sunil Ramachandran Nair
Mr. Bhagwan Shrinivas Sarda
Mr. Ramasubramanian Shankaran
Mr. Pankaj Dinesh Jain
Mrs. Nirupama Dattatray
Mr. Atul Jain
Mr. Labh Chand Maloo

*Appointment 30/05/2015
Resigned on 30/12/2014
Resigned on 19/04/2014*

BOARD COMMITTEE

Audit Committee

Mr. Sunil Ramachandran Nair
Mr. Sandeep Maloo
Mr. Atul Jain
Mr. Ramasubramanian Shankaran

Stakeholders Relationship Committee

Mr. Sunil Ramachandran Nair
Mr. Sandeep Maloo
Mr. Atul Jain
Mr. Pankaj Dinesh Jain

Remuneration Committee

Mr. Sunil Ramachandran Nair
Mr. Sandeep Maloo
Mr. Atul Jain
Mr. Ramasubramanian Shankaran

CHIEF FINANCIAL OFFICER

Mr. Sandeep Maloo

BANKERS

The Bharat Co-operative Bank
Axis Bank

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

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills
Compound, L.B.S. Marg,
Bhandup (W), Mumbai-400078

AUDITOR

M/S MGB & Co. LLP,
Chartered Accountants

LISTING ON THE STOCK EXCHANGES

The Company's shares are listed on:

1. Bombay Stock Exchange Limited
2. Ahmedabad Stock Exchange Limited

CONTENTS

| | |
|--|----|
| Board of Directors | 02 |
| Chairman Speech..... | 04 |
| Notice | 06 |
| Directors Report | 13 |
| • Extract of AR MGT-9 | 19 |
| • Secretarial Audit Report | 28 |
| • Report on Corporate Governance | 31 |
| • Management Discussion & Analysis Report..... | 40 |
| Auditors Reports on Standalone Accounts | 43 |
| Balance Sheet | 49 |
| Profit & Loss Account | 50 |
| Cash Flow Statement | 51 |
| Notes of Financial Statement | 53 |

53RD ANNUAL GENERAL MEETING

DAY : Wednesday
DATE : 30/09/2015
TIME : 10 a.m. to 12 noon
PLACE : AIPMA House, A-52,
3rd Floor, Street No.
1, M.I.D.C. Marol,
Andheri (East),
Mumbai-400093

CHAIRMAN MESSAGE

Dear Shareholders,

I welcome you all to the 53rd Annual General Meeting of our Company, Mangal Credit and Fincorp Limited.

The Annual Report, including the Audited Accounts of the Company has been with you, and with your consent, I shall take it as read.

During the year 2014-15, your Company reported consolidated revenue of Rs. 23339.09 lacs as compared to the previous year's consolidated revenue of Rs. 21458.69 lacs. This resulted in a consolidated Profit of Rs. 195.89 lacs vis--vis a consolidated Profit of Rs. 289.45 Lac in FY 2013-14.

Economic Outlook

I'll restrict myself to a couple of issues that have brightened the outlook for the finance sector. India today presents a credible picture of an economy on the mend, facilitated by the renewed thrust on reforms. While our fiscal and current account deficits together with a weakening rupee are a major concern, the outcome of reforms, assuming the momentum is sustained, will take some time to reflect in the real economy.

Performance

Fiscal year 2014-15 was challenging as the Company has to reduce investment and loans and advances given to the subsidiary Companies. As the Company is required to maintain CRAR as per the RBI Guidelines of NBFC-ND-SI .Apart from such challenges the company has maintained its profitability level. Consequently, profit after tax stood at Rs. 92.77Lacs as compared to 87.14 Lacs in the previous year.

Looking Forward

I began with a reference to our resilience. Recent challenges have helped us evolve into a more risk-focused and resilient organization and with the recent experiences in mind, we will continue to operate with caution and prudence.

I am indebted to all our stakeholders—the distinguished shareholders, employees, our lending banks and financial institutions, our foreign and domestic investors, the regulatory bodies, and the government—for their support and guidance.



Meghraj S Jain
Chairman

Powered by the contributions and good wishes of all its stakeholders, MANGAL is well positioned to achieve its true potential in the years to come.

Corporate Governance:

Your Company is a loyal adherent to the principles of Corporate Governance and considers it as an ethical requisite than a regulatory issue and believes that the best results are achieved with the highest standards of Corporate Governance. Accordingly, the company has set very high standards of Corporate Governance.

With Best Wishes

Sd/-

Meghraj Jain
Chairman & Managing Director

Date: 25th August, 2015

MANGAL CREDIT AND FINCORP LIMITED
(Formerly known as "Tak Machinery And Leasing Limited")

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

CIN: L65990MH1961PLC012227

NOTICE

Notice is hereby given that the Fifty Third Annual General Meeting of the shareholders of **Mangal Credit and Fincorp Limited** will be held on Wednesday, 30th September 2015 at the AIPMA House, A-52, 3rd Floor, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai-400093 10.00 a.m., to transact the following business:

ORDINARY BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolution as ORDINARY RESOLUTION-

1. **"RESOLVED THAT** the audited balance sheet of the Company as at 31st March 2015 and statement of profit and loss for the year ended on that date and reports of the directors and auditors thereon, as placed before the meeting be and are hereby adopted."
2. **"RESOLVED THAT** Mrs. Neeta Maloo (DIN: 01160790) a director in the Company, who retires at this meeting by rotation and being eligible, has offered herself for re-appointment, be and is hereby appointed as director of the Company."
3. **"RESOLVED THAT** in accordance with the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s MGB & Co. LLP, Chartered Accountants, (FRN: 101169W/W-100035) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of 56TH Annual General Meeting at such remuneration plus service tax, out-of pocket, travelling and living expenses, etc., as may be agreed upon by mutual consultation.

SPECIAL BUSINESS

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

4. **TO REGULARIZE THE APPOINTMENT OF MS. NIRUPAMA DATTATRAY AS A DIRECTOR OF THE COMPANY:**

"RESOLVED THAT Ms. Nirupama Dattatray who was appointed by the Board of Directors as an Additional Director of the Company and who holds the office upto the date of this Annual General Meeting of the Company ("the Act"), in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act, proposing her candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company, whose period of office will be liable to retire by rotation."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorized to take all necessary or desirable steps for the purpose of giving effect to this appointment and matters incidental thereto."

5. **INCREASE THE BORROWING LIMIT OF THE COMPANY BY THE POWERS OF BOARD OF DIRECTORS**

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

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow any sum or sums, from time to time, notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's banker in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserve not set apart for any specific purpose, provided however, that the total amount so borrowed shall not exceed Rs. 500 Cr. (Rupees Five Hundred Crores Only)."

"RESOLVED FURTHER THAT any of the director be and is hereby authorised to file necessary forms with the ROC."

6. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded to the alteration of the Articles of Association of the Company by way of substituting the existing set of Articles of Association by adopting a new set of Articles of Association in accordance with the Table F of Schedule I to the Companies Act, 2013."

"RESOLVED FURTHER THAT Mr. Meghraj S. Jain, Managing Directors of the Company be and is hereby authorised to sign and to undertake/arrange filing of such forms etc. with the Registrar of Companies, Maharashtra, Mumbai.

7. APPROVAL FOR ENTERING INTO RELATED PARTY TRANSACTIONS BY THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum, as mentioned herein Formatting part of Notes on Accounts Annexure "A1".

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

By order of the Board
For Mangal Credit and Fincorp Limited
Sd/-
(Mr. Meghraj S Jain)
Chairman & Managing Director
DIN: 01311041

Place: Mumbai
Date: 25th August, 2015

NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The Register of Members and Share Transfer Books of the Company will be closed from 24th September, 2015 to 30th September, 2015 (both days inclusive).
- C. Members are requested to intimate immediately any change in their address to Company's Registrars and Share Transfer Agents, M/s. Link Intime India Pvt Ltd., C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400 078.
- D. Members are requested to bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
- E. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
- F. Members/beneficial Owners are requested to quote their full name as per Company's record, Folio No. / DP and Client ID Nos. as the case may be, in all correspondence with the company.
- G. 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.
- H. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- I. If the dividend on shares is passed at the Meeting, payment of such dividend will be made on or before 30th October, 2015 to those members whose names appears on the Company's Register of Members as on 23rd September, 2015.
- J. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is providing its members with the option of voting by electronic means the Board of Directors have appointed **Mr. Vijay Tiwari, Practising Company Secretary**, who shall scrutinize the electronic voting process at the Fifty Third Annual General Meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th September, 2015 (9.00 A.M.) and ends on 29th September, 2015 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, 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.
- (iii) Click on Shareholders.
- (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:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| 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. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (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 on 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 for the relevant MANGAL CREDIT AND FINCORP LIMITED on which you choose 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 out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same 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) 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 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.
 - 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 should be mailed to 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.
- (xix) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

Item No.4

It was necessary to expand the existing business activities of the Company with the help of expert marketing candidate.

Hence, the Board of Directors has appointed Ms. Nirupama Dattatray as an Additional Director of the Company with effect from 30th May, 2015.

According to provision of Section 161 of the Companies act 2013, the above Director holds office up to the date of the Annual General Meeting and his appointment needs to be regularized in the ensuing annual general Meeting. As required by Section 160 of the Companies Act, 2013 a notice has been received from a Member signifying her intention to propose the appointment of Ms. Nirupama Dattatray as Director in the forthcoming Annual General Meeting.

Hence, necessary resolution is placed before the Meeting for member's approval.

None of the Director is interested in the resolution.

Directors recommend the resolution as proposed in the Notice for member's approval.

Item No. 5

The Company is required to increase the borrowing limit up to INR 500 crore (Five Hundred Crores Only) in order to fulfill the financial need and to expand the existing business activities of the Company. Accordingly, with the Section 180(1)(c) of the Companies Act, 2013, brought into effect from 12th September, 2013 will require to obtain prior approval of shareholders. It is therefore, necessary for the members to pass Special Resolution under Section 180(1)(c), and other applicable provisions of the Companies Act, 2013, as set out at Item Nos. 5 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company. Approval of the members is being sought to borrow money up to INR 500 Crores (Indian Rupees Five Hundred Crores Only) in excess of the aggregate of the paid-up share capital and free reserves of the Company.

Item No. 6

The existing set of Articles of Association of the Company is based on the Companies Act, 1956. With the enactment of the new Companies Act, 2013 and rules framed thereunder, the provisions of Companies Act, 1956 are getting repealed in a phased manner. The regulations in the existing Articles of Association contain references to the specific sections of the Companies Act, 1956.

In view of the above, it advisable to replace wholly the existing Articles of Association by a new set of Articles. The new Articles of Association to be substituted in place of the existing Articles of Association are based on Table 'F' of the Companies Act, 2013 which sets out the model Articles of Association for a company limited by shares.

Item No. 7

Approval for entering into Related Party Transactions by the Company

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up share capital of rupees Ten crore or more, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;

3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

The Board of Directors of the Company took note that the Company being in existence for last three decades has developed into a financial institution with efficient systems, competent credit management practices and stringent operational control processes, thus, may extend the required support to its associate Companies. In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

ANNEXURE TO THE NOTICE

Information pursuant to Clause 49 of the Listing Agreement:-

Brief details in respect of the Directors seeking re-appointment at the Annual General Meeting:

| | |
|---------------------------|--|
| Names of Directors | Mrs. Neeta Maloo |
| Date of Birth | 15/04/1976 |
| Date of Appointment | 22/03/2011 |
| Qualifications | M.B.A. |
| Profession | Business |
| Other Directorships | Scarled Computech Pvt. Ltd. Viraasat Gems & Jewels (Retail) Pvt. Ltd. Mangal Global Marbles Pvt. Ltd. Customer Centria Technologies LLP |

**By order of the Board
For Mangal Credit and Fincorp Limited**

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

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, Maharashtra, 400063.
CIN: L65990MH1961PLC012227

DIRECTOR'S REPORT

To

The Members

Mangal Credit and Fincorp Limited

Your directors have pleasure in presenting the 53rd Annual Report of the Company for the year ended 31st March 2015.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March 2015 is summarized as under:

(Rs. In Lacs)

| PARTICULARS | STANDALONE | | CONSOLIDATED | |
|--|-----------------|-----------------|-----------------|-----------------|
| | F.Y. 2014-15 | F.Y. 2013-14 | F.Y. 2014-15 | F.Y. 2013-14 |
| Revenue From Operation | 1166.8 | 1108.76 | 23339.09 | 21458.69 |
| Other Income | 214.97 | 96.8 | 781.43 | 337.02 |
| Total Income | 1381.77 | 1205.56 | 24120.52 | 21795.71 |
| Profit Before Depreciation, Extra Ordinary Items & Tax | 211.02 | 150.21 | 967.31 | 571.11 |
| Less: Depreciation & Amortisation | 72.19 | 39.62 | 566.86 | 164.08 |
| Profit Before Extra Ordinary Items & Tax | 138.83 | 110.59 | 400.45 | 407.03 |
| Less: Extra Ordinary Items | Nil | 2.57 | Nil | 2.57 |
| Profit Before Tax | 138.83 | 108.02 | 400.45 | 404.46 |
| Provision for Current Taxation | 57 | 26.79 | 139.64 | 95.91 |
| Deffered Tax Expenses/(Income) | (10.75) | (3.57) | 1.71 | 2.33 |
| Prior Period Tax Adjustment | (0.19) | (2.34) | 0.02 | 3.5 |
| Mat Credit Entitlement | Nil | Nil | (9.33) | -0.95 |
| Less: Minority Interest | Nil | Nil | 72.51 | 14.21 |
| Less: Share in Profit/(Loss) of Associates | Nil | Nil | | Nil |
| Net Profit After Tax | 92.77 | 87.14 | 195.9 | 289.45 |
| Balance Brought forward | 794.69 | 757.95 | 996.41 | 757.89 |
| Amount Available for Appropriation | 887.46 | 845.09 | 1192.33 | 1047.34 |
| Appropriations : | | | | |
| Proposed Dividend | 7.04 | 28.18 | 7.04 | 28.18 |
| Dividend Tax | 1.44 | 4.79 | 1.44 | 4.79 |
| Transfer to General Reserve | Nil | Nil | Nil | Nil |
| Transfer to Statutory Reserve Fund | 18.56 | 17.43 | 18.56 | 17.43 |
| Loss of Standard Medserve brought Forward | Nil | Nil | Nil | Nil |
| Minority losses in excess of their Equity | Nil | Nil | 50.05 | 0.53 |
| Fixed assets traf. To retained earnings | | | 2.07 | Nil |
| Balance Carried forward | 860.42 | 794.69 | 1113.15 | 996.41 |

REVIEW OF OPERATIONS

During the year under review, the finance division has performed well. Accordingly, the Company has achieved total revenue of Rs.1381.77 Lacs and net profit after after tax is Rs.92.77 lacs for the current year against the previous year total revenue of Rs.1205.56 lacs and net profit after tax Rs.87.14.

DIVIDEND

Your Directors are pleased to recommend a dividend of paise. 0.50 per Equity Share (i.e. 5%) for the year ended, 31st March, 2015. There will be no deduction of tax at source. The provision for dividend payable is accounted on 1408815 Nos. equity shares.

FIXED DEPOSITS

The Company has not accepted any fixed deposits and is not holding any fixed deposits accepted at the close of the financial year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Board comprises of efficient and able directors who have vast experience in this line of business. Mrs. Neeta Maloo retires at the ensuing Annual General Meeting by rotation and being eligible, offers them selves for re-appointment as Director.

During the year under review, Mr. Labhchand Maloo, Non Executive Director and Mr. Atul Jain, Independent Director of the Company had resigned from the Board on 19th April, 2014 and 30th December, 2014 respectively.

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 & Chief Financial Officer |
| 2. Mr. Meghraj Jain | - Managing Director |
| 3. Mrs. Neeta Maloo | - Director |
| 4. Mr. Ajitkumar Sohanlal Jain | - Whole Time Director |

Remuneration and other details of Key Managerial Personnel for the year ended 31st March, 2015 are stated in the extract of the Annual Return.

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, 2015 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.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

Pursuant to provisions of Sexual Harassment of women at work place (Prosecution, Prohibition and Redressal) Act, 2013 and rules made there under, Company has adopted a policy with effect from 14th February, 2015.

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.

| S. No. | 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: 101169W/W-100035) who are the Statutory Auditor of the Company; hold the office until the conclusion of the ensuring Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for four years to hold the office from the conclusion of this AGM till the conclusion of the Fifty Seventh Annual General Meeting subject to ratification of their appointment at every Annual General Meeting. The Company has received the Certificate under Section 139(1) of the Companies Act, 2013 read with Companies (Audit and Auditors), Rules, 2014 from the Auditor.

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.

1. Para No. 2 of Matter of Emphasis of Auditor's Report on Standalone Financial Statement relating to Note No. 28 of Standalone Financial Statement & Para No. 2 of Matter of Emphasis of Auditor's Report on Consolidated Financial Statement relating to Note No. 33 of Consolidate Financial Statement describing fact of search and seizure proceedings u/s 132 of the Income Tax Act, 1961. Your director clarify that the matter is self explanatory.
2. Para No. 3 Matter of Empahsis of Auditor's Report on Consolidate Finanaical Statement relating to Note No. 32 of Consolidated Financial Statement with regards to the provisional attachment of funds upheld by the Enforcement Directorate (ED), involving balance of one of subsidiary lying in trading account with India Infoline Limited. The matter is sub judice. The attachment order is also contested by the company in the Tribunal. The subsidiary company is confident that the outcome of the case will have no adverse impact on that company and its functioning.

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. Sunil Ramachandran Nair | - Chairman |
| Mr. Sandeep Maloo | - Member |
| Mr. Ramasubramanian Shankaran | - Member |
| Mr. Atul Jain | - Member (Resigned on 30/12/2014) |

The above composition of the Audit Committee, interalia, consists of independent Directors viz., Mr. Sunil Ramachandran Nair and Mr. Sandeep Maloo 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 employees and 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 requirements of the Companies Act, 2013 and the listing agreement with the Stock Exchanges, the name of the Committee was further changed to Stakeholders Relationship Committee.

The Composition of Committee is as under:

Mr. Sunil Ramachandran Nair
Mr. Sandeep Maloo
Mr. Atul Jain (Resigned on 30th December, 2014)
Mr. Pankaj Dinesh Jain

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 $\frac{1}{2}$ 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. Sandeep Maloo
Mr. Sunil Ramachandran Nair
Mr. Atul Jain (Resigned on 30th December, 2014)
Mr. Ramasubramanian Shankaran

The above composition of the Nomination and Mr. Sunil Ramachandran Nair and Mr. Sandeep Maloo, 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 Kumar 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, 2015.

M/s Vijay Kumar 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 Clause 49 of the Listing Agreement, 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 and Compliance 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 that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and Board for approval. The details are attached as mentioned herein Formatting part of Notes on Accounts **Annexure "A1"**.

CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a way of business life rather than legal compulsion. Your Directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India (SEBI) codified as Clause 49 of the Listing Agreement with Stock Exchanges. Corporate Governance Report as well as Corporate Governance compliance certificate by Secretarial Auditors is set out in separate Annexure to this report marked as Annexure on secretarial audit report. Management Discussion Analysis Report forms a part of Directors Report and marked as **Annexure C**.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 9 (Nine) 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.

WHOLLY OWNED SUBSIDIARY

The Company has Satco Commodities Private Limited as wholly owned subsidiary company.

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 Clause 49 of the Listing Agreement, 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.

The Risk management committee was constituted as on 14.02.2015

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: 30th May, 2015

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[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 | Chakshu Realtors Private Limited | U45202MH2010PTC210396 | Subsidiary | 99.99% | Section 2(87) |
| 2 | Ekadanta Builders Private Limited | U45200MH2010PTC203414 | Subsidiary | 93.69% | Section 2(87) |
| 3 | Indtrans Container Lines Private Limited | U63010MH2010PTC199252 | Subsidiary | 60.00% | Section 2(87) |
| 4 | Mangal Buildhome Private Limited | U45201MH2010PTC259841 | Subsidiary | 74.99% | Section 2(87) |
| 5 | Mangal Bullion Private Limited | U36911MH2009PTC197801 | Subsidiary | 59.99% | Section 2(87) |

| | | | | | |
|----|--|-----------------------|----------------|--------|---------------|
| 6 | Mangal Compusolution Private Limited | U72900MH2011PTC216111 | Subsidiary | 99.99% | Section 2(87) |
| 7 | Mangal Entertainment Private Limited | U74999MH2012PTC230698 | Subsidiary | 99.99% | Section 2(87) |
| 8 | Mangal Global Marbles Private Limited | U14200RJ1998PTC014672 | Subsidiary | 60.00% | Section 2(87) |
| 9 | Mangal Royal Jewels Private Limited | U36912MH2012PTC234205 | Subsidiary | 69.99% | Section 2(87) |
| 10 | Mangal Synnove Energies Private Limited | U37100MH2011PTC224733 | Subsidiary | 99.02% | Section 2(87) |
| 11 | Mangal Timber And Laminate Private Limited (formerly known as Mangal Timber Private Limited) | U20299MH2010PTC204406 | Subsidiary | 99.99% | Section 2(87) |
| 12 | Mayur Abodes Limited | U55101RJ2008PLC027239 | Subsidiary | 0 | Section 2(87) |
| 13 | Satco Capital Markets Limited | U65990MH1989PLC051506 | Subsidiary | 51.00% | Section 2(87) |
| 14 | Shree Mangal Jewels Private Limited | U36912MH2010PTC209099 | Subsidiary | 74.99% | Section 2(87) |
| 15 | Shreeradhey Mangal Gold Chain Private Limited | U36101MH2012PTC231517 | Subsidiary | 54.99% | Section 2(87) |
| 16 | Shree Ratna Mangal Jewels Private Limited | U52390MH2011PTC215836 | Subsidiary | 59.99% | Section 2(87) |
| 17 | Signature Sports And Entertainment Private Limited | U74999MH2013PTC250395 | Subsidiary | 75.00% | Section 2(87) |
| 18 | Standard Medserve Tpa Pvt Ltd | U45200RJ2010PTC032261 | Subsidiary | 99.00% | Section 2(87) |
| 19 | Swarn Bhavya Mangal Jewels Private Limited | U36996MH2012PTC234097 | Subsidiary | 63.00% | Section 2(87) |
| 20 | Viraasat Gems & Jewels (Retail) Private Limited | U74900MH2014PTC253901 | Subsidiary | 99.99% | Section 2(87) |
| 21 | Satco Commodities Private Limited (formerly known as Pursons Commodities Private Limited) | U70101MH1987PTC045107 | Subsidiary | 100 | Section 2(87) |
| 22 | Scarled Computech Private Limited | U72300MH2010PTC210514 | Associate | 50% | Section 2(6) |
| 23 | Goldcrest Realty | NA | Joint Ventures | 89.99% | Section 2(6) |
| 24 | Student Films Festivals | NA | Joint Ventures | 55.00% | Section 2(6) |
| 25 | Bliss Entertainment | NA | Joint Ventures | 50.00% | Section 2(6) |

| | | | | | |
|----|--------------------------------|----|----------------|--------|--------------|
| 26 | Mangal Accad Synnove Energy | NA | Joint Ventures | 49.51% | Section 2(6) |
| 27 | Digital Edge Technologies | NA | Joint Ventures | 20.00% | 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 | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| (a) Individual/ HUF | 494993 | 0 | 494993 | 35.14 | 494743 | 13300 | 508043 | 36.06 | |
| (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. | 434850 | | 434850 | 30.87 | 434850 | | 434850 | 30.87 | |
| (e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| (f) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total (A) (1):- | 929843 | | 929843 | 66.00 | 929593 | 13300 | 942893 | 66.93 | |
| (2) Foreign | | | | | | | | | |
| (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 | |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 929843 | 0 | 929843 | 66.00 | 929593 | 13300 | 942893 | 66.93 | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| b) Banks / FI | 0 | 250 | 250 | 0.02 | 0 | 250 | 250 | 0.02 | |
| 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) FIIs | 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 |
| Sub-total (B)(1):- | 0 | 250 | 250 | 0.02 | 0 | 250 | 250 | 0.02 |
| 2. Non-Institutions | | | | | | | | |
| a) Bodies Corp. | | | | | | | | |
| i) Indian | 620 | 31160 | 31780 | 2.26 | 620 | 18071 | 18691 | 1.33 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 167330 | 117943 | 285273 | 20.25 | 159900 | 93411 | 253311 | 17.98 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 13300 | 147622 | 160922 | 11.42 | 0 | 192470 | 192470 | 13.66 |
| c) Others (specify) | 400 | 347 | 747 | 0.05 | 400 | 800 | 1200 | 0.09 |
| Sub-total (B)(2):- | 181650 | 297072 | 478722 | 33.98 | 160920 | 304752 | 465672 | 33.06 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 181650 | 297322 | 478972 | 34.00 | 160920 | 305002 | 465922 | 33.08 |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B+C) | 1111493 | 297322 | 1408815 | 100 | 1090513 | 318302 | 1408815 | 100 |

(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 | 3,43,903 | 23.47 | -- | 3,43,903 | 24.41 | -- | -- |
| 2 | M/s Eally Consulting India Pvt Ltd | 2,79,950 | 19.87 | -- | 2,79,950 | 19.87 | -- | -- |
| 3 | Mr. Ajit S Jain | 1,64,040 | 11.64 | -- | 1,64,040 | 11.64 | -- | -- |
| 4 | M/s Shree Jaisal Electronics & Industries Limited | 1,54,900 | 11 | -- | 1,54,900 | 11 | -- | -- |

| | | | | | | | | |
|---|----------------------|--------|-------|----|--------|-------|----|----|
| 5 | Mr. Labh Chand Maloo | 150 | 0.01 | -- | 150 | 0.01 | -- | -- |
| 6 | Mr. Neeta Maloo | 100 | 0.01 | -- | 100 | 0.01 | -- | -- |
| 7 | Mr. Sandeep Maloo | 100 | 0.01 | -- | 100 | 0.01 | -- | -- |
| | Total | 942893 | 66.93 | | 942893 | 66.93 | | -- |

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

| Sr. No | 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: | | | | |
| a) At the beginning of the year | NO CHANGE DURING THE YEAR | | | |
| b) Changes during the year | NO CHANGE DURING THE YEAR | | | |
| c) At the End of the year | NO CHANGE DURING THE YEAR | | | |

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

| Sr No | For Each of the Top 10 Shareholders | 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: PRAVIN UDAYLAL JAIN | | | | |
| | a) At the beginning of the year | 0 | 0 | 0 | 0 |
| | b) Changes during the year | | | | |
| | 15-08-2014 | 3100 | 0.22 | 3100 | 0.22 |
| | 22-08-2014 | 8844 | 0.6278 | 11944 | 0.8478 |
| | 05-09-2014 | 23888 | 1.6956 | 35832 | 2.5434 |
| | 12-09-2014 | -23888 | -1.6956 | 11944 | 0.8478 |
| | 30-09-2014 | 9577 | 1.5276 | 21521 | 1.5276 |
| | 03-10-2014 | 6953 | 0.6798 | 28474 | 2.0211 |
| | 17-10-2014 | 7215 | 0.5122 | 35689 | 2.5333 |
| | 24-10-2014 | 460 | 0.0326 | 36149 | 2.5659 |
| | 31-10-2014 | 4262 | 0.3025 | 40411 | 2.8684 |
| | 07-11-2014 | 48 | 0.0034 | 40459 | 2.8718 |
| | 28-11-2014 | 100 | 0.0071 | 40559 | 2.8789 |
| | 19-12-2014 | 567 | 0.0403 | 41126 | 2.9192 |
| | 31-12-2014 | 2228 | 0.1581 | 43354 | 3.0773 |
| | 09-01-2015 | 201 | 0.0143 | 43555 | 3.0916 |
| | 06-02-2015 | 299 | 0.0212 | 43854 | 3.1128 |
| | 13-02-2015 | 4370 | 0.3102 | 48224 | 3.423 |
| | 20-02-2015 | 3307 | 0.2348 | 51531 | 3.6578 |
| | 27-03-2015 | 144 | 0.0102 | 51675 | 3.668 |
| | 31-03-2015 | 6000 | 0.4259 | 57675 | 4.0939 |

| | | | | | |
|----------|--|--------|---------|-------|--------|
| | c) At the End of the year | 0 | 0 | 57675 | 4.0939 |
| 2 | Name: JAGDISH B JAIN | | | | |
| | a) At the beginning of the year | 0 | 0 | 0 | 0 |
| | b) Changes during the year | | | | |
| | 06-06-2014 | 23880 | 1.695 | 23880 | 1.695 |
| | 20-06-2014 | 247 | 0.0176 | 24127 | 1.7126 |
| | 30-06-2014 | 4866 | 0.3454 | 28993 | 2.058 |
| | 04-07-2014 | 500 | 0.0355 | 29493 | 2.0935 |
| | 11-07-2014 | 12005 | 0.8521 | 41498 | 2.9456 |
| | 18-07-2014 | 2700 | 0.1916 | 44198 | 3.1372 |
| | 25-07-2014 | 335 | 0.0238 | 44533 | 3.161 |
| | 05-09-2014 | 44533 | 3.1611 | 89066 | 6.3221 |
| | 12-09-2014 | -44533 | -3.1611 | 44533 | 3.161 |
| | c) 1At the End of the year | 0 | 0 | 44533 | 3.161 |
| 3 | Name: KISHAN U JAIN | | | | |
| | a) At the beginning of the year | 23810 | 1.6901 | 23810 | 1.6901 |
| | b) Changes during the year | | | | |
| | 05-09-2014 | 23810 | 1.69 | 47620 | 3.3801 |
| | 12-09-2014 | -23810 | -1.69 | 23810 | 1.6901 |
| | c) At the End of the year | 0 | 0 | 23810 | 1.6901 |
| 4 | Name: RAJENDRA C JAIN | | | | |
| | a) At the beginning of the year | 23810 | 1.6901 | 23810 | 1.6901 |
| | b) Changes during the year | | | | |
| | 05-09-2014 | 23810 | 1.69 | 47620 | 3.3801 |
| | 12-09-2014 | -23810 | -1.69 | 23810 | 1.6901 |
| | c) At the End of the year | 0 | 0 | 23810 | 1.6901 |
| 5 | Name: MANISHA NAVIN AGRAWAL | | | | |
| | a) At the beginning of the year | 23810 | 1.6901 | 23810 | 1.6901 |
| | b) Changes during the year | | | | |
| | 06-06-2014 | -1586 | -0.1126 | 22224 | 1.5775 |
| | 05-09-2014 | 44448 | 3.155 | 66672 | 4.7325 |
| | 12-09-2014 | -44448 | -3.155 | 22224 | 1.5775 |
| | c) At the End of the year | 0 | 0 | 22224 | 1.5775 |
| 6 | Name: ESHA KEDIA | | | | |
| | a) At the beginning of the year | 23810 | 1.6901 | 23810 | 1.6901 |
| | b) Changes during the year | | | | |
| | 05-05-2014 | 23810 | 1.69 | 47620 | 3.3801 |
| | 09-05-2014 | -23810 | -1.69 | 23810 | 1.6901 |
| | 23-05-2014 | -23810 | -1.69 | 0 | 0 |
| | c) At the End of the year | 0 | 0 | 0 | 0 |
| 7 | Name: APARNA ANAND GHAG | | | | |
| | a) At the beginning of the year | 16667 | 1.1831 | 16667 | 1.1831 |
| | b) Changes during the year | | | | |
| | 06-06-2014 | -15417 | -1.0944 | 1250 | 0.0887 |
| | 09-05-2014 | -1250 | -0.0887 | 0 | 0 |
| | c) At the End of the year | 0 | 0 | 0 | 0 |
| 8 | Name: MAFATLAL INDUSTRIES LIMITED | | | | |
| | a) At the beginning of the year | 13950 | 0.9901 | 13950 | 0.9901 |

| | | | | | |
|-----------|---------------------------------------|----------------------------------|----------|-------|--------|
| | b) Changes during the year | No Change During The Year | | | |
| | c) At the End of the year | 0 | 0 | 13950 | 0.9901 |
| 9 | Name: SWATI SHARMA | | | | |
| | a) At the beginning of the year | 11905 | 0.845 | 11905 | 0.845 |
| | b) Changes during the year | No Change During The Year | | | |
| | c) At the End of the year | 0 | 0 | 11905 | 0.8450 |
| 10 | Name: NEETA LALWANI | | | | |
| | a) At the beginning of the year | 11905 | 0.8450 | 11905 | 0.8450 |
| | b) Changes during the year 10/08/2014 | (11905) | (0.8450) | 0 | 0 |
| | c) At the End of the year | 0 | 0 | 0 | 0 |

(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 | 343903 | 24.41 | 343903 | 24.41 |
| | b) Changes during the year | 0 | 0 | 0 | 0 |
| | c) At the End of the year | 343903 | 24.41 | 325449 | 24.41 |
| 2 | Name: Ajit S Jain | | | | |
| | a) At the beginning of the year | 1,64,040 | 11.64 | 1,64,040 | 11.64 |
| | b) Changes during the year | 0 | 0 | 0 | 0 |
| | c) At the End of the year | 1,64,040 | 11.64 | 1,64,040 | 11.64 |
| 3 | Name: Sandeep Maloo | | | | |
| | a) At the beginning of the year | 100 | 0.01 | 100 | 0.01 |
| | b) Changes during the year | 0 | 0 | 0 | 0 |
| | c) At the End of the year | 100 | 0.01 | 100 | 0.01 |
| 4 | Name: Neeta Maloo | | | | |
| | a) At the beginning of the year | 100 | 0.01 | 100 | 0.01 |
| | b) Changes during the year | 0 | 0 | 0 | 0 |
| | c) At the End of the year | 100 | 0.01 | 100 | 0.01 |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year i.e. 01.04.2014 | Nil | Nil | Nil | Nil |
| i) Principal Amount | 207335100 | 1067103060 | 0 | 1274438160 |
| ii) Interest due but not paid | 0 | 53645160 | 0 | 53645160 |
| iii) Interest accrued but not due | 0 | | 0 | |
| Total (i+ii+iii) | 207335100 | 1120748220 | 0 | 1328083320 |
| Change in Indebtedness during the financial year | Nil | Nil | Nil | Nil |
| i) Addition | | | | |

| | | | | |
|--|-----------|-----------|-----|-----------|
| ii) Reduction | | | | |
| | 205103341 | 547328874 | | 752432215 |
| Net Change | 205103341 | 547328874 | Nil | 752432215 |
| Indebtedness at the end of the financial year i.e 31.03.2015 | Nil | Nil | Nil | Nil |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | 2231759 | 462595201 | | 464826960 |
| iii) Interest accrued but not due | | | | |
| | 0 | 110824145 | | 110824145 |
| Total (i+ii+iii) | 2231759 | 573419346 | Nil | 575651105 |

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 | Ajit S 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 | 360000 | 720000 | 18,00,000 |
| 2 | Stock Option | Nil | Nil | | |
| 3 | Sweat Equity | Nil | Nil | | |
| 4 | Commission - as % of profit - others, specify... | Nil | Nil | | |
| 5 | Others, please specify | Nil | Nil | | |
| | Total (A) | 720000 | 360000 | 720000 | 1800000 |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors:

| Sr. No | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | | Total Amount |
|--------|---|-------------------------|---------------|-----------------------------|------------------|-----------------------------|---------------|
| | | Mr. Pankaj Dinesh Jain | Mr. Atul Jain | Mr. Sunil Ramachandran Nair | Mrs. Neeta Maloo | Mr. Bhagwan Shrinivas Sarda | |
| 3. | Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify | 500 | 2000 | 2000 | 2000 | 2000 | 8500/- |
| | Total (1) | 500 | 2000 | 2000 | 2000 | 2000 | 8500/- |
| 4. | Other Non-Executive Directors | | | | | | |

| | | | | | | | |
|--|--|-----|------|------|--------|------|--------|
| | <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify | | | | | | |
| | Total (2) | Nil | Nil | Nil | Nil | Nil | Nil |
| | Total (B)=(1+2) | 500 | 2000 | 2000 | 2000/- | 2000 | 8500/- |
| | Total Managerial Remuneration | | | | | | |
| | Overall Ceiling as per the Act | | | | | | |

C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD

| S I . No. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
|-----------|---|--------------------------|-------------------|-----|-------|
| | | CEO | Company Secretary | CFO | |
| 1 | Gross salary | NA | NA | NA | |
| | (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 | | | | |
| 2 | Stock Option | Nil | Nil | | |
| 3 | Sweat Equity | Nil | Nil | | |
| 4 | Commission as % of profit others, specify... | Nil | Nil | | |
| 5 | Others, please specify | Nil | Nil | | |
| | Total (A) | | | | |
| | 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 |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| 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, 2015

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, 2015, 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, 2015 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;
- (vi) No other laws except Income Tax specifically applicable to the company as per the information provided by the management.

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.

However during the financial year there was changes in the composition of the Board of Directors due to resignation of Mr. Atul Jain and Mr. Labh Chand Maloo w.e.f 30/12/2014 from the Non-Executive Directorship.

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. During the Financial Year the company has failed to appoint internal auditor of the company as per section 138 of the Companies Act 2013 and Rule 13(1) Internal Audit provisions in Companies (Accounts) Rules 2014.
4. According to section 203(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 every listed company having paid up capital of Rs. 5 Crore or more shall have Key Managerial Personnel, however the company is in default of appointment of Whole time Company Secretary.
5. The Company has failed to appoint independent directors on the board of its material Subsidiary Companies which results in violation of clause 49 of the listing agreement.
6. The company has received several notices from RBI for maintaining CRAR under the NBFC ND-SI guidelines and the Company has taken necessary action to comply with the said provisions.

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 Kumar Tiwari & Associates
Company Secretary**

**Place : Mumbai
Date : 30/05/2015**

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

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, 2015.
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 VijayKumar Tiwari & Associates
Company Secretary**

**Place : Mumbai
Date : 30/05/2015**

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

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended 31st March 2015 is as under:-

1. Company's Philosophy

Good corporate governance makes excellent business sense. Your Company respects the rights of stakeholders to information relating to the affairs of the Company and shall strive to achieve maximum transparency and your Company provides herewith information on its code of governance.

2. Board of Director

The Board composition is in conformity with the relevant provisions of Companies Act, 2013 and requirement of Securities and Exchange Board of India (SEBI) guidelines as amended. The present strength of the Board is Nine Directors comprising Three Executive Director and Six Non-Executive Directors including Chairman. None of the Directors on the Board is a Member on more than 10 Committees and Chairman more than 5 Committees (as specified in Clause 49 of the Listing Agreement), across all the Companies in which he/she is a Director. Committees include Audit Committee and Stakeholders Relationship Committee. All Directors have certified that the disqualifications mentioned under the provisions of Companies Act, 2013 do not apply to them. The independent Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. The composition of the board and other details are:

| 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 | No | No |
| Mr. Sandeep Maloo | ED | 8 | Yes | Yes | Yes | Yes |
| Mrs. Neeta Maloo | NED | 8 | Yes | Yes | No | No |
| Mr. Ajitkumar Sohanlal Jain | ED | 8 | Yes | Yes | No | No |
| Mr. Sunil Ramachandran Nair | NED& IND | 7 | 0 | Yes | Yes | Yes |
| Mr. Bhagwan Shrinivas Sarda | NED& IND | 5 | 0 | Yes | No | No |
| Mr. Ramasubramanian Shankaran | NED& IND | 6 | 0 | No | No | No |
| Mr. Pankaj Dinesh Jain | NED& IND | 1 | 0 | No | No | No |
| Mr. Atul Jain | NED& IND | 5 | 0 | Yes | Yes | No |
| Mrs. Nirupama Dattatray | NED& IND | 0 | 0 | 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 9 board meetings held on 19.04.2014, 30.05.2014, 04.08.2014, 14.08.2014, 30.09.2014, 04.11.2014, 14.11.2014, 30.12.2014 and 14.02.2015. Brief resumes of the directors are displayed on the website of the Company.
- Mr. Labh Chand Maloo and Mr. Atul Jain resigned from directorship w.e.f 19/04/2014 and 30/12/2014.

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 2014-15 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 accordance with the requirement of Corporate Governance Clause 49(IX) of the Listing Agreement, the Board of Directors of the Company have been furnished with the requisite certificate from the CEO i.e. Managing Director and Chief Financial Officer (CFO) of the Company.

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 | Chairman | 4 | 4 |
| Mr. Sandeep Maloo | Member | 4 | 4 |
| Mr. Atul Jain | Member | 4 | 3 |
| Mr. Ramasubramanian Shankaran | Member | 4 | 3 |
| Remarks: | | | |
| a. Total 4 committee meetings held on 30.05.2014, 14.08.2014, 14.11.2014 & 14.02.2015 | | | |
| b. 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. 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 | 3 | 3 |
| Mr. Sandeep Maloo | Member | 3 | 3 |
| Mr. Atul Jain | Member | 3 | 2 |
| Mr. Ramasubramanian Shankaran | Member | 3 | 2 |
| Remarks : | | | |
| a. Total 3 committee meetings held on 11.08.2014, 14.11.2015 & 30.03.2015 | | | |
| b. The Committee reviews the performance and makes recommendations for the remuneration package of the senior management. | | | |

8. REMUNERATION TO DIRECTORS

| Directors | Sitting Fees | Salary & Perks | Total |
|-------------------------------|--------------|----------------|----------|
| Mr. Meghraj Sohanlal Jain | 0.00 | 720000 | 720000/- |
| Mr. Sandeep Maloo | 0.00 | 720000 | 720000/- |
| Mrs. Neeta Maloo | 2000 | 0.00 | 2000/- |
| Mr. Ajitkumar Sohanlal Jain | 0.00 | 360000 | 360000/- |
| Mr. Sunil Ramachandran Nair | 2000 | 0.00 | 2000/- |
| Mr. Bhagwan Shrinivas Sarda | 2000 | 0.00 | 2000/- |
| Mr. Ramasubramanian Shankaran | 2000 | 0 | 2000/- |
| Mr. Pankaj Dinesh Jain | 500 | 0 | 500/- |
| Mrs. Nirupama Dattatray | 0 | 0 | 0/- |
| Mr. Atul Jain | 2000 | 0 | 2000/- |

9. Shareholders / Investor's (Grievance) 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 | 4 | 4 |
| Mr. Atul Jain | Member | 4 | 2 |
| Mr. Sunil Ramachandran Nair | Member | 4 | 4 |
| Mr. Pankaj Dinesh Jain | Member | 4 | 1 |
| Remarks: | | | |
| a. Total 4 committee meetings held on 30.05.2014, 14.08.2014, 14.11.2014 and 14.02.2015 | | | |
| b. During the year, no investor complaints were received. | | | |
| c. 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 |
|-------------------------------|----------|---------------|-------------------|
| Mr. Ramasubramanian Shankaran | Chairman | 1 | 1 |
| Mr. Sunil Ramachandran Nair | Member | 1 | 1 |

11. Number Of Board Meetings And Board Procedures

Your Company's Board met 9 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 Clause 49 of the Listing Agreement.

| Name of Director | Status | Meetings Held | Meetings Attended |
|-----------------------------|----------|---------------|-------------------|
| Mr. Meghraj Sohanlal Jain | Chairman | 9 | 8 |
| Mr. Sandeep Maloo | Director | 9 | 8 |
| Mrs. Neeta Maloo | Director | 9 | 8 |
| Mr. Ajitkumar Sohanlal Jain | Director | 9 | 8 |

| | | | |
|-------------------------------|----------|---|---|
| Mr. Sunil Ramachandran Nair | Director | 9 | 7 |
| Mr. Bhagwan Shrinivas Sarda | Director | 9 | 5 |
| Mr. Ramasubramanian Shankaran | Director | 9 | 6 |
| Mr. Pankaj Dinesh Jain | Director | 9 | 1 |
| Mr. Atul Jain | Director | 9 | 5 |
| Mrs. Nirupama Dattatray | Director | 9 | 0 |

12. General Body Meetings

| Year | Date | Venue | Time | Special Resolutions Passed |
|---------|------------|---|-------------|----------------------------|
| 2013-14 | 04.08.2014 | Auditorium Room, Ground Floor, Lotus Corporate Park, Near Raheja Titanium, Graham firth Steel Compound, Jay Coach Lane, Jogeshwari (East), Mumbai - 400 063 | 11.00 A.M | -- |
| 2012-13 | 26.09.2013 | Auditorium Room, Ground Floor, Lotus Corporate Park, Near Raheja Titanium, Graham firth Steel Compound, Jay Coach Lane, Jogeshwari (East), Mumbai - 400 063 | 11.30 A. M. | -- |
| 2011-12 | 20.09.2012 | Kilachand Conference Room, Indian Merchants chamber marg, churchgate ,Mumbai-400020 | 11.30 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. CEO/ CFO Certification

The Chairman/MD and a director, in charge of the finance function, have given their certificate to the board which forms part of this report.

16. Meaning of Communication

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

17. General Shareholders Information

| | |
|---|--|
| AGM - date, time & venue | Monday, 30th September 2015 at 10.00 a.m., AIPMA House, A-52, 3rd Floor, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai-400093. |
| Financial year | 1st April, 2014 to 31st March, 2015 |
| Date of book closure | Thursday, 24th September 2015 to Wednesday 30th September 2015 (both days inclusive). |
| Dividend payment date | NA |
| Listings on Stock Exchanges & Stock Code | Bombay Stock Exchanges; Code - 505850 |
| ISIN Code (Demat) | INE545L01013 |
| 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 | www.mangalfincorp.com . Email : compliance@mangalfincorp.com |

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 2014-15:

| Month | High | Low | Volume (No. Of Share Traded) |
|--------|--------|--------|---------------------------------|
| Apr-14 | 255.00 | 233.00 | 1860 |
| May-14 | 275.00 | 213.30 | 35777 |
| Jun-14 | 281.70 | 237.60 | 49920 |
| Jul-14 | 272.50 | 220.05 | 23293 |
| Aug-14 | 259.95 | 210.00 | 18533 |
| Sep-14 | 266.35 | 200.00 | 24076 |
| Oct-14 | 265.00 | 210.00 | 16220 |
| Nov-14 | 249.80 | 180.00 | 1076 |
| Dec-14 | 290.00 | 205.10 | 5616 |
| Jan-15 | 264.00 | 164.10 | 3298 |
| Feb-15 | 221.00 | 154.50 | 10978 |
| Mar-15 | 211.00 | 150.10 | 18677 |

Distribution of shareholding:

| Range of shares | No. of Shareholders | (%) of Shareholders | No. of Shares | (%) of Shareholding |
|-----------------|---------------------|---------------------|---------------|---------------------|
| 0 - 5000 | 2683 | 99.4 | 241373 | 17.13 |
| 5001-10000 | 3 | 0.1112 | 18059 | 1.29 |
| Above 10000 | 13 | 0.49 | 1149383 | 81.58 |

Shareholding Pattern as on 31-3-2015:

| Category | No. of Shares | (%) to total |
|----------------------------------|----------------|----------------|
| Corporate Bodies (Promoters Co.) | 434850 | 30.87% |
| Clearing Member | 117 | 0.01% |
| Other Bodies Corporate | 31780 | 2.26% |
| Directors | 350 | 0.02% |
| Nationalized Banks | 250 | 0.02% |
| Non Resident Indians | 50 | 0.00% |
| Non Resident (Non Repatriable) | 580 | 0.04% |
| Public | 446195 | 31.67% |
| Promoters | 494643 | 35.11% |
| TOTAL | 1408815 | 100.00% |

CEO / CFO Certificate for Compliance of Corporate Governance Code

To
Board of Directors
Mangal Credit and Fincorp Limited,

We, 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, 2015 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. All 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/-
(Sandeep Maloo)
Managing Director
DIN: 01145616**

Date: 30th May, 2015

**MANAGEMENT CERTIFICATE ON CLAUSE 49 (II)(E) OF THE
LISTING AGREEMENT**

To
The Members
Mangal Credit and Fincorp Limited

Dear Sirs

This is to affirm that the Board of Directors of Mangal Credit and Fincorp Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in Compliance with the provisions of Clause 49 (II)(E) of the Listing Agreement with the Stock Exchanges and Board Members and Senior Management Personnel and Independent Directors of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March, 2015.

For Mangal Credit and Fincorp Limited

Sd/-

(Mr. Meghraj Jain)

Managing Director

DIN:01311041

Place: Mumbai
Date: 30th May, 2015

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 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid listing agreement.

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 Kumar Tiwari & Associates
Company Secretary**

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

Place : Mumbai
Date : 30/05/2015

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Development - Non-Banking Financial Companies continue to face competition from the local and multinational players in the market. The Non- Banking Financing Industry grew despite several constraints. These problems relate to the inadequacy of funding, insufficient tax benefits, multiplicity of taxes and the absence of specific legislation governing lease transactions. Frequent changes in law affect Non- Banking Finance operations substantially.

Interest rate volatility affects operating costs, expenses and profitability of the Non- Banking Financing Industry. The indiscriminate entry of new companies into the industry evidenced a need for regulation and the Reserve Bank of India imposed certain restrictions. To grow the Non- Banking Financing Industry, it is necessary for the Government to initiate tax incentives. But, due to regular changes in the RBI policies it is difficult to identify the market situation, which results in volatile market and companies' financial position gets affected adversely.

Large professionally managed independent Non- Banking Finance companies demonstrated an ability to succeed and grow. The Finance market has not developed commensurately with the growth of Non-Banking Finance companies. This has led to competition and as a result several Non-Banking Finance companies, lacking in profession expertise, were forced to exit.

Mangal Credit and Fincorp Limited with its 53 years of record has been able to run its business operations in a profitable manner and generate adequate funds to meet its financial obligations to banks and other credit grantors.

Opportunities & Threats - According to the management, the MCFL has been financing reliable & loyal clients who have good potential to generate returns. And with respect to its businesses, the company is having excellent market in Mumbai and it has achieved the necessary target during the financial year 2014-15.

In the Financial year 2014-15 it is observed that the MCFLs performance is better than the last year. Accordingly, the net profit of the Company is increased marginally.

However, the Companies CRAR was not maintained during the Financial Year 2013-14 as per the RBI guidelines for NBFC-ND-SI. Hence, the Company has taken necessary action in order to maintain CRAR. Accordingly, MCFL has reduced its investment in its subsidiaries and maintained CRAR during the Financial year 2014-15.

Further, there is a general concern regarding the interest rate fluctuations, fiscal & monetary policies, which might affect the profitability of the company. However MCFL remains upbeat about the India economic growth, especially the finance sector. The company will anticipate & counter the economic fluctuations to the best of its capacity. The company in such a business always faces the risk of default or non-payment. MCFL will continue to adopt strategies to register significant increase in business volumes.

The market in which MCFL mainly operates is growing slowly. There are new players entering the semi urban and rural markets. This is likely to increase the competition.

Performance - During the year ended 31st March, 2015, the Income of the Company by way of interest and other income has stood at Rs. 13.81 crore as compared to Rs. 12.05 crore during the previous year. Net Profit after tax stood at Rs. 92.77 Lacs as compared to Rs.87.13 Lacs during the previous year.

Outlook - MCFL expects to maintain its performance in FY 2015-2016 and hopes to grow at a rate faster than the growth of bank credit. The approach would be to continue the growth momentum while balancing risk. As before, it will continue to invest in strengthening risk management practices; and in maintaining its investment in technology and human resources to consolidate its position as a leading NBFC in India.

NBFC INDUSTRY- Non- Banking Finance Companies (NBFCs) have emerged as important financial

intermediaries particularly for the small scale and retail sectors. With simplified sanction procedures, flexibility, low operating cost and focused product presence, NBFCs have an edge over banks in meeting the credit needs of customers.

Risk & Concerns - As an NBFC, Mangal Credit and Fincorp Limited is exposed to credit risk, liquidity risk and interest rate risk. The Company has invested in people, processes and technology to mitigate risks posed by external environment and by its borrowers. It has in place a strong risk management team and an effective credit operations structure. Its risk management policies continue to segregate the functions of a Chief Risk Officer and a Chief Credit Officer to focus on portfolio management and underwriting. Sustained efforts to strengthen the risk framework and portfolio quality have yielded significant results over the last few years. MCFL's conservative approach to portfolio management and its rigorous portfolio review mechanism has enabled it to get early stress signals of investment in various sector like Jewellery Industry, Solar Power Industry, Entertainment Industry, Capital Market Business, Real Estate sector etc. Unfortunately the NTA of the Company for the Financial Year 2014-2015 is 2.39% as compared to zero NPA for last year.

Internal Control Systems & Adequacy - MCFL has an independent internal management assurance function which is commensurate with the size and scale of the Company. It evaluates the adequacy of all internal controls and processes and ensures strict adherence to clearly lie down processes and procedures as well as to the prescribed regulatory and legal framework. 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.

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.

Asset Liability Management (ALM) - MCFL has a total borrowing of Rs. 46,48,27,060 as on 31 March 2015. The Company's asset /liability committee (ALCO), set-up in line with the guidelines issued by the RBI, monitors asset/ liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the balance sheet. MCFL continued to raise shorter tenor borrowings in FY 2016 as well.

Financial & Operational Performance - Please refer to the Board's Report for performance review.

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.

Caution - Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations, labour relations and interest costs.

For Mangal Credit and Fincorp Limited

Sd/-

(Mr. Meghraj S Jain)

Chairman & Managing Director

DIN: 01311041

Place: Mumbai

Date: 30th May, 2015

STANDALONE FINANCIAL STATEMENTS

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") (formerly known as "Tak Machinery & Leasing Limited), which comprise the Balance Sheet as at March 31, 2015, 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 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, 2015;
- 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 28 to the financial statement which describes the fact of search and seizure proceedings u/s 132 of the Income Tax Act, 1961.

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, 2015', ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) 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. We have not come across any pending litigation the outcome of which may impact the financial position of the company.
 - ii. We have not come across any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MGB & Co. LLP
Chartered Accountants
FRN:101169W/W-100035
Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Place: Mumbai
Date : 30th May, 2015

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 31 March 2015 and related statement of profit and loss and the cash flow statement for the year ended on that date, issued our report dated 30th May 2015.

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 2015 and as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 vide circular No. DNBS (PD) CC No.382/ 03.02.001/2014-15 dated 1 July 2014 ('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, 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 2015.
- c. Based on the criteria set forth by the Bank in Company Circular No. DNBS.PD. CC No. 85 / 03.02.089 /2006-07 dated December 6, 2006 for classification of NBFCs as Asset Finance Company (AFC), the Company has not been classified as an AFC as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during the applicable financial year.

- d. Based on the criteria set forth by the Bank in the Notification viz; Non - Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2011 dated December 02, 2011 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.
- (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 29/05/2015 for non- acceptance of any public deposits.
- b. The company has not accepted any public deposits during the year ended 31.03.2015
- 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- Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- d. Consequent to the redefining of 'systemic significance' the NBFCs-ND with the asset size of less than Rs. 500 crore, are removed from the category of NBFC-ND-SI and exempted from the requirement of maintaining CRAR and complying with Credit Concentration Norms vide circular no. RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15. - Not Applicable
- (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, 2008 to submit a report on exceptions noted while issuing our report dated 30/05/2015 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**

**Sd/-
Sandeep Jhanwar
Partner
M.No.078146**

**Place : Mumbai
Date : 30th May, 2015**

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements'
section of our Report of even date)

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.
2. a. As explained to us, inventories had been physically verified by the management at the regular intervals.
- b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The company had maintained proper records of inventories. As explained to us, no material discrepancies noticed on physical verification of inventories as compared to book records.
3. The Company has granted loan to 29 companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - a. 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 & interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
 - b. There are no overdue amounts in excess of Rs. 1 lakh in respect of loans granted to the body corporate listed in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of audit.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under during the period covered by our report.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 for any of the products of 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 2015 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 is no amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty, VAT and any cess, whichever applicable, which have not been deposited on account of disputes.
- c. An amount of Rs. 99,504/- was due and timely transferred to Investors Education and Protection Fund in accordance with section 125 of the Act.
8. The company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
9. 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 institution or bank or debenture holders as at the balance sheet date.
10. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-
Sandeep Jhanwar
Partner
M. NO. 078146**

**Place : Mumbai
Date : 30th May, 2015**

MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS TAK MACHINERY AND LEASING LIMITED)

BALANCE SHEET AS AT MARCH 31, 2015

| Particulars | Notes | As at 31.03.2015 | As at 31.03.2014 |
|--|---------|----------------------------|------------------------------|
| | | Rupees | Rupees |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 1,40,88,150 | 1,40,88,150 |
| Reserves and Surplus | 3 | 29,66,00,316 | 28,81,71,743 |
| | | <u>31,06,88,466</u> | <u>30,22,59,893</u> |
| Share Application Money pending allotment | | - | - |
| Non Current Liabilities | | | |
| Long Term Borrowings | 4 | 3,71,745 | 11,78,760 |
| Current Liabilities | | | |
| Short-Term Borrowings | 5 | 46,36,90,019 | 1,27,21,80,516 |
| Trade Payables | 6 | - | 2,48,28,060 |
| Other Current Liabilities | 7 | 12,69,43,342 | 12,26,67,102 |
| Short-Term Provisions | 8 | 33,72,610 | 58,81,486 |
| | | <u>59,40,05,971</u> | <u>1,42,55,57,164</u> |
| TOTAL | | <u><u>90,50,66,182</u></u> | <u><u>1,72,89,95,818</u></u> |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 9 | 1,49,05,077 | 2,24,49,790 |
| Non-Current Investments | 10 | 25,61,21,095 | 36,02,48,525 |
| Deferred Tax Assets | 11 | 14,32,021 | 3,57,143 |
| Long-Term Loans and Advances | 12 | 3,07,19,675 | 2,75,10,291 |
| | | <u>30,31,77,868</u> | <u>41,05,65,749</u> |
| Current Assets | | | |
| Inventory | 13 | - | 2,01,35,734 |
| Trade Receivables | 14 | - | 1,79,130 |
| Cash and Bank Balances | 15 | 4,31,34,476 | 26,38,18,657 |
| Short-Term Loans and Advances | 16 | 52,29,33,071 | 1,00,88,37,423 |
| Other Current Assets | 17 | 3,58,20,768 | 2,54,59,126 |
| | | <u>60,18,88,314</u> | <u>1,31,84,30,069</u> |
| | | <u><u>90,50,66,182</u></u> | <u><u>1,72,89,95,818</u></u> |
| Significant Accounting Policies | 1 | | |
| Other Notes on Accounts | 2 to 34 | | |

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

**MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS TAK MACHINERY AND LEASING LIMITED)**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Notes | For the Year Ended 31.03.2015 Rupees | Previous Year Ended 31.03.2014 Rupees |
|--|-------|---|--|
| Revenue from Operations | 18 | 11,66,79,823 | 11,08,76,016 |
| Other Income | 19 | 2,14,97,382 | 96,80,395 |
| Total Revenue | | 13,81,77,205 | 12,05,56,411 |
| Expenses: | | | |
| Purchases of Stock-in-Trade | | - | 94,39,212 |
| Purchase Returns | | (1,71,18,518) | - |
| Changes in Inventories | 20 | 2,01,35,734 | 7,52,596 |
| Employee Benefit Expenses | 21 | 44,65,426 | 37,22,787 |
| Finance Costs | 22 | 9,09,96,359 | 7,31,65,461 |
| Depreciation and Amortization | 9 | 72,19,441 | 39,62,170 |
| Other Expenses | 23 | 1,85,95,388 | 1,84,54,897 |
| Total Expenses | | 12,42,93,831 | 10,94,97,123 |
| Profit before extraordinary items and tax | | 1,38,83,374 | 1,10,59,287 |
| Prior Period Item expense / (income) | | - | 2,57,461 |
| Profit before Tax | | 1,38,83,374 | 1,08,01,826 |
| Tax Expense: | | | |
| (a) Current year | | 57,00,000 | 26,79,000 |
| (b) Short / (Excess) provision for tax relating to prior years | | (18,953) | (2,33,590) |
| (c) Net Current Tax Expense | | 56,81,047 | 24,45,410 |
| (d) Deferred tax (credit) / charge | | (10,74,878) | (3,57,143) |
| Profit(Loss) for the period from continuing operations | | 91,36,994 | 74,18,929 |
| Profit(Loss) from discontinuing operations | | 2,02,911 | 18,73,561 |
| Tax expense of discontinuing operations | | 62,700 | 5,78,930 |
| Profit(Loss) from Discontinuing operations (after tax) | | 1,40,211 | 12,94,631 |
| Profit for the Period | | 92,77,205 | 87,13,559 |
| Earnings per ordinary share: | | | |
| Basic | | 6.59 | 6.63 |
| Diluted | | 6.59 | 6.63 |

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

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

MANGAL CREDIT & FINCORP LIMITED
CASH FLOW STATEMENT
For the year ended, 31st March, 2015

| | Current Year 2014-15 (in ₹) | Previous Year 2013-14 (in ₹) |
|--|-----------------------------------|------------------------------------|
| A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extraordinary items | 1,38,83,374 | 1,10,59,287 |
| Adjustments for : | | |
| Depreciation | 72,19,441 | 39,62,170 |
| Interest Expenses - Unsecured Loan | 8,99,77,837 | 6,51,65,918 |
| Interest Expenses - Secured Loan | 2,50,176 | 3,90,189 |
| Interest Expenses - Margin funding | 46,465 | |
| Share Capital Increase Expenses | - | 1,38,761 |
| Interest Income | -11,26,84,293 | -8,91,10,715 |
| (Profit) / loss on sale of Fixed Assets | -5,04,290 | 14,028 |
| (Profit)/loss from Capital Gain on sale of shares | -76,85,420 | 36,57,740 |
| Provision for Standard Loans | -13,11,027 | 25,85,000 |
| Provision for Sub Standard Loans | 12,50,000 | - |
| Dividend on Investments | - | -1,32,97,199 |
| | -2,34,41,111 | -1,00,290 |
| | -95,57,737 | -22,37,912 |
| Operating profit before working capital changes | | |
| Movement in Working Capital : | | |
| (Increase)/Decrease in Inventories | 2,01,35,734 | 7,52,596 |
| (Increase)/Decrease in Trade Receivables | 1,79,130 | 4,82,370 |
| (Increase)/Decrease in Other Current Assets | 29,002 | 17,50,252 |
| (Increase)/Decrease in Unpaid Dividend Bank Account Balance | 1,01,934 | 1,02,580 |
| (Increase)/Decrease in Short Term Loans & Advances - Loans | 48,59,61,503 | -71,65,92,275 |
| (Increase)/Decrease in Short Term Loans & Advances - Others | -79,611 | -1,41,732 |
| Increase/(Decrease) in Trade payables | -2,48,28,060 | 18,21,950 |
| Increase/(Decrease) in Other Current Liabilities | -5,24,87,123 | 6,49,38,965 |
| (Increase)/Decrease in Other Long Term Loans & Advances | 1,08,796 | 63,478 |
| (Increase)/Decrease in Interest Accrued on Fixed Deposits | 3,78,047 | 1,50,906 |
| Increase/(Decrease) in Short Term Provision (Other Than Provision for Tax)" | - | - |
| | 42,94,99,351 | -64,66,70,910 |
| Cash generated/ (Utilised) in Operations | 41,99,41,615 | -64,89,08,822 |
| Interest Paid | -3,30,95,493 | -2,19,75,840 |
| Interest Received | 10,23,16,109 | 7,88,66,539 |
| Cash seized by Income Tax Authority | - | -7,50,000 |
| Income Tax Paid (Net of Refund) | -91,61,158 | 6,00,59,458 |
| | 6,00,59,458 | -83,50,511 |
| Net Cash from Operating Activities -A. | 48,00,01,073 | -60,11,18,634 |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase Of Fixed Assets | -1,81,767 | -2,11,87,622 |
| Sale Of Fixed Assets | 10,11,329 | 8,000 |
| Investment In Shares Of Subsidiary & Associates | - | -24,61,70,115 |
| Sale of Investments in Share od Subsidiary | 11,18,12,850 | - |
| (Increase)/Decrease in Fixed Deposits With Bank on lien | 25,00,00,000 | -24,00,00,000 |
| Purchase of Other Investments | - | -1,05,274 |
| Sale of Other Investments | - | 20,21,413 |
| Security Deposit Given | - | -58,10,000 |
| Security Deposit Received | 60,000 | 5,03,000 |
| Dividend Received on Investments | -0 | 1,00,290 |
| | 36,27,02,412 | -51,06,40,308 |
| Net Cash Generated/(Used) in Investing Activities -B. | 36,27,02,412 | -51,06,40,308 |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Share Application Money Received | - | - |
| Proceed from Long Term Borrowings | -25,884 | -9,38,871 |
| Proceed from Short Term Borrowings | -60,45,07,859 | 86,62,03,060 |
| Proceed from Short Term Borrowings - Bank Overdraft | -20,50,77,456 | 20,50,77,456 |
| Increase in Share Capital & Security Premium (Net) | - | 3,70,00,960 |
| Share Capital Increase Expenses | - | -3,03,443 |
| Dividend Distribution Tax Paid | -4,78,856 | -4,78,856 |
| Dividend Paid | -28,17,630 | -81,29,07,686 |
| | -81,29,07,686 | 1,10,36,40,096 |
| Net cash used in financing activities | -81,29,07,686 | 1,10,36,40,096 |
| NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS | 2,97,95,800 | -81,18,846 |
| Cash and cash equivalents: | | |
| Opening balance as at the beginning of the year | 1,25,05,340 | 2,06,24,186 |
| Closing balance as at the end of the year | 4,23,01,140 | 1,25,05,340 |

Reconciliation of cash and cash equivalents as above with cash and bank balance as shown in balance sheet

| | | |
|--|--------------------|---------------------|
| Cash & cash equivalent as at the end of the year as above | 4,23,01,140 | 1,25,05,340 |
| Add: Balance in Unpaid Dividend Account | 8,33,336 | 9,35,270 |
| Add: Fixed Deposits with Bank | - | - |
| Add: Fixed Deposits with Bank under lien | - | 25,03,78,047 |
| Cash and Bank Balance as shown in balance sheet | 4,31,34,476 | 26,38,18,657 |

Notes:

1. During the preceeding FY 2013-14 total purchase consideration for acquisition of Subsidiaries has been Rs. 34,61,69,805 of which a Sum of Rs. 24,61,70,115 only was discharged through Cash & Cash Equivalents. Balance consideration of Rs. 9,99,99,960 has been discharged through Swap of Equity Shares which was not been included under the headings "Investment in Shares of Subsidiaries and Associates" and "Increase in Share Capital and Security Premium" in the above Cash Flow Statement in the previous year figures.
2. The above cash flow statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
3. Figures in negative indicates cash outgo.
4. 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
FRN: 101169W/W-100035**

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

**Sd/-
Sandeep Jhanwar
Partner
M.No. 078146**

**Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169**

**Sd/-
Meghraj Jain
Managing Director
DIN: 01311041**

**Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616**

**Place: Mumbai
Date : 30th May, 2015**

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, 1956. The company had obtained its license from Reserve Bank of India to operate as a Non Banking Financial Company (NBFC) on March 11, 1998 vide certificate of registration no. 13.00329. In Previous Year, the Company was Systemically Important Non Deposit Taking NBFC (NBFC-ND-SI) but vide circular no. RBI/2014-15/37 DNBS (PD) CC No.382/03.02.001/2014-15 dated 1 July 2014 the company was removed from the category of NBFC-ND-SI. Apart from financing activity the Company is also engaged in activity of trading in jewellery. It's shares are listed on Bombay Stock Exchange (BSE) and Ahmadabad 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) 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.

iv. 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.

NOTES FORMING PART OF FINANCIAL STATEMENT

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.

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 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.

vii. 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.

viii. 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.

ix. 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.

x. Taxes on Income

- i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.

NOTES FORMING PART OF FINANCIAL STATEMENT

- 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.

xi. 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.
- 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.

xii. 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

a) Share Capital

(Amount in Rupees)

| Share Capital | As at 31 March 2015 | | As at 31 March 2014 | |
|---------------------------------------|---------------------|--------------------|---------------------|--------------------|
| | Shares | Amount | Shares | Amount |
| Authorised | | | | |
| Equity Shares of Rs.10/- each | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |
| Issued, Subscribed and Paid up | | | | |
| Equity Shares of Rs.10/- each | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |
| Total | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |

b) Reconciliation of the number of shares outstanding at the beginning and at the end of of Financial Year 2014-15

(Amount in Rupees)

| Share Capital | As at 31 March 2015 | | As at 31 March 2014 | |
|---|---------------------|--------------------|---------------------|--------------------|
| | Shares | Amount | Shares | Amount |
| Equity Shares outstanding at the beginning of the year | 14,08,815 | 1,40,88,150 | 7,04,050 | 70,40,500 |
| Equity Shares issued during the year | - | - | 7,04,765 | 70,47,650 |
| Equity Shares outstanding at the end of the year | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |

c) Rights attached to equity Shares

The Company has only one class of equity shares having face value of Rs.10/- 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.

d) Details of shares held by each shareholder holding more than 5% equity shares

| Name of Shareholder | As at 31 March 2015 | | As at 31 March 2014 | |
|--|---------------------|--------------|---------------------|--------------|
| | Number of Shares | % of Holding | Number of Shares | % of Holding |
| Meghraj S Jain | 3,25,449 | 23.10 | 3,43,903 | 24.41 |
| Ajit S Jain | 1,64,040 | 11.64 | 1,64,040 | 11.64 |
| M/s E-ally Consulting (I) Pvt. Ltd | 2,79,950 | 19.87 | 2,79,950 | 19.87 |
| M/s Shree Jaisal Electronics and Inds. Ltd | 1,54,900 | 11.00 | 1,54,900 | 11.00 |

NOTES FORMING PART OF FINANCIAL STATEMENT

- e) Last Year the aggregate number and class of shares allotted as fully paid up pursuant to share swap contract(s) without payment being received in cash:

4,76,189 equity shares @ Rs. 210 per share amounting to Rs. 9,99,99,690/- issued under share swap basis. The detail of shares received is as under:

| Name of Company | No. of Shares Acquired | Price Per Share | Total Value |
|---|------------------------|-----------------|--------------|
| Mangal Royal Jewels Pvt Ltd | 2500000 | 9.99 | 2,49,97,000 |
| Shree Mangal Jewels Pvt Ltd | 699960 | 39.77 | 2,78,37,409 |
| Mangal Bullion Pvt Ltd | 350000 | 98.94 | 3,46,28,000 |
| Shree Ratnamangal Jewels Pvt Ltd | 109000 | 100.10 | 1,09,11,000 |
| Swarn Bhavya Mangal Jewels Pvt Ltd | 1260000 | 9.89 | 1,24,59,510 |
| Shree Radhey Mangal Gold Chain Pvt Ltd | 3000000 | 9.86 | 2,95,76,000 |
| Mangal Timber Pvt Ltd | 150010 | 39.81 | 59,72,273 |
| Mangal Buildhome Pvt Ltd | 2000000 | 9.94 | 1,98,88,000 |
| Total | | | 16,62,69,192 |
| Less: Cash Paid | | | 6,62,69,502 |
| Shares Issued for Balance Amount | | | 9,99,99,690 |

3. RESERVES AND SURPLUS

| Particulars | As at | As at |
|---|---------------------|---------------------|
| | 31.03.2015 | 31.03.2014 |
| | Rupees | Rupees |
| Securities Premium | | |
| Opening Balance | 14,19,84,050 | 10,31,050 |
| Add: Securities Premium on issue of Equity Shares during the year | - | 14,09,53,000 |
| Closing Balance | 14,19,84,050 | 14,19,84,050 |
| General Reserve | | |
| Opening Balance | 3,65,00,000 | 3,65,00,000 |
| Closing Balance | 3,65,00,000 | 3,65,00,000 |
| Contingency Reserve | 25,00,000 | 25,00,000 |
| Investment Reserve | 7,00,000 | 7,00,000 |
| Statutory Reserve Fund | | |
| Opening Balance | 2,70,08,000 | 2,52,65,000 |
| Add: Transferred from Statement of Profit and Loss | 18,55,441 | 17,43,000 |
| Closing Balance | 2,88,63,441 | 2,70,08,000 |
| Capital Reserve | 10,425 | 10,425 |
| Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening Balance | 7,94,69,268 | 7,57,95,195 |
| Add: Profit for the year | 92,77,205 | 87,13,559 |
| Less: Proposed Dividend | 7,04,408 | 28,17,630 |
| Tax on Proposed Dividend | 1,44,226 | 4,78,856 |
| Transferred To : Statutory Reserve Fund | 18,55,441 | 17,43,000 |
| : General Reserve | - | - |
| Closing Balance | 8,60,42,400 | 7,94,69,268 |
| Total | 29,66,00,316 | 28,81,71,743 |

NOTES FORMING PART OF FINANCIAL STATEMENT

DIVIDEND

Dividend of Rs. 0.5/- share has been recommended for the FY 2014-15 (Dividend of Rs. 2 per share on face value of Rs. 10/- per share was provided in FY 2013-14)

4. LONG TERM BORROWINGS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| Secured | | |
| Term Loans | 11,36,941 | 22,57,644 |
| Less: Current Maturities(Refer Note No. 7) | 7,65,196 | 10,78,884 |
| Total | 3,71,745 | 11,78,760 |

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. SHORT TERM BORROWINGS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|-----------------------|---------------------|-----------------------|
| | Rupees | Rupees |
| Secured | | |
| From Schedule Bank | | |
| Bank Overdraft | - | 20,50,77,456 |
| From NBFC | 10,94,818 | - |
| Unsecured | | |
| Inter-Corporate Loans | 44,02,50,000 | 1,02,07,92,382 |
| Loan from Directors | 44,21,974 | 2,31,76,958 |
| Related Parties | 1,79,23,227 | 2,31,33,720 |
| Total | 46,36,90,019 | 1,27,21,80,516 |

5.1 Loan from NBFC Represents

Loan from ILFS Financial Services Ltd. which Carry an interest of 14% p.a. and is secured against demat shares Bank Overdraft facility from Bharat Cooperative Bank Ltd. carry an interest of 8.75% to 11.00% p.a. and is secured against lien of fixed deposits as margin money with bank.

NOTES FORMING PART OF FINANCIAL STATEMENT

6. TRADE PAYABLES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| - Total outstanding dues of Micro Enterprises and Small Enterprises | - | - |
| - Total outstanding dues of creditors other than Micro and Small Enterprises | - | 2,48,28,060 |
| Total | - | 2,48,28,060 |

The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the end of the year together with interest paid / payable as required under the said Act have not been furnished.

7. OTHER CURRENT LIABILITIES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Current maturities of long term debt (Refer Note No. 4) | 7,65,196 | 10,78,884 |
| Interest accrued and due on borrowings | 11,08,24,145 | 5,36,45,160 |
| Advance against sale of shares | - | 5,97,00,000 |
| Unpaid Dividends* | 8,33,336 | 9,35,270 |
| Other Payables | | |
| Security Deposits | 50,00,000 | - |
| Duties and Taxes | 88,40,630 | 62,91,232 |
| Creditors for Expenses & Others | 6,80,035 | 10,16,556 |
| Total | 12,69,43,342 | 12,26,67,102 |

* An amount of Rs. 99,504 has been deposited in Investor Education and Protection Fund.

8. SHORT TERM PROVISIONS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Provision on Standard Assets | 12,73,977 | 25,85,000 |
| Provision on Sub Standard Assets | 12,50,000 | - |
| Proposed Dividend on Equity Shares | 7,04,408 | 28,17,630 |
| Corporate Dividend Tax on Proposed Dividend | 1,44,226 | 4,78,856 |
| Total | 33,72,610 | 58,81,486 |

NOTES FORMING PART OF FINANCIAL STATEMENTS

9. FIXED ASSETS

| A. Tangible assets | Gross block | | | Accumulated depreciation and impairment | | | | Net Block | | | | |
|----------------------------|-----------------------------|-------------|-------------------------|---|------------------------------|---------------------|---|---------------------------|-----------------------------------|------------------------------|------------------------------|-------------|
| | Balance as at 1 April, 2014 | Additions | Prior Period Adjustment | Deductions | Balance as at 31 March, 2015 | upto 31 March, 2014 | Depre- ciation / amorti- sation for the period. | Prior Period Adjust- ment | Eliminated deduc- tions of assets | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | |
| (a) Plant and Equipment | 29,98,232 | - | - | 2,98,312 | 26,99,920 | 2,73,751 | 4,96,068 | - | 1,21,268 | 6,48,551 | 20,51,369 | 27,24,481 |
| (b) Furniture and Fixtures | 1,66,00,173 | - | - | 7,02,502 | 1,58,97,671 | 18,20,736 | 38,98,097 | - | 3,76,012 | 53,42,822 | 1,05,54,849 | 1,47,79,437 |
| (c) Vehicles | 44,67,125 | - | - | - | 44,67,125 | 23,52,121 | 8,30,677 | - | - | 31,82,798 | 12,84,327 | 21,15,004 |
| (d) Office equipment | 37,57,449 | 1,81,767 | - | 93,700 | 38,45,516 | 9,26,580 | 19,94,599 | - | 90,195 | 28,30,984 | 10,14,532 | 28,30,869 |
| Total | 27,82,29,78 | 1,81,767 | - | 10,94,514 | 2,69,10,231 | 53,73,188 | 72,19,441 | - | 5,87,475 | 1,20,05,154 | 1,49,05,077 | 2,24,49,790 |
| Previous year | 72,04,275 | 2,11,87,622 | 5,38,919 | 30,000 | 2,78,22,978 | 11,61,529 | 39,62,170 | 2,57,461 | 7,972 | 53,73,188 | 2,24,49,790 | 60,42,746 |

Notes:

- 1 Vehicles represent 5 cars purchased by Company and leased to another company.
- 2 During the year the trading segment fixed assets had been disposed off at profit of Rs. 5,04,290/-.

NOTES FORMING PART OF FINANCIAL STATEMENTS
10. NON CURRENT INVESTMENT

Particulars

As At 31.03.2014

As At 31.03.2015

| Particulars | As At 31.03.2015 | | As At 31.03.2014 | |
|--|--------------------|---------------------|--------------------|------------------------|
| | No. of Shares | Face Value | No. of Shares | Face Value |
| A) Investment in Land | | | | |
| | | 1,39,79,720 | | 1,39,79,720 |
| | | 1,39,79,720 | | 1,39,79,720 |
| Sub Total (A) | | | | |
| B) Investment in Shares | | | | |
| i) Unquoted, Long Term (valued at cost) | | | | |
| a) Investment in Subsidiaries (Group Concerns) | | | | |
| Chakshu Realtors Pvt Ltd | 9999 | 10 | 9999 | 10 |
| Mangal Buildhome Pvt Ltd | 1499999 | 10 | 1,49,17,990 | 10 |
| Mangal Bullion Pvt Ltd | 1199999 | 10 | 3,06,76,329 | 10 |
| Mangal Compusolution Pvt Ltd | 1999999 | 10 | 2,07,49,940 | 10 |
| Mangal Entertainment Pvt Ltd | 9999 | 10 | 24,99,750 | 10 |
| Mangal Royal Jewels Pvt Ltd. | 1874999 | 10 | 1,87,53,240 | 10 |
| Mangal Timber & Laminates Pvt Ltd | 159999 | 10 | 63,71,834 | 10 |
| Shree Mangal Jewels Pvt Ltd | 524999 | 10 | 2,08,79,219 | 10 |
| Shree Radhey Mangal Gold Chain Pvt Ltd | 2199999 | 10 | 2,16,87,990 | 10 |
| Shree Ratnamangal Jewels Pvt Ltd | 65399 | 10 | 65,46,500 | 10 |
| Ekadanta Builders Pvt.Ltd | 1485000 | 10 | 1,48,50,000 | 10 |
| Indtrans Container Lines Pvt Ltd | 600000 | 10 | 60,00,000 | 10 |
| Mangal Globle Marble Pvt Ltd | 15000 | 10 | 1,50,000 | 10 |
| Mangal Synnove Energies Pvt Ltd | 495099 | 10 | 50,01,980 | 10 |
| Mayur Abodes Limited | - | 0 | - | 10 |
| Satco Capital Markets Ltd | 4291755 | 10 | 6,01,73,113 | 10 |
| Signature Sports & Entertainment Pvt Ltd | 7500 | 10 | 75,000 | 10 |
| Standard Medserve Tpa Pvt Ltd | 9900 | 10 | 99,000 | 10 |
| Swarn Bhavya Mangal Jewels Pvt Ltd | 1999999 | 10 | 1,24,59,510 | 10 |
| Viraasat Gems & Jewels (Retail) Pvt Ltd | 9999 | 10 | 99,990 | 10 |
| Total Investment in equity shares of subsidiaries (a) | | 24,20,91,375 | | 34,62,18,805 |
| b) Investment in Associates (Group Concerns) | | | | |
| Scarlet Computech Private Limited | 5,000 | 10 | 50,000 | 10 |
| Total Investment in equity shares of others (b) | | 50,000 | | 50,000 |
| Total Investment in unquoted equity shares (a) + (b) | | 24,21,41,375 | | 34,62,68,805.00 |
| TOTAL INVESTMENT (A) + (B) | 1,84,64,642 | 25,61,21,095 | 2,11,14,492 | 36,02,48,525 |

NOTES FORMING PART OF FINANCIAL STATEMENT

11. Deferred Tax Assets

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Deferred Tax Liability : | | |
| Difference between wdv as per book & IT Act | - | 4,81,560 |
| Provision for Standard Assets | - | - |
| Deferred Tax Assets : | | |
| Difference between wdv as per book & IT Act | 6,13,117 | - |
| Provision for Standard Assets | 4,13,342 | 8,38,703 |
| Provision for Sub Standard Assets | 4,05,563 | - |
| Net Deferred Tax Asset (DTA) | 14,32,021 | 3,57,143 |
| Incremental DTA taken to Profit & Loss Account | 10,74,878 | 3,57,143 |

12. LONG-TERM LOANS & ADVANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured, considered good | | |
| Security Deposits | 2,00,00,000 | 2,00,60,000 |
| Other Loans and advances | | |
| -Balances with Revenue Authorities | 8,58,338 | 9,67,135 |
| -Advance Tax/TDS (Net of provision for taxation) | 98,61,337 | 64,83,156 |
| Total | 3,07,19,675 | 2,75,10,291 |

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 28)

13. INVENTORIES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|-----------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| - Stock in Trade - Gold Jewellery | - | 2,01,35,734 |
| Total | - | 2,01,35,734 |

NOTES FORMING PART OF FINANCIAL STATEMENT

14. TRADE RECEIVABLES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured, considered good | | |
| Trade receivables outstanding for a period exceeding six months | - | - |
| Other debts | - | 1,79,130 |
| Total | - | 1,79,130 |

15. CASH AND BANK BALANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| A. Cash and Cash Equivalents | | |
| (a) Cash in hand | 27,60,789 | 50,62,698 |
| (b) Balances with banks in current account | 3,95,40,351 | 74,42,642 |
| | 4,23,01,140 | 1,25,05,340 |
| B. Other Bank Balances | | |
| (a) Fixed Deposit held as margin money for Bank Overdraft Facility | | |
| (i) With Maturity upto 3 months | - | 12,71,04,244 |
| (iii) With Maturity more than 12 months | - | 12,32,73,803 |
| (b) Unpaid Dividend Account | 8,33,336 | 9,35,270 |
| | 8,33,336 | 25,13,13,317 |
| Total | 4,31,34,476 | 26,38,18,657 |

16. SHORT TERM LOANS AND ADVANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Secured, considered good | | |
| Other Loans | 9,50,00,000 | 11,40,00,000 |
| (a) | 9,50,00,000 | 11,40,00,000 |
| Unsecured, considered good | | |
| Loans and Advances to Subsidiaries | 81,909 | 43,57,85,163 |
| Loans and Advances to Related Parties other than Subsidiaries | 96,50,000 | 3,58,60,837 |
| Other Loans | 41,73,58,863 | 42,24,06,275 |
| (b) | 42,70,90,772 | 89,40,52,275 |
| Other Advances | | |
| Balance with Revenue Authorities | 7,60,262 | 6,80,651 |
| Prepaid Expenses | 68,037 | 59,682 |
| Advance to Staff | 14,000 | 44,815 |
| (c) | 8,42,299 | 7,85,148 |
| Total (a+b+c) | 52,29,33,071 | 1,00,88,37,423 |

NOTES FORMING PART OF FINANCIAL STATEMENT

17 OTHER CURRENT ASSETS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|-------------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured, considered good | | |
| Interest accrued and due on lending | 3,57,96,561 | 2,54,28,377 |
| Others Receivables | 24,207 | 30,749 |
| Total | 3,58,20,768 | 2,54,59,126 |

18. REVENUE FROM OPERATIONS

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|----------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| A. Interest Income | | |
| on Loans to Subsidiary | 2,96,35,655 | 2,04,92,876 |
| on Loans to Others | 8,30,48,638 | 6,86,17,839 |
| on Fixed Deposits | 3,42,892 | 84,03,624 |
| | <u>11,30,27,185</u> | <u>9,75,14,339</u> |
| B. Sale of Gold Jewellery | <u>36,52,638</u> | <u>1,33,61,677</u> |
| | 36,52,638 | 1,33,61,677 |
| Total | 11,66,79,823 | 11,08,76,016 |

19. OTHER INCOME

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|---------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Dividend Income | - | 1,00,290 |
| Profit from Trading of Bonds | - | 22,77,500 |
| Rent Income | 1,19,80,000 | 59,83,750 |
| Rent from Leasing of Motor Cars | 12,00,000 | 12,00,000 |
| Profit on sale of shares | 76,85,420 | - |
| Profit on sale of Fixed Assets | 5,04,290 | - |
| Misc. Income | 1,27,672 | 1,18,855 |
| Total | 2,14,97,382 | 96,80,395 |

NOTES FORMING PART OF FINANCIAL STATEMENT

20. CHANGES IN INVENTORIES

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Inventory at the end of year | | |
| Stock-in-Trade | - | 2,01,35,734 |
| | - | 2,01,35,734 |
| Inventory at the beginning of the year | | |
| Stock-in-Trade | 2,01,35,734 | 2,08,88,330 |
| | 2,01,35,734 | 2,08,88,330 |
| | <u>2,01,35,734</u> | <u>7,52,596</u> |

21. EMPLOYEE BENEFITS EXPENSE

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|--------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Director's Remuneration | 19,08,700 | 14,61,359 |
| Salaries, Bonus and Allowances | 22,62,155 | 20,14,384 |
| Staff Welfare Expenses | 2,94,571 | 2,47,044 |
| Total | <u>44,65,426</u> | <u>37,22,787</u> |

22. FINANCE COSTS

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|-----------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Interest cost: | | |
| On Bank Overdraft | 4,17,044 | 76,05,833 |
| On Car Loan | 2,50,176 | 3,90,189 |
| On Inter-Corporate Deposits | 8,99,77,837 | 6,51,65,918 |
| Others | 3,51,302 | 3,521 |
| Total | <u>9,09,96,359</u> | <u>7,31,65,461</u> |

NOTES FORMING PART OF FINANCIAL STATEMENT

23. OTHER EXPENSES

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|----------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Advertisement Expenses | 80,595 | 2,35,074 |
| Payment to Auditor | | |
| - Statutory Audit Fees | 2,00,000 | 2,00,000 |
| - Tax Audit Fees | 50,000 | - |
| - Others | 2,00,000 | - |
| - Auditor Out of Pocket Expenses | 62,336 | - |
| Internal Audit Fees | 1,80,000 | - |
| Conveyance Expenses | 4,19,541 | 1,68,962 |
| Capital Loss on sale of shares | - | 36,57,740 |
| Director's Sitting Fees | 2,000 | 33,000 |
| Donation | - | 32,000 |
| Electricity Charges | 16,10,169 | 7,78,560 |
| Insurance | 86,220 | 1,20,811 |
| Legal & Prof.Charges | 1,78,823 | 5,94,268 |
| Repair & Maintenance | 1,37,760 | |
| Housekeeping & Wages Charges | 1,96,964 | - |
| Miscellaneous Expenses | 2,05,645 | 10,08,633 |
| Listing Fees | 1,20,860 | - |
| Office Inaugration Expenses | - | 3,21,061 |
| Postage, Courier & Telegrams | 1,23,764 | 1,22,254 |
| Printing & Stationery | 4,55,555 | 4,37,396 |
| Loss on sale of Fixed Assets | - | 14,028 |
| Rent, Rates and Taxes | 1,34,70,000 | 75,22,340 |
| Provision on Standard Assets | (13,11,023) | 25,85,000 |
| Provision on Sub Standard Assets | 12,50,000 | - |
| Travelling Expenses | 35,599 | 1,61,485 |
| Telephone & Internet Charges | 8,40,581 | 4,62,285 |
| Total | 1,85,95,388 | 1,84,54,897 |

24. EARNINGS PER EQUITY SHARE

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| (i) Net Profit (adjusted) available for Equity Shareholders | 92,77,205 | 87,13,559 |
| (ii) Weighted Average number of equity shares for Basic EPS (Number) | 14,08,815 | 13,14,203 |
| (iii) Nominal Value of shares | 10 | 10 |
| (iv) Earning per Equity Share | | |
| Basic (in Rs.) | 6.59 | 6.63 |
| Diluted (in Rs.) | 6.59 | 6.63 |

NOTES FORMING PART OF FINANCIAL STATEMENT

25. CONTINGENT LIABILITIES & COMMITMENTS

| Particulars | For the Year ended 31.03.2015 | For the Year ended 31.03.2014 |
|---|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| (i) Contingent Liabilities | | |
| (a) Claims against company not acknowledged as debt | - | - |
| (b) Guarantees | - | - |
| (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 | - | - |

26. 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

S. No. Related Parties

A. Subsidiaries

- 1 Chakshu Realtors Pvt Ltd
- 2 Ekadanta Builders Pvt.Ltd
- 3 Indtrans Container Lines Pvt Ltd
- 4 Mangal Buildhome Pvt Ltd
- 5 Mangal Bullion Pvt Ltd
- 6 Mangal Compusolution Pvt Ltd
- 7 Mangal Entertainment Pvt Ltd
- 8 Mangal Globle Marble Pvt Ltd
- 9 Mangal Royal Jewels Pvt Ltd.
- 10 Mangal Synnove Energies Pvt Ltd
- 11 Mangal Timber Pvt Ltd
- 12 Satco Capital Markets Ltd
- 13 Shree Mangal Jewels Pvt Ltd
- 14 Shree Radhey Mangal Gold Chain Pvt Ltd
- 15 Shree Ratnamangal Jewels Pvt Ltd
- 16 Signature Sports & Entertainment Pvt Ltd
- 17 Standard Medserve Tpa Pvt Ltd
- 18 Swarn Bhavya Mangal Jewels Pvt Ltd
- 19 Viraasat Gems & Jewels (Retail) Pvt Ltd
- 20 Mayur Abodes Private Limited (upto 25.06.2014)
- 21 Indtrans Container Lines (Singapore) PTE Ltd

NOTES FORMING PART OF FINANCIAL STATEMENT

B Associates

- 1 Scarled Computech Private Limited
- 2 GoldCrest Realty
- 3 Student films Festivals
- 4 Bliss Entertainment
- 5 Mangal Accad Synnove Energy
- 6 Swarn Mangal Jewels
- 7 Digital Edge Technology

C Companies / Others Under Common Control

- 1 Ally Insurance Brokers Private Limited
- 2 Bansiwala Real Estates Private Limited
- 3 Dhakad Proprietries & Financial Services PL
- 4 E-Ally Commodities India Private Limited
- 5 E-Ally Consulting India Private Limited
- 6 E-Ally Equities India Private Limited
- 7 E-Ally Research India Private Limited
- 8 E-Ally Securities India Private Limited
- 9 Ectech Informatics Private Limited
- 10 Karishma Metal Industries Private Limited
- 11 Mangal Meta Forging Private Limited
- 12 Mangal Recycling Private Limited
- 13 Shwet Developers Private Limited
- 14 Vijay Dwellers Private Limited
- 15 Mangal Charitable Trust

D Key Management Person

- | | | |
|---|-------------------------|----------|
| 1 | Sandeep Maloo | Director |
| 2 | Ajit Jain | Director |
| 3 | Meghraj Jain | Director |
| 4 | Deepak Arora | Director |
| 5 | Labh Chand Maloo | Director |
| 6 | Neeta Maloo | Director |
| 7 | Sunil Ramachandran Nair | Director |
| 8 | Atul Jain | Director |

E Key Management Person's Relatives

- 1 Sohan V Jain (HUF)
- 2 Seema A Jain
- 3 Mangal Jewellers
- 4 Lokesh Devikal Jain
- 5 Navin Goyal Agarwal

Transaction with Related Parties are Shown in Annexure - A1**NOTE 27: SEGMENT REPORTING**

The Company has two business segments i.e. finance activity and trading in jewellery activity. The segment information is being presented in consolidated financial statements.

NOTE 28

During last year the premises of the company were subjected to search and seizure proceedings u/s 132 of the Income Tax Act, 1961 alongwith the similar proceedings at the residential premises of the directors and also the premises of certain other group concerns. Cash of Rs. 7,50,000/- belonging to the company was seized during such proceedings, besides certain other papers, documents, books, electronic data which, according

NOTES FORMING PART OF FINANCIAL STATEMENT

to management, does not contain any incriminating material. During the year notice under section 153A for filing of the returns of income for the F.Y. 2007-08 to 2012-13 were served in compliance of which returns of income have been filed by making a self assessment of undisclosed income at Rs. NIL in all the years. The Assessment Proceedings are pending as on date. The management is of the view that no additional tax liability shall arise as a result of such proceedings.

NOTE 29:

The company has complied with norms prescribed by Reserve Bank of India vide circular no. RBI/2014-15/299 DNBS (PD) CC No.002/ 03.10.001/2014-15 dated 10 Nov, 2014 for NBFCs-ND.

NOTE 30: DISCONTINUING OPERATIONS

On 1st March 2015, the Board of Directors announced a plan to dispose of Company's Trading Division, which was a separate segment as per AS 17, Segment Reporting. The disposal is consistent with the RBI Guidelines that an NBFC can not involve in trading business. For this the company has sold the entire segment fixed assets to Shree Mangal Abhushan Private Limited at Profit of Rs. 5,04,290/- and all its Assets including inventory and Liabilities has been disposed off. The following statement shows the revenue & expenses of continuing and discontinuing operations:

(Rs. in Lacs)

| Particulars | Continuing Operations | | Discontinuing Operations | | Total | |
|--|-----------------------|-------------|--------------------------|-------------|-------------|-------------|
| | March, 2015 | March, 2014 | March, 2015 | March, 2014 | March, 2015 | March, 2014 |
| Revenue From Operations | 1130.27 | 975.14 | 36.53 | 133.62 | 1166.8 | 1108.76 |
| Other Income | 208.9 | 95.612 | 6.07 | 1.06 | 214.97 | 96.8 |
| Operating Expenses | 292.41 | 247.37 | 40.57 | 115.95 | 332.98 | 363.32 |
| Pre-tax profit from operating activities | 1046.76 | 723.51 | 2.03 | 18.74 | 1048.79 | 742.25 |
| Interest expense | 909.96 | 731.65 | - | - | 909.96 | 731.65 |
| Profit (loss) before tax | 136.8 | 91.86 | 2.03 | 18.74 | 138.83 | 110.59 |
| Income tax expense | 45.43 | 17.67 | 0.63 | 5.79 | 46.06 | 23.46 |
| Profit(loss) from operating activities after tax | 91.37 | 74.19 | 1.4 | 12.95 | 92.77 | 87.14 |

*Since management has discontinued its trading activity (i.e. Viraasat Jewels, A unit of Mangal Credit & Fincorp Ltd), to give effect to the decision, all the trading goods lying in stock has been returned to the suppliers. The same is shown as purchase return in financial statement.

NOTE 31:

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, 2015 | March, 2014 | March, 2015 | March, 2014 | March, 2015 | March, 2014 |
| Standard Asset | 5095.91 | 10334.81 | 12.74 | 25.85 | 5083.17 | 10308.96 |
| Sub Standard Asset | 125 | - | 12.5 | - | 112.5 | - |
| Doubtful Asset | - | - | - | - | - | - |
| Loss Asset | - | - | - | - | - | - |
| Total | 5220.91 | 10334.81 | 25.24 | 25.85 | 5195.67 | 10308.9 |

NOTES FORMING PART OF FINANCIAL STATEMENT

NOTE 32

SCHEDULE TO THE BALANCE SHEET OF NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY

(as required in terms of paragraph 13 of Non-banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lacs)

| Sr. No. | Particulars | Amount Outstanding | Amount Overdue |
|----------------------------|--|--------------------|----------------|
| Liability side: | | | |
| (1) | Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid: | | |
| | (a) Debenture : Secured | - | - |
| | Unsecured | - | - |
| | (Other than falling within the meaning of public deposits*) | | |
| | (b) Deferred Credits | - | - |
| | (c) Term Loans | 22.74 | - |
| | (d) Inter-Corporate Loans and Borrowings | 5458.55 | - |
| | (e) Commercial Paper | - | - |
| | (f) Other Loans; | - | - |
| | - Bank Overdraft | - | - |
| | - Loan from Directors | 60.28 | - |
| *Please see Note (a) Below | | | |

(Rs. in Lacs)

| Sr. No. | Particulars | Amount Outstanding |
|----------------------|---|--------------------|
| Assets Side : | | |
| (2) | Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : | |
| | (a) Secured | 982.75 |
| | (b) Unsecured | 4596.13 |
| (3) | Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities : | |
| | (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) | Break-up of Investments : | |
| | Current Investments : | |
| | 1. Quoted | |
| | (i) Shares : (a) Equity | - |
| | (b) Preference | - |
| | (ii) Debentures and Bonds | - |
| | (iii) Units of mutual funds | - |

NOTES FORMING PART OF FINANCIAL STATEMENT

| | | |
|--------------------|---------------------------------|---------|
| | (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 | - |
| | Long Term Investments : | |
| 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 | 2420.91 |
| | (b) Preference | - |
| | (ii) Debentures and Bonds | - |
| | (iii) Units of mutual funds | - |
| | (iv) Government Securities | - |
| | (v) Others - Investment in Land | 139.80 |

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Please see Note (b) below

(Rs. in Lacs)

| Category | Amount Net of Provisions | | |
|---------------------------------|--------------------------|----------------|----------------|
| | Secured | Unsecured | TOTAL |
| 1. Related Parties | | | |
| (a) Subsidiaries | - | 157.51 | 157.51 |
| (b) Companies in the same group | - | 0 | 0 |
| (c) Other related parties | - | 111.77 | 111.77 |
| 2. Other than related parties | 968.67 | 4315.69 | 5284.36 |
| Total | 968.67 | 4584.97 | 5553.64 |

(6) 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 | 2558.64 | 2420.91 |
| (b) Companies in the same group | - | - |
| (c) Other related parties | 0.50 | 0.50 |
| 2. Other than related parties | - | - |
| Total | 2559.14 | 2421.41 |

NOTES FORMING PART OF FINANCIAL STATEMENT

7. Other Information:

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

Sub Notes:

- As defined in paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directons, 2007.
- 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 (4) above.

NOTE 33:

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

NOTE 34: 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
FRN: 101169W/W-100035

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

| Formatting Part of Notes on Accounts Annexure -"A1" | | | | | |
|---|---------------------------|-------------------|-------------------------------------|-------------------|-------------------------------------|
| Name of Related Parties and Their Transaction | | | | | |
| | | 2014-15 | | 2013-14 | |
| Name of the Related Parties & Nature of Relationships | Nature of Transaction | Transaction Value | O/s Amount carried to Balance Sheet | Transaction Value | O/s Amount carried to Balance Sheet |
| Chakshu Realtors Pvt Ltd | Rent Paid | 13,250,000 | - | 7,150,000 | - |
| | Loan Given | 9,922,552 | - | 4,776,640 | 2,692,121 |
| | Loan Repayment Received | 12,614,673 | - | 2,084,519 | - |
| | Interest Income | 344,183 | - | 75,519 | 67,967 |
| | Security Deposit Received | - | 20,000,000 | 5,750,000 | 20,000,000 |
| Ekadanta Builders Pvt.Ltd | Loan Given | - | - | 9,350,000 | 6,350,000 |
| | Loan Repayment Received | 6,350,000 | - | 3,000,000 | - |
| | Interest Income | 148,610 | 133,749 | 822,760 | 740,484 |
| | Rent Income | 22,500 | - | - | - |
| Indtrans Container Lines Pvt Ltd | Contribution to Equity | - | - | 9,900,000 | - |
| | Loan Given | 16,551,464 | - | 25,767,000 | 11,517,000 |
| | Loan Repayment Received | 28,068,464 | - | 15,250,000 | - |
| | Interest Income | 452,421 | 407,179 | 1,316,996 | 1,185,296 |
| | Rent Income | 1,800,000 | - | 975,000 | - |
| Mangal Buildhome Pvt Ltd | Rent Income | 360,000 | - | 195,000 | - |
| | Loan Given | 25,070,621 | - | 52,587,723 | 10,474,723 |
| | Loan Repayment Received | 35,545,344 | - | 42,113,000 | - |
| | Interest Income | 349,533 | 129,800 | 428,956 | 386,060 |
| Mangal Bullion Pvt Ltd | Contribution to Equity | - | - | 16,500,000 | - |
| | Loan Given | 515,705,500 | - | 267,154,279 | 87,290,801 |
| | Loan Repayment Received | 602,996,301 | - | 179,863,478 | - |
| | Interest Income | 6,300,096 | 5,670,086 | 2,639,582 | 2,375,624 |
| Mangal Compusolution Pvt Ltd | Contribution to Equity | - | - | 19,850,000 | - |
| | Loan Given | 514,449 | - | 25,295,000 | 110,000 |
| | Loan Repayment Received | 624,449 | - | 25,185,000 | - |
| | Interest Income | 4,750 | 4,750 | 569,869 | 512,882 |
| | Purchase of Computer | 10,815 | - | - | - |
| | Reimbursement of Expenses | 1,365 | - | - | - |
| Mangal Entertainment Pvt Ltd | Rent Income | 600,000 | - | 325,000 | - |
| | Loan Given | 17,717,451 | - | 33,480,511 | 12,055,511 |
| | Loan Repayment Received | 29,772,962 | - | 21,425,000 | - |
| | Interest Income | 1,615,979 | - | 579,144 | 521,229 |
| Mangal Globle Marble Pvt Ltd | Loan Given | 2,200,000 | - | 12,489,509 | 12,489,509 |
| | Loan Repayment Received | 14,689,509 | - | - | - |
| | Contribution to Equity | - | - | 150,000 | - |
| | Interest Income | 285,147 | 256,632 | 576,715 | 519,043 |

| | | | | | |
|--|---------------------------|-------------|-----------|-------------|-------------|
| Mangal Royal Jewels Pvt Ltd. | Loan Given | 108,877,836 | - | 134,773,944 | 126,443,423 |
| | Loan Repayment Received | 235,321,259 | - | 8,330,521 | - |
| | Interest Income | 5,237,536 | - | 8,534,618 | 7,681,156 |
| Mangal Synnove Energies Pvt Ltd | Loan Given | 741,988 | - | 63,253,850 | 1,917,840 |
| | Loan Repayment Received | 2,659,828 | - | 61,336,010 | - |
| | Interest Income | 233,276 | 45,948 | 643,675 | 579,307 |
| | Contribution to Equity | - | - | 4,900,000 | - |
| | Rent Income | 100,000 | - | 325,000 | - |
| Mangal Timber Pvt Ltd | Rent Income | 30,000 | - | 16,250 | - |
| | Loan Given | 2,440,000 | - | 3,129,937 | 2,938,544 |
| | Loan Repayment Received | 5,338,544 | - | 191,393 | - |
| | Interest Income | 351,208 | 316,087 | 94,490 | 85,041 |
| Satco Capital Markets Ltd | Rent Income | 4,200,000 | - | 2,275,000 | 179,130 |
| | Loan Given | 127,019,101 | 81,909 | 55,000,000 | 5,000,000 |
| | Loan Repayment Received | 131,937,192 | - | 50,000,000 | - |
| | Interest Income | 2,300,981 | 2,070,883 | 125,343 | 112,808 |
| | Security Deposit Received | 5,000,000 | 5,000,000 | - | - |
| Shree Mangal Jewels Pvt Ltd | Loan Given | 46,983,133 | - | 137,278,015 | 122,043,933 |
| | Loan Repayment Received | 169,027,066 | - | 15,234,082 | - |
| | Interest Income | 7,280,177 | 5,952,409 | 1,041,094 | 936,984 |
| Shree Radhey Mangal Gold Chain Pvt Ltd | Loan Given | 829,727 | - | 11,531,840 | 10,949,245 |
| | Loan Repayment Received | 11,778,972 | - | 582,595 | - |
| | Interest Income | 1,062,997 | - | 67,575 | 60,817 |
| Shree Ratnamangal Jewels Pvt Ltd | Loan Given | 12,002 | - | 22,376,428 | 22,358,603 |
| | Loan Repayment Received | 22,370,605 | - | 17,825 | - |
| | Interest Income | 958,702 | 642,000 | 543,028 | 488,725 |
| Signature Sports & Entertainment Pvt Ltd | Loan Given | 9,344 | - | 979,500 | 853,910 |
| | Loan Repayment Received | 863,254 | - | 125,590 | - |
| | Interest Income | 3,180 | 3,180 | 18,433 | 16,589 |
| | Contribution to Equity | - | - | 75,000 | - |
| | Rent Income | - | - | 200,000 | - |
| Standard Medserve Tpa Pvt Ltd | Loan Given | 2,797,920 | - | 300,000 | 300,000 |
| | Loan Repayment Received | 3,097,920 | - | 4,900,000 | - |
| | Interest Income | 40,185 | 36,166 | - | - |
| Swarn Bhavya Mangal Jewels Pvt Ltd | Loan Given | 56,902,500 | - | 64,319,718 | - |
| | Loan Repayment Received | 56,902,500 | - | 64,319,718 | - |
| | Interest Income | 2,666,694 | - | 778,657 | 482,784 |
| Viraasat Gems & Jewels (Retail) Pvt Ltd | Contribution to Equity | - | - | 99,990 | - |

| Associates | | | | | |
|--|-------------------------|------------|------------|------------|------------|
| Scarled Computech Private Limited | Loan Given | - | - | 12,000,000 | 12,000,000 |
| | Loan Repayment Received | 12,000,000 | - | - | - |
| | Interest Income | 264,308 | - | 1,250,548 | 1,125,493 |
| | Rent Income | 22,500 | - | - | - |
| GoldCrest Realty | Loan Given | 33,636,726 | - | - | - |
| | Loan Repayment Received | 33,636,726 | - | - | - |
| | Interest Income | 841,009 | 756,908 | - | - |
| Bliss Entertainment | Rent Income | - | - | 275,000 | - |
| Mangal Accad Synnove Energy | Rent Income | 100,000 | - | 325,000 | - |
| | Loan Given | 3,177,290 | - | - | - |
| | Loan Repayment Received | 3,177,290 | - | - | - |
| Companies / Others under Common Control | | | | | |
| E-Ally Commodities India Private Limited | Loan Taken | 43,235,000 | - | 6,106,233 | 350,000 |
| | Loan Repayment | 43,585,000 | - | 5,756,233 | - |
| | Interest Paid | 589,728 | 530,755 | - | - |
| | Interest Received | - | - | 61,205 | 55,084 |
| | Rent Income | 30,000 | - | 16,250 | - |
| E-Ally Consulting India Private Limited | Loan Taken | 17,517,870 | 17,923,227 | 70,177,165 | 20,383,720 |
| | Loan Repayment | 19,978,363 | - | 53,643,445 | - |
| | Interest Paid | 2,442,378 | 2,198,140 | 995,227 | 895,704 |
| | Rent Income | 600,000 | - | 325,000 | - |
| E-Ally Equities India Private Limited | Loan Taken | 7,850,000 | - | 5,200,000 | - |
| | Loan Repayment | 8,250,000 | - | 5,600,000 | 400,000 |
| | Interest Received | 936,910 | 843,219 | 21,962 | 19,766 |
| | Rent Income | 30,000 | - | 16,250 | - |
| E-Ally Reserch India Private Limited | Rent Income | 30,000 | - | 16,250 | - |
| | Loan Given | 10,000,000 | - | - | - |
| | Loan Repayment Received | 10,000,000 | - | - | - |
| | Interest Received | 113,425 | 102,085 | - | - |
| E-Ally Securities India Private Limited | Rent Income | 30,000 | - | 16,250 | - |
| Ally Insurance Brokers Private Limited | Loan Taken | 2,000,000 | - | - | 2,000,000 |
| | Loan Repayment | 4,000,000 | - | - | - |
| | Interest Paid | 283,896 | - | 300,000 | 270,000 |
| Dhakad Proprieties & Financial Services PL | Loan Given | 3,360,606 | - | 9,003,229 | 3,920,837 |
| | Loan Repayment Received | 7,281,443 | - | 5,082,392 | - |
| | Interest Received | 113,600 | - | 46,919 | 42,227 |
| | Rent Income | 900,000 | - | - | - |

53RD ANNUAL REPORT 2014-2015

| | | | | | |
|---|-------------------------|-------------|-----------|------------|------------|
| Mangal Meta Forging Private Limited | Loan Given | - | - | 4,775,000 | - |
| | Loan Repayment Received | 2,790,000 | - | 1,985,000 | 2,790,000 |
| | Interest Received | 63,197 | - | 385,874 | 347,286 |
| | Rent Income | 30,000 | - | 16,250 | - |
| Shwet Developers Private Limited | Loan Given | 8,800,000 | 3,800,000 | - | - |
| | Loan Repayment Received | 5,000,000 | - | - | - |
| | Interest Received | 873,124 | 494,729 | - | - |
| Bansiwala Real Estates Private Limited | Loan Given | - | - | - | 8,200,000 |
| | Loan Repayment Received | 8,200,000 | - | 900,000 | - |
| | Interest Received | 316,281 | - | 1,260,110 | 134,099 |
| Mangal Recycling Private Limited | Rent Income | 22,500 | - | - | - |
| Karishma Metal Industries Private Limited | Loan Given | - | - | 15,950,000 | - |
| | Loan Repayment Received | 17,150,000 | - | 4,800,000 | 17,150,000 |
| | Interest Received | 1,045,096 | - | 2,017,360 | 337,446 |
| Ecotech Informatics Private Limited | Rent Income | 30,000 | 30,000 | 16,250 | - |
| Mangal Charitable Trust | Donation Paid | - | - | 32,000 | - |
| Key Management Person | | | | | |
| Sandeep Maloo | Directors Remuneration | 720,000 | - | 107,100 | - |
| | Loan Taken | 227,257,000 | 4,421,974 | 86,000,000 | 13,369,065 |
| | Loan Repayment | 236,204,091 | - | 72,630,935 | - |
| | Interest Paid | 1,784,031 | 1,605,628 | 973,233 | 875,909 |
| | Directors Sitting Fees | - | - | 6,000 | - |
| Ajit Jain | Directors Remuneration | 360,000 | - | 227,420 | 100,000 |
| | Loan Taken | 12,490,807 | - | 3,883,057 | 3,883,057 |
| | Loan Repayment | 13,013,864 | - | 3,360,000 | - |
| | Directors Sitting Fees | - | - | - | - |
| | Shares Acquired | - | - | 1,250,000 | - |
| Meghraj Jain | Directors Remuneration | 720,000 | - | 454,839 | - |
| | Loan Taken | 50,076,000 | - | 48,658,548 | 5,684,836 |
| | Loan Repayment Received | 55,760,836 | - | 42,973,712 | - |
| | Shares Acquired | - | - | 2,050,790 | - |
| Deepak Arora | Directors Sitting Fees | - | - | 2,000 | - |
| Labh Chand Maloo | Directors Sitting Fees | - | - | 6,000 | - |
| Neeta Maloo | Loan Taken | - | - | 3,600,000 | 3,600,000 |
| | Loan Repayment Received | 3,600,000 | - | - | - |
| | Interest Paid | 129,090 | - | 63,082 | 56,774 |
| | Directors Remuneration | - | - | 420,000 | - |
| | HRA | - | - | 252,000 | - |
| | Directors Sitting Fees | 2,000 | - | 1,000 | - |
| | Shares Acquired | - | - | 400,000 | - |

| | | | | | |
|--|-------------------------|-----------|-----------|------------|-----------|
| Sunil Ramachandran Nair | Directors Sitting Fees | - | - | 8,000 | - |
| Atul Jain | Directors Sitting Fees | - | - | 10,000 | - |
| Key Management Person's Relatives | | | | | |
| Mangal Jewellers | Loan Given | 14,185 | - | 27,000,000 | - |
| | Loan Repayment Received | 14,185 | - | 27,000,000 | - |
| Lokesh Devilal Jain | Loan Given | - | 1,850,000 | 3,350,000 | 3,350,000 |
| | Loan Repayment Received | 1,500,000 | - | - | - |
| | Interest Income | 406,377 | - | 172,541 | - |
| Navin Govind Agarwal | Loan Given | - | 4,000,000 | 8,000,000 | 8,000,000 |
| | Loan Repayment Received | 4,000,000 | - | - | - |
| | Interest Income | 639,453 | 197,096 | 246,710 | 222,039 |
| Akhilesh Bhatra | Loan Given | - | - | 4,850,000 | - |
| | Loan Repayment Received | - | - | 4,850,000 | - |
| | Interest Income | - | - | 60,550 | - |

NOTES FORMING PART OF FINANCIAL STATEMENTS

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 :

| | Name of Company | Loans And Advances | | | |
|----|--|---------------------|-----------------------|-----------------------|-----------------------|
| | | Amount O/s as on | | Maxium Balance O/s | |
| | | 31 March 2015 | 31 March 2014 | 31 March 2015 | 31 March 2014 |
| | Subsidiaries | | | | |
| 1 | Chakshu Realtors Pvt Ltd | - | 2,692,121.00 | 5,563,640.00 | 3,117,428.00 |
| 2 | Mangal Buildhome Pvt Ltd | - | 10,474,723.00 | 14,975,783.00 | 20,480,000.00 |
| 3 | Mangal Bullion Pvt Ltd | - | 87,290,800.80 | 116,246,424.80 | 89,666,424.80 |
| 4 | Mangal Compusolution Pvt Ltd | - | 110,000.00 | 622,882.00 | 15,365,000.00 |
| 5 | Mangal Entertainment Pvt Ltd | - | 12,055,511.00 | 13,041,740.00 | 13,308,511.00 |
| 6 | Mangal Royal Jewels Pvt Ltd. | - | 126,443,423.00 | 134,227,079.00 | 134,124,579.00 |
| 7 | Mangal Timber & Laminate Pvt Ltd | - | 2,938,544.00 | 4,851,585.00 | 3,091,157.00 |
| 8 | Shree Mangal Jewels Pvt Ltd | - | 122,043,933.00 | 122,980,917.00 | 122,980,917.00 |
| 9 | Shree Radhey Mangal Gold Chain Pvt Ltd | - | 10,949,245.00 | 11,810,062.00 | 11,010,062.00 |
| 10 | Shree Ratnamangal Jewels Pvt Ltd | - | 22,358,603.00 | 22,847,328.00 | 22,847,328.00 |
| 11 | Ekadanta Builders Pvt.Ltd | - | 6,350,000.00 | 7,090,484.00 | 9,350,000.00 |
| 12 | Indtrans Container Lines Pvt Ltd | - | 11,517,000.00 | 12,702,296.00 | 23,617,000.00 |
| 13 | Mangal Globle Marble Pvt Ltd | - | 12,489,509.00 | 13,008,552.00 | 13,008,552.00 |
| 14 | Mangal Synnove Energies Pvt Ltd | - | 1,917,840.00 | 3,177,147.00 | 23,742,840.00 |
| 15 | Satco Capital Markets Ltd | 81,909.00 | 5,000,000.00 | 55,481,909.00 | 35,000,000.00 |
| 16 | Signature Sports & Entertainment Pvt Ltd | - | 853,910.00 | 870,499.00 | 870,499.00 |
| 17 | Standard Medserve Tpa Pvt Ltd | - | 300,000.00 | 2,700,000.00 | 4,900,000.00 |
| 18 | Swam Bhavya Mangal Jewels Pvt Ltd | - | - | 37,985,284.00 | 19,200,000.00 |
| | | 81,909.00 | 435,785,162.80 | 580,183,611.80 | 565,680,297.80 |
| | Associates | | | | |
| 19 | Scarled Computech Private Limited | - | 12,000,000.00 | 13,125,493.00 | 12,000,000.00 |
| 20 | GoldCrest Realty | - | - | 14,000,000.00 | - |
| 21 | Bliss Entertainment | - | - | - | - |
| 22 | Mangal Accad Synnove Energy | - | | 3,115,317.00 | |
| | | 0.00 | 12,000,000.00 | 13,125,493.00 | 12,000,000.00 |
| | Companies Under Common Control | | | | |
| 23 | Mangal Meta Forging Private Limited | - | 2,790,000.00 | 3,137,286.00 | 3,725,000.00 |
| 24 | Karishma Metal Industries Private Limited | - | 17,150,000.00 | 171,500,000.00 | 18,500,000.00 |
| 25 | Dhakad Proprieties & Financial Services PL | - | 3,920,837.00 | 3,920,837.00 | 4,929,000.00 |
| 26 | E-Ally Reserch India Private Limited | - | | 10,000,000.00 | |
| 27 | Shwet Developers Private Limited | 3,800,000.00 | | 8,800,000.00 | |
| 28 | Bansiwala Real Estates Private Limited | | | 8,200,000.00 | |
| 29 | E- Ally Equities India pvt ltd | - | - | | 4,000,000.00 |
| | | 3,800,000.00 | 23,860,837.00 | 205,558,123.00 | 31,154,000.00 |
| | | 3,881,909.00 | 471,645,999.80 | 798,867,227.80 | 608,834,297.80 |

CONSOLIDATED FINANCIAL STATEMENTS

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, 2015, 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, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

1. We draw attention to Note No. 32 to the Consolidate Financial Statements stating the detail of amount attached by Directorate of Enforcement under Prevention of Money Laundering Act in case of one of the Subsidiary.
2. We draw attention to Note No 33 to the financial statement which describes the fact of search and seizure proceedings u/s 132 of the Income Tax Act, 1961.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of Nineteen subsidiaries, and Five jointly controlled entities, whose financial statements reflect total assets of Rs. 20808.34/- lacs as at 31st March, 2015, total revenues of Rs. 23670.97/- lacs and net cash flows amounting to Rs. 745.82/- 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. 295.04/- lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of one associates, whose financial statements have not been audited by us. 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 'the Companies (Auditor's Report) Order, 2015 ("the Order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report 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, 2015, 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, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

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

**Sd/-
Sandeep Jhanwar
Partner
M.No.078146**

**Place: Mumbai
Date : 30th May, 2015**

Annexure to the Consolidated Auditors' Report

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

1. a. The Group has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us all the fixed assets have been physically verified by the management during the year. In our opinion the periodicity of physical verification is reasonable having regard to the size of the group and the nature of its asset and no material discrepancies between the book records and physical assets have been noticed.
2. a. As explained to us, inventories had been physically verified by the management at the regular intervals.
- b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Group and the nature of its business.
- c. The Group had maintained proper records of inventories. As explained to us, no material discrepancies noticed on physical verification of inventories as compared to book records.
3. a. The Group has granted loan to 30 companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- 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 interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
- c. There are no overdue amount in excess of Rs 1 lakh in respect of loans granted to the body corporate listed in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and the nature of its business for the purchase of fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.
5. According to the information and explanations given to us, the Group has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under during the period covered by our report.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 for any of the products of the Group.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Group, 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 Group with the appropriate authorities except for professional tax amounting to Rs. 139/- which have not been deposited.

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 2015

for a period of more than six months from the date they became payable except following:

| S. No. | Nature of Dues | Amount |
|--------|-------------------------|--------------|
| 1. | Tds Payable on Interest | Rs. 26,431 |
| 2. | Value Added Tax | Rs. 2,39,393 |
| 3. | Value Added Tax | Rs. 9,06,097 |

- b. According to the information and explanations given to us, there is no amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty, VAT and any cess, whichever applicable, which have not been deposited on account of disputes.

| Name of Statue | Nature of Due | Amount | Period | Forum where dispute is pending |
|----------------|-----------------|--------|---------|--------------------------------|
| Income Tax | Penaly | 10706 | 2010-11 | Commissioner Appeals |
| | Penaly | 70295 | 2011-12 | Commissioner Appeals |
| | Assessment Dues | 35549 | 2012-13 | Commissioner Appeals |
| | TDS Asst. Dues | 1168 | 2010-11 | Appellate Tribunal |

- c. The Group has transferred required amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules framed thereunder within time.
8. The Group does not have accumulated losses at the end of the financial year and has not incurred any cash losses during the current financial year or in the immediately preceeding financial year. However, three subsidiary component auditors have reported accumulated losses at the end of the financial year and one subsidiary component auditor reported cash loss incurred during the year.
9. In a Group one subsidiary has defaulted in repayment of dues to financial institution or bank during the year. However, the same has been paid till 31st March, 2015.
10. In our opinion, and according to the information and explanations given to us, the terms and conditions on which the Group has given guarantees for loans taken by subsidiaries and others from banks are prima facie not prejudicial to the interests of the Group.
11. In our opinion, and according to the information and explanations given to us, the term loans raised by the Group have been applied for the purposes for which they were obtained.
12. Based on the audit procedures performed and according to the information and explanations given to us/ component auditors, we report that no fraud on or by the Group has been noticed or reported during the year.

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

Sd/-
Sandeep Jhanwar
Partner
M. NO. 078146

Place : Mumbai
Date : 30th May, 2015

MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS TAK MACHINERY AND LEASING LIMITED)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

| Particulars | Notes | As at 31.03.2015 | As at 31.03.2014 |
|--|---------|------------------------------|------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 1,40,88,150 | 1,40,88,150 |
| Reserves and Surplus | 3 | 32,40,56,113 | 31,15,86,055 |
| | | 33,81,44,263 | 32,56,74,205 |
| Share Application Money pending allotment | | - | |
| Minority Shareholders | | 13,46,17,973 | 7,09,60,354 |
| Non Current Liabilities | | | |
| Long Term Borrowings | 4 | 9,45,14,649 | 9,06,51,770 |
| Deferred Tax Liabilities (Net) | 5 | 6,94,908 | 7,01,079 |
| Other Long term Liabilities | 6 | 34,34,145 | 37,30,988 |
| Long term Provisions | 7 | 21,08,146 | 27,02,429 |
| | | 10,07,51,849 | 9,77,86,266 |
| Current Liabilities | | | |
| Short-Term Borrowings | 8 | 1,53,03,64,309 | 1,78,02,47,269 |
| Trade Payables | 9 | 32,23,92,749 | 58,14,07,373 |
| Other Current Liabilities | 10 | 24,15,99,391 | 16,33,15,300 |
| Short-Term Provisions | 11 | 68,52,382 | 87,60,310 |
| | | 2,10,12,08,831 | 2,53,37,30,252 |
| TOTAL | | <u>2,67,47,22,916</u> | <u>3,02,81,51,077</u> |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | 12 | | |
| Tangible Assets | | 19,31,63,517 | 22,12,97,864 |
| Intangible Assets | | 1,75,17,618 | 2,12,77,081 |
| Non-Current Investments | 13 | 1,96,06,470 | 1,41,43,720 |
| Deferred Tax Assets | | - | - |
| Long-Term Loans and Advances | 14 | 2,46,23,920 | 2,49,89,892 |
| Other Non-Current Assets | 15 | 7,72,42,461 | 6,85,97,317 |
| | | 33,21,53,987 | 35,03,05,874 |
| Current Assets | | | |
| Current Investments | | - | - |
| Inventory | 16 | 94,39,68,166 | 84,18,36,968 |
| Trade Receivables | 17 | 43,63,67,021 | 59,59,72,226 |
| Cash and Bank Balances | 18 | 23,94,45,965 | 38,63,90,905 |
| Short-Term Loans and Advances | 19 | 66,28,69,070 | 73,15,83,832 |
| Other Current Assets | 20 | 5,99,18,705 | 12,20,61,277 |
| | | 2,34,25,68,927 | 2,67,78,45,208 |
| | | <u>2,67,47,22,916</u> | <u>3,02,81,51,077</u> |
| Significant Accounting Policies | 1 | | |
| Other Notes on Accounts | 2 to 36 | | |

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

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

Sandeep Jhanwar
Partner
M.No. 078146

Ajit Jain
Whole Time Director
DIN: 01317169

Meghraj Jain
Managing Director
DIN: 01311041

Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

**MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS TAK MACHINERY AND LEASING LIMITED)**

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Notes | For the Year Ended 31.03.2015 (in ₹) | Previous Year Ended 31.03.2014 (in ₹) |
|--|---------|---|--|
| I Revenue from Operations | 21 | 2,33,39,08,837 | 2,14,58,68,720 |
| Less : Excise Duty | | - | - |
| | | <u>2,33,39,08,837</u> | <u>2,14,58,68,720</u> |
| II Other Income | 22 | 7,81,43,118 | 3,37,02,011 |
| III Total Revenue (I+II) | | <u>2,41,20,51,955</u> | <u>2,17,95,70,731</u> |
| IV Expenses: | | | |
| Cost of Material/Services Consumed | 23 | 15,04,40,419 | 2,13,61,351 |
| Purchases of Stock-in-Trade | | 1,81,74,01,544 | 2,11,46,35,090 |
| Changes in Inventories of finished goods, work-in-progress and products for sale | 24 | (8,56,15,482) | (25,96,53,540) |
| Employee Benefit Expenses | 25 | 8,33,08,980 | 2,55,62,855 |
| Finance Costs | 26 | 18,74,22,205 | 11,94,10,762 |
| Depreciation and Amortization | 27 | 5,66,86,050 | 1,64,07,887 |
| Project Expenses | 28 | 8,05,75,786 | 1,72,84,913 |
| Other Expenses | 29 | 8,17,87,177 | 8,38,58,855 |
| Total Expenses | | <u>2,37,20,06,680</u> | <u>2,13,88,68,173</u> |
| V Profit before exceptional and extraordinary items and tax (III-IV) | | 4,00,45,276 | 4,07,02,558 |
| VI Exceptional Items | | | |
| VII Prior Period Item expense / (income) | | - | 2,57,461 |
| VIII Extraordinary items/ Income | | - | - |
| IX Profit before Tax (V-VI-VII-VIII) | | <u>4,00,45,276</u> | <u>4,04,45,097</u> |
| X Tax Expense: | | | |
| Current Tax for the year | | 1,39,64,367 | 95,90,837 |
| for earlier years | | 2,589 | 3,50,352 |
| Deferred Tax | | 1,71,144 | 2,32,907 |
| MAT Credit Entitlement | | (9,33,559) | (94,503) |
| XI Profit after tax from Continuing Operations | | <u>2,67,00,523</u> | <u>2,90,70,873</u> |
| XII Profit / (Loss) from Discontinuing Operations | | <u>2,02,911</u> | <u>18,73,561</u> |
| XIII Tax Expense of Discontinuing Operations | | <u>62,700</u> | <u>5,78,930</u> |
| XIV Profit / (Loss) from Discontinuing Operations (After Tax) | | <u>1,40,211</u> | <u>12,94,631</u> |
| XV Minority Interest | | <u>72,51,012</u> | <u>14,20,533</u> |
| XVI Profit for the year | | <u>1,95,89,722</u> | <u>2,89,44,971</u> |
| XV Earnings per ordinary share: | 30 | | |
| Basic | | 13.91 | 22.02 |
| Diluted | | 13.91 | 22.02 |
| Nominal Value of each ordinary share is Rs.10/- | | | |
| Significant Accounting Policies | 1 | | |
| Other Notes on Accounts | 2 to 36 | | |

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

MANGAL CREDIT AND FINCORP LIMITED
(FORMERLY KNOWN AS TAK MACHINERY AND LEASING LIMITED)
CONSOLIDATED CASH FLOW STATEMENT for the year ended, 31st March, 2015

(Amt. in Lacs)

| | Current Year 2014-15 | | Previous Year 2013-14 |
|--|-------------------------|-----------|--------------------------|
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit before tax and extraordinary items | 400.45 | | 407.03 |
| Adjustments for : | | | |
| Depreciation | 566.86 | 164.08 | |
| Provision for Gratuity | -1.14 | 22.89 | |
| Provision for Compensated Expenses | -2.05 | 5.29 | |
| Provision for Bonus | - | | 4.61 |
| (Profit) / loss on sale of Fixed Assets | -5.93 | | 1.31 |
| (Profit)/loss from Capital Gain on sale of shares | -76.85 | | -10.94 |
| Sundry Balance Written Back | - | | - |
| Provision for Standard Loans | -13.11 | | 25.85 |
| Interest Expenses | 1,832.25 | - | |
| Borrowing Cost Capitalized to Project | 15.09 | - | |
| Interest Income on Income Tax Refund | -0.27 | - | |
| Interest Income | -993.05 | - | |
| Loss Share from Partnership Firm | 1.10 | - | |
| Provision for Sub Standard Loans | 12.50 | - | |
| Dividend on Investments | -0.18 | -1.03 | 212.07 |
| | <u>1,735.66</u> | | <u>619.10</u> |
| Operating profit before working capital changes | | | |
| Movement in Working Capital : | | | |
| (Increase)/Decrease in Inventories | -1,121.20 | -8,209.49 | |
| Increase in Trade Receivables & Other Receivable | 1,783.93 | -6,411.51 | |
| Increase in Trade DTL | - | 7.01 | |
| (Increase)/Decrease in Short Term Loans & Advances | 351.90 | -4,450.24 | |
| (Increase)/Decrease in Other Current Assets | 727.18 | -1,049.92 | |
| Increase in Other Security Deposits Received | - | 37.31 | |
| Increase in Minority Shareholders | - | 695.39 | |
| Increase in Trade payables | -2,727.11 | 5,573.01 | |
| Increase / Decrease in unpaid dividend account | 1.02 | - | |
| Increase / Decrease in Other Loans & Advances | 1.09 | - | |
| Increase / Decrease Interest accrued on Fixed Deposit | - | - | |
| Increase in Other Current Liabilities | -227.44 | 1,490.35 | |
| Increase in Short Term Provision(Other Than Provision for Tax) | - | -1,210.63 | 32.96 |
| Cash generated/ (Utilised) in Operations | <u>525.03</u> | | <u>-11,666.01</u> |
| Interest Paid | -330.95 | - | |
| Interest Received | 715.97 | - | |
| Cash seized by Income Tax Authority | - | -31.80 | |
| Income Tax Paid (Net of Refund) | 223.50 | 161.51 | -77.77 |
| Net Cash from Operating Activities -A. | <u>686.54</u> | | <u>-11,775.59</u> |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Increase in FA Fixed Assets | -687.16 | -2,532.07 | |
| Decrease in Investments | 1,113.45 | 125.52 | |
| Investment in Partnership Firm (Net) | 34.27 | - | |
| Increase in Long Term Loans and Advances | - | -61.98 | |
| (Increase)/Decrease in Fixed Deposits | 2,017.33 | -3,401.22 | |
| (Increase)/Decrease in Loans & Advances | -38.97 | - | |
| Increase in other Non-Current Assets | -2.55 | -227.57 | |
| Interest Received | 134.99 | - | |
| Rent Deposit Received | 0.60 | - | |
| Dividend Received on Investments | 0.03 | 2,571.99 | 1.03 |
| Net Cash Generated/(Used) in Investing Activities -B. | <u>2,571.99</u> | | <u>-6,096.31</u> |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceed from Long Term Borrowings | 46.34 | 883.94 | |
| Proceed from Short Term Borrowings | -1,973.85 | 15,792.96 | |
| Increase in Share Application / Share Capital & Security Premium (Net) | - | 1,367.01 | |
| Interest Paid | -749.17 | - | |
| Dividend Distribution Tax Paid | -4.79 | -4.79 | |
| Dividend Paid | -28.18 | -2,709.64 | -28.18 |
| Net cash used in financing activities - C | <u>-2,709.64</u> | | <u>18,010.95</u> |
| NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C) | <u>548.89</u> | | <u>139.05</u> |
| Cash and cash equivalents: | | | |
| Opening balance as at the beginning of the year | 315.65 | | 218.35 |
| Closing balance as at the end of the year | 864.55 | | 315.65 |

53RD ANNUAL REPORT 2014-2015

Reconciliation of cash and cash equivalents as above with cash and bank balance as shown in balance sheet

| | | |
|---|-----------------|-----------------|
| Cash & cash equivalent as at the end of the year as above | 864.55 | 315.65 |
| Add: Fixed Deposits with Bank under lien | 1,529.91 | 3,548.26 |
| Cash and Bank Balance as shown in balance sheet | 2,394.46 | 3,863.91 |

Notes:

1. The above cash flow statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
2. Figures in negative indicates cash outgo.
3. 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
FRN: 101169W/W-100035**

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Overview

MCFL (Mangal Credit & Fincorp Limited, formerly known as TAK Machinery & Leasing Limited) was incorporated on December 29, 1961 as "Tak Machinery Limited". The name of the Company was changed to "Tak Machinery and Leasing Limited" and a fresh certificate of incorporation was issued on December 18, 1985. The name of the Company was changed again to "Mangal Credit & Fincorp Limited" and a fresh certificate of incorporation was issued on May 10 2013. The Corporate Identity No. is L65990MH1961PLC012227. The Company was 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. In Previous Year, the status of Company was systemically Important Non Deposit Taking NBFC (NBFC-ND-SI) but vide circular no. RBI/2014-15/37 DNBS (PD) CC No.382/03.02.001/2014-15 dated 1 July 2014 the company was removed from the category of NBFC-ND-SI.

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-27specified 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 2015 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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, 2015.
- e. 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.
- f. **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.
- g. **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.
- h. 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, 2015 | Proportion of ownership interest March 31, 2014 | Country of incorporation |
|--|--|--|--------------------------|
| (a) Subsidiaries/ sub-subsidiaries | | | |
| Mangal Royal Jewels Private Limited | 69.99% | 99.99% | India |
| Ekadanta Builders Private Limited | 93.69% | 93.69% | India |
| Swarn Bhavya Mangal Jewels Private Limited | 63.00% | 63.00% | India |
| Mangal Compusolution Private Limited | 99.99% | 99.99% | India |
| Shree Ratna Mangal Jewels Private Limited | 59.99% | 99.99% | India |
| Shree Radhey Mangal Gold Chain Private Limited | 54.99% | 74.75% | India |
| Shree Mangal Jewels Private Limited | 74.99% | 99.99% | India |
| Mangal Timber and Laminate Private Limited (formerly known as Mangal Timber Private Limited) | 99.99% | 99.99% | India |
| Mangal Entertainment Private Limited | 99.99% | 99.99% | India |
| Mangal Synnove Energies Private Limited | 99.02% | 99.02% | India |
| Signature Sports and Entertainment Private Limited | 75.00% | 75.00% | India |
| Standard Medserve TPA Private Limited | 99.00% | 99.00% | India |
| Indtrans Container Lines Private Limited | 60.00% | 99.00% | India |
| Viraasat Gems & Jewels (Retail) Private Limited | 99.99% | 99.99% | India |
| Mangal Bullion Private Limited | 59.99% | 99.99% | India |
| Chakshu Realtors Private Limited | 99.99% | 99.99% | India |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | |
|---|---------|---------|-------|
| Mangal Buildhome Private Limited | 74.99% | 99.99% | India |
| Mangal Globle Marble Private Limited | 60.00% | 60.00% | India |
| Mayur Abodes Limited | 0.00% | 97.26% | India |
| Satco Capital Markets Limited | 51.00% | 51.00% | India |
| Satco Commodities Private Limited (formerly known as Pursons Commodities Private Limited) | 100.00% | 100.00% | India |
| (b) Associates | | | |
| Scarled Computech Private Limited | 50.00% | 50.00% | India |
| (c) Joint Ventures | | | |
| Bliss Entertainment | 50.00% | 50.00% | India |
| GoldCrest Reality | 89.99% | 89.99% | India |
| Mangal Accad Synnove Energies | 49.51% | 49.51% | India |
| Student Film Festivals | 55.00% | 55.00% | India |
| Digital Edge Technologies | 20.00% | 20.00% | India |

Note: During the year M/s Indtrans Containers Lines (Singapore) Pte Ltd. has been incorporated as wholly owned subsidiary of M/s Indtrans Containers Lines Private Ltd. However, the same has not been considered in consolidation in terms of 4th proviso inserted vide notification Dt 16.01.2015 to Rule 6 of the Companies (Accounts) Rules, 2014.

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.
- 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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 the useful lives 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. Software Development Charges/Software Purchases are written off over a period of 10 Years.

Intangible assets namely Exchange Membership is amortized as provided under Income Tax Rules.

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 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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.
- iii) Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- 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

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

xvii. Segment Reporting

The Group's reportable segment consists of Financing Activity, Jewellery Activity & Event/Entertainment Activity. 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

a) Share Capital

(Amount in INR)

| Share Capital | As at 31 March 2015 | | As at 31 March 2014 | |
|---------------------------------------|---------------------|--------------------|---------------------|--------------------|
| | Shares | Amount | Shares | Amount |
| Authorised | | | | |
| Equity Shares of Rs.10/- each | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |
| Issued, Subscribed and Paid up | | | | |
| Equity Shares of Rs.10/- each | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |
| Total | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |

b) Reconciliation of the number of shares outstanding at the beginning and at the end of of Financial Year 2014-15

(Amount in INR)

| Share Capital | As at 31 March 2015 | | As at 31 March 2014 | |
|---|---------------------|--------------------|---------------------|--------------------|
| | Shares | Amount | Shares | Amount |
| Equity Shares outstanding at the beginning of the year | 14,08,815 | 1,40,88,150 | 7,04,050 | 70,40,500 |
| Equity Shares issued during the year | - | - | 7,04,765 | 70,47,650 |
| Equity Shares outstanding at the end of the year | 14,08,815 | 1,40,88,150 | 14,08,815 | 1,40,88,150 |

c) Rights attached to equity Shares

The Company has only one class of equity shares having face value of Rs.10/- 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.

d) Details of shares held by each shareholder holding more than 5% equity shares

| Name of Shareholder | As at 31 March 2015 | | As at 31 March 2014 | |
|--|---------------------|--------------|---------------------|--------------|
| | Number of Shares | % of Holding | Number of Shares | % of Holding |
| Meghraj S Jain | 3,25,449 | 23.10 | 3,43,903 | 24.41 |
| Ajit S Jain | 1,64,040 | 11.64 | 1,64,040 | 11.64 |
| M/s E-ally Consulting (I) Pvt. Ltd | 2,79,950 | 19.87 | 2,79,950 | 19.87 |
| M/s Shree Jaisal Electronics and Inds. Ltd | 1,54,900 | 11.00 | 1,54,900 | 11.00 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- e) **Aggregate number and class of shares allotted as fully paid up pursuant to share swap contract without payment being received in cash:**

4,76,189 equity shares @ Rs. 210 per share amounting to Rs. 9,99,99,690/- issued under share swap basis. The detail of shares received is as under:

| Name of Company | No. of Shares Acquired | Price Per Share | Total Value |
|--|------------------------|-----------------|--------------|
| Mangal Royal Jewels Pvt Ltd | 2500000 | 10.00 | 2,49,97,000 |
| Shree Mangal Jewels Pvt Ltd | 699960 | 39.77 | 2,78,37,409 |
| Mangal Bullion Pvt Ltd | 350000 | 98.94 | 3,46,28,000 |
| Shree Ratnamangal Jewels Pvt Ltd | 109000 | 100.10 | 1,09,11,000 |
| Swarn Bhavya Mangal Jewels Pvt Ltd | 1260000 | 9.89 | 1,24,59,510 |
| Shree Radhey Mangal Gold Chain Pvt Ltd | 3000000 | 9.86 | 2,95,76,000 |
| Mangal Timber Pvt Ltd | 150010 | 39.81 | 59,72,273 |
| Mangal Buildhome Pvt Ltd | 2000000 | 9.94 | 1,98,88,000 |
| Total | | | 16,62,69,192 |
| Less: Cash Paid | | | 6,62,69,502 |
| Shres Issued for Balance Amount | | | 9,99,99,690 |

3. RESERVES AND SURPLUS

| Particulars | As at | As at |
|---|---------------------|---------------------|
| | 31.03.2015 | 31.03.2014 |
| | Rupees | Rupees |
| Securities Premium | | |
| Opening Balance | 14,19,84,050 | 10,31,050 |
| Add: Securities Premium on issue of Equity Shares during the year | - | 14,09,53,000 |
| Closing Balance | 14,19,84,050 | 14,19,84,050 |
| General Reserve | | |
| Opening Balance | 3,65,00,000 | 3,65,00,000 |
| Closing Balance | 3,65,00,000 | 3,65,00,000 |
| Contingency Reserve | 25,00,000 | 25,00,000 |
| Investment Reserve | 7,00,000 | 7,00,000 |
| Statutory Reserve Fund | | |
| Opening Balance | 2,70,08,000 | 2,52,65,000 |
| Add: Transferred from Statement of Profit and Loss | 18,55,441 | 17,43,000 |
| Closing Balance | 2,88,63,441 | 2,70,08,000 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | |
|---|---------------------|---------------------|
| Capital Reserve | 10,425 | 10,425 |
| Capital Reserve on Consolidation | 21,82,876 | 32,41,980 |
| Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening Balance | 9,96,41,600 | 7,57,89,299 |
| Add: Profit for the year | 1,95,89,722 | 2,89,44,973 |
| Less: Minority losses in excess of their Equity | - | 53,186 |
| Less: Dividends proposed to be distributed to equity shareholders | 7,04,408 | 28,17,630 |
| Tax on Dividend | 1,44,226 | 4,78,856 |
| Transferred To : Statutory Reserve Fund | 18,55,441 | 17,43,000 |
| : General Reserve | - | - |
| Fixed Assets Balance Transferred to Retained Earning | 2,06,943 | - |
| Minority Interest - Due to change in Shareholding | 50,04,983 | - |
| Loss of Standard Medserve Brought Forward | - | - |
| Closing Balance | 11,13,15,321 | 9,96,41,600 |
| Total | 32,40,56,113 | 31,15,86,055 |

DIVIDEND

Dividend of Rs. 0.50 per share on Face Value of Rs. 10/- per share has been recommended for the FY 2014-15

(Dividend of Rs. 2 per share on face value of Rs. 10/- per share was provided in FY 2013-14)

4. LONG TERM BORROWINGS

| Particulars | As at | As at |
|---|--------------------|--------------------|
| | 31.03.2015 | 31.03.2014 |
| | Rupees | Rupees |
| Secured | | |
| Term Loan From The Bharat Co-operative Banks (Mumbai) Ltd(Refer Note 4.1 & 4.2) | 9,01,83,404 | 8,23,45,910 |
| Term Loan from RIICO Ltd (Refer Note 4.1 & 4.3) | 39,59,500 | 71,27,100 |
| From NBFC's (Refer Note 4.1 & 4.4) | 3,71,745 | 11,78,760 |
| Total | 9,45,14,649 | 9,06,51,770 |

4.1 The amounts are net of current maturities presented in Note No.10.

4.2 Secured by Equitable Mortgage by depositing of title deeds of immovable properties of office at Lotus Corporate Park - A-1701/1702 and residential premises of directors. The Loans are repayable in 60 to 120 installments and carries rate of interest from 13.25% to 14.50%, sanction limit Rs.12.85 Crores)

4.3 Secured by Equitable Mortgage of Leasehold Land. The loan is repayable in 19 installments and carries 12% rate of interest, sanction limit Rs.1.27 Crores

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

4.4 Term Loans represents term loans against hypothecation of 5 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. DEFERRED TAX LIABILITES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| Deferred Tax Assets | | |
| Opening Balance | 39,30,398 | 78,564 |
| Add: Created During the year | 18,97,849 | 38,53,058 |
| Less: Reversed During the year | 13,11,445 | 1,224 |
| Total | 45,16,802 | 39,30,398 |
| Deferred Tax Liabilites | | |
| Opening Balance | 46,31,477 | 5,16,285 |
| Add: Created During the year | 6,77,895 | 41,39,815 |
| Less: Reversed During the year | 97,662 | 24,623 |
| Total | 52,11,710 | 46,31,477 |

6. OTHER LONG TERM LIABILITES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|------------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured , considered good | | |
| Security Deposit | 34,34,145 | 37,30,988 |
| Total | 34,34,145 | 37,30,988 |

7. LONG TERM PROVISIONS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|------------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| Provision for Gratuity | 17,98,046 | 22,01,161 |
| Provision for Compensated Absences | 3,10,100 | 5,01,268 |
| Total | 21,08,146 | 27,02,429 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

8. SHORT - TERM BORROWING

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|-----------------------|-----------------------|
| | Rupees | Rupees |
| Secured | | |
| Cash Credit facility - The Bharat Co-Operative Bank (Mumbai) Ltd(Refer Note 8.1) | 28,67,75,013 | 28,67,84,498 |
| Bank Overdraft against Fixed Deposits (Refer Note 8.2) | 4,22,03,935 | 26,42,92,576 |
| ILFS Financial Services Ltd (Refer Note 8.3) | 10,94,818 | - |
| Working Capital Demand Loan from The Bharat Co-Operative Bank (Mumbai) Ltd (Refer Note 8.4) | 5,67,13,589 | - |
| Unsecured | | |
| Bank Overdraft (Refer Note 8.5) | 2,02,06,751 | - |
| Inter-Corporate Loans | 95,10,22,041 | 1,04,86,77,893 |
| Loan from Directors, Shareholders & their relatives | 10,78,28,411 | 15,73,58,582 |
| Related Parties | 1,79,23,227 | 2,31,33,720 |
| Loan From Others | 4,65,96,525 | - |
| Total | 1,53,03,64,309 | 1,78,02,47,269 |

- 8.1 Bank Cash credit facility carry an interest of 13.25% to 13.75% p.a. secured by Equitable Mortgage by depositing of title deeds of immovable properties of director's residence and office premises situated at A-1701/1702, Lotus Corporate Park, Ram Mandir Road, Off. Western Express Highway, Goregaon(East), Mumbai and also by personal guarantee of directors. Total sanction limit is Rs.33 Crores.
- 8.2 Bank Overdraft carry an interest of 12.00% p.a. and secured against lien of fixed deposits as margin money with bank.
- 8.3 ILFS Financial Services Ltd carry an interest of 14% p.a. Secured against demat shares and Bank Overdraft carry an interest of 12.00% p.a. and secured against lien of fixed deposits as margin money with bank.
- 8.4 Working Capital Demand Loan carry an interest of 13.75% p.a. Secured against mortgage of land situated at 1st Dadabhai Road, Opp. J.P. Road, Andheri(W), Mumbai - 400058, Sanction limit Rs.6 Crores
- 8.5 Bank Overdraft secured against collateral property of company in which director are interested.

9. TRADE PAYABLES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| - Total outstanding dues of Micro Enterprises and Small Enterprises | | |
| - Total outstanding dues of creditors other than Micro and Small Enterprises | 32,23,92,749 | 58,14,07,373 |
| - Goods purchase/ Service Rendered | 16,11,22,317 | 48,03,50,042 |
| - Others | 16,12,70,432 | 10,10,57,331 |
| Total | 32,23,92,749 | 58,14,07,373 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

9.1 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence discloses, if any, relating to amounts unpaid as at the year ended together with interest paid / payable as required under the said act have not been furnished.

10. OTHER CURRENT LIABILITIES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Unclaimed Dividends* | 8,33,336 | 9,35,270 |
| Advance against sale of shares | - | 5,97,00,000 |
| Advance against Property | 2,56,65,000 | - |
| Current Maturities of Secured Long term loans | 1,66,84,113 | 1,79,20,608 |
| Interest Accrued & Due on Borrowings | 13,44,18,407 | 5,48,04,159 |
| Advance received from Customers | - | 40,00,000 |
| Bank Overdraft - Current A/c | 1,20,76,969 | - |
| Other Payables | - | - |
| Statutory Dues (TDS, Service Tax, Vat) | 2,78,79,709 | 1,33,56,711 |
| Creditors for Expenses | 1,67,62,277 | 1,22,77,463 |
| Creditors for Others | 7,32,539 | 3,21,089 |
| Equity Index / Stock Option / Currency Option | 65,47,042 | - |
| Premium Account | - | - |
| Other Current Liabilities | - | - |
| Total | 24,15,99,391 | 16,33,15,300 |

* An amount of R.99504/- has been deposited in Investor Education and Protection Fund..

11. SHORT TERM PROVISIONS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| Provision for | | |
| Income Tax | 28,65,389 | 23,02,236 |
| Standard Assets (As per RBI Guidelines) | 12,73,977 | 25,85,000 |
| Sub-Standard Assets (As per RBI Guidelines) | 12,50,000 | - |
| Proposed Dividend | 7,04,408 | 28,17,630 |
| Dividend Distribution Tax on Proposed Dividend | 1,44,226 | 4,78,856 |
| Bonus | 5,43,800 | 4,61,400 |
| Gratuity | 57,466 | 87,854 |
| Compensated Absences | 13,116 | 27,334 |
| Total | 68,52,382 | 87,60,310 |

NOTES FORMING PART OF FINANCIAL STATEMENTS

12. FIXED ASSETS

| A. Tangible assets | Gross block | | | | Accumulated depreciation and impairment | | | | Net Block | | | |
|-------------------------------|-----------------------------|--------------------|----------------------------------|--------------------|---|-----------------------------|---|----------------------------------|----------------------------------|------------------------------|------------------------------|---------------------|
| | Balance as at 1 April, 2014 | Additions | Other Adjustment during the year | Disposals | Balance as at 31 March, 2015 | Balance as at 1 April, 2014 | Depreciation/ amortisation for the period | other Adjustment during the year | Eliminated on disposal of assets | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | |
| (a) Plant and Equipment | 88,63,313 | 33,35,458 | - | 7,46,271 | 1,14,52,500 | 36,37,197 | 13,20,370 | - | 4,75,527 | 44,82,040 | 69,70,460 | 52,26,116 |
| (b) Furniture and Fixtures | 1,97,57,993 | 13,21,963 | - | 15,01,294 | 1,95,78,662 | 36,29,684 | 44,92,874 | 15,397 | 11,74,804 | 69,63,151 | 1,26,15,511 | 1,61,28,309 |
| (c) Vehicles | 95,95,412 | 37,80,000 | - | - | 1,33,75,412 | 35,37,555 | 24,49,153 | - | - | 59,86,708 | 73,88,704 | 60,57,857 |
| (d) Computer & Printers | 7,83,80,488 | 5,64,72,626 | - | 1,83,77,083 | 11,64,76,031 | 2,65,13,252 | 4,30,38,061 | 4,55,711 | 1,75,73,791 | 5,24,33,233 | 6,40,42,797 | 5,18,67,236 |
| (e) Land & Building | 11,93,48,571 | - | - | 3,78,35,882 | 8,15,12,689 | 20,32,234 | 38,70,657 | - | - | 59,02,891 | 7,56,09,798 | 11,73,16,337 |
| (f) Capital Work in Progress | 16,64,612 | - | - | 16,64,612 | - | - | - | - | - | - | - | 16,64,612 |
| (g) Leasehold Land & Building | 2,30,37,397 | 17,90,262 | - | - | 2,48,27,659 | - | 9,02,743 | - | - | 9,02,743 | 2,39,24,916 | 2,30,37,397 |
| Total (A) | 26,06,47,786 | 6,67,00,308 | - | 6,01,25,142 | 26,72,22,952 | 3,93,49,922 | 5,60,73,858 | 4,71,108 | 1,92,24,633 | 8,10,32,099 | 19,05,52,186 | 22,12,97,864 |
| B. Intangible assets | Gross block | | | | Accumulated depreciation and impairment | | | | Net Block | | | |
| | Balance as at 1 April, 2014 | Additions | Other Adjustment during the year | Disposals | Balance as at 31 March, 2015 | Balance as at 1 April, 2014 | Depreciation/ amortisation for the period | other Adjustment during the year | Eliminated on disposal of assets | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | |
| Computer Software | 86,57,904 | 11,19,271 | - | 35,82,002 | 61,95,173 | 67,80,826 | 3,85,018 | - | 35,82,002 | 35,83,842 | 26,11,331 | 18,77,078 |
| BSE Membership Card | 97,00,000 | - | - | 97,00,000 | - | 95,67,777 | - | 1,32,223 | 95,67,777 | - | - | 1,32,223 |
| Goodwill | 1,92,67,780 | - | 17,50,162 | - | 1,75,17,618 | - | - | - | - | - | 1,75,17,618 | 1,92,67,780 |
| Total (B) | 3,76,25,684 | 10,88,929 | - | 1,32,82,002 | 64,50,248 | 1,63,48,603 | 3,85,018 | 1,32,223 | 2,27,17,556 | 37,76,292 | 2,01,28,949 | 20,09,301 |
| Grand Total (A+B) | 29,82,73,470 | 6,72,86,473 | - | 7,34,07,144 | 27,79,84,046 | 5,56,98,525 | 5,64,58,876 | 7,09,463 | 4,19,42,189 | 8,48,08,391 | 21,06,81,135 | 22,33,07,165 |
| Previous year | 5,38,19,827 | 15,88,65,162 | 8,89,47,348 | 33,58,868 | 29,82,73,469 | 4,10,79,643 | 1,74,65,832 | 2,57,461 | 31,04,411 | 5,56,98,524 | 24,25,74,945 | 98,21,019 |

13. NON CURRENT INVESTMENT

Particulars

As At 31.03.2014

As At 31.03.2015

| Particulars | As At 31.03.2015 | | As At 31.03.2014 | | Total |
|--|------------------|-----------------|------------------|-----------------|--------------------|
| | Quoted | Unquoted | Quoted | Unquoted | |
| Investments At Cost | | | | | |
| a) Investment in Land | - | - | - | - | 1,39,79,720 |
| b) Investment in Equity Instruments of Other Companies | | | | | |
| (i) 11,300 (As at 31 March, 2014: 11300)Shares Of Rs. 10 each fully paid up in The Bharat Co-Operative Bank Ltd Shares | - | 1,13,000 | - | 1,13,000 | 1,13,000 |
| (ii) 5,000 (As at 31 March, 2014: 5000)Shares Of Rs. 10 each fully paid up in Scaried Computech Private Limited Shares | - | 50,000 | - | 50,000 | 50,000 |
| (iii) 10,000 (As at 31 March, 2014: Nil)Shares fully paid up in Indtrans Container Lines (Singapore) Pte Ltd Shares | - | 4,67,600 | - | - | - |
| (iv) 100(As at 31 March, 2014: 100)Shares Of Rs. 10 each fully paid up in Thane Bharat Sahakari Bank Ltd Shares | - | 1,000 | - | 1,000 | 1,000 |
| Total - Non Trade Investment | - | 6,31,600 | - | 1,64,000 | 1,41,43,720 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

14. LONG-TERM LOANS & ADVANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured, Considered good | | |
| Security Deposit | 11,75,707 | 65,42,588 |
| Other Loans & advances | | |
| Balance with Revenue Authorities | 1,16,24,881 | 40,94,097 |
| Advance Tax/TDS (Net of Provision for taxation) | 1,17,52,226 | 1,43,53,207 |
| Service Tax Receivable | 71,107 | - |
| Total | 2,46,23,920 | 2,49,89,892 |

14.1 Balance with revenue authorities includes cash of Rs. 31.80 Lacs of the Group Companies included in these Consolidated financial statements seized by the Income Tax Authorities on 01.10.2013 from the various business premises of the group and residence of director of the company.

15. OTHER NON CURRENT ASSETS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|-----------------------------------|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured, considered good | | |
| Deposit with Stock Exchange | 2,21,59,284 | 2,22,38,649 |
| Rent Deposit | 41,23,750 | |
| Other Deposit * | 5,08,86,627 | 4,60,97,198 |
| Unmortised Expenses | | |
| Share Capital Increase Expenses | 72,800 | 2,54,000 |
| Company Incorporation expenses | - | 7,470 |
| Total | 7,72,42,461 | 6,85,97,317 |

Other Deposit includes balance of Rs.4,60,94,825.97 lying in Trading Account with India Infoline Ltd seized by Joint Director, Director Enforcement, Chennai

16. INVENTORIES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|----------------------|---------------------|---------------------|
| | Rupees | Rupees |
| -Raw Material | - | - |
| -Work-in-progress | 16,85,95,721 | 12,73,28,312 |
| -Finished Goods | - | 5,54,940 |
| - Stock in Trade | 77,53,72,445 | 71,39,53,716 |
| Less : Stock Reserve | - | - |
| Total | 94,39,68,166 | 84,18,36,968 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

17. TRADE RECEIVABLES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured & Considered good | | |
| Trade receivables outstanding for a period exceeding six months | 5,76,25,048 | 3,50,20,917 |
| Other Debts | 37,87,41,973 | 56,09,51,309 |
| Total | 43,63,67,021 | 59,59,72,226 |

18. CASH AND BANK BALANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| A. Cash and Cash Equivalents | | |
| (a) Cash on hand | 1,28,81,793 | 1,36,88,201 |
| (b) Balances with banks | | |
| (i) In current accounts | 7,27,21,200 | 1,69,22,740 |
| (ii) In Trading accounts | 18,346 | 18,346 |
| B. Other Bank Balances | | |
| (a) Fixed Deposit held as margin money for Bank Overdraft facility | 4,23,00,002 | - |
| (i) with maturity upto 3 months | - | 12,71,04,244 |
| (ii) with maturity more than 3 months and upto 12 months | - | - |
| (iii) with maturity more than 12 months | - | 16,51,59,324 |
| (b) Fixed Deposits held as other Margin Money | - | - |
| (i) For Bank Guarantee | 10,19,42,984 | 4,62,05,472 |
| (ii) Against stock exchange membership | 82,48,304 | 56,75,000 |
| (c) Other Fixed Deposits | 5,00,000 | 1,06,82,308 |
| (d) Unpaid Dividend Bank accounts | 8,33,336 | 9,35,270 |
| Total | 23,94,45,965 | 38,63,90,905 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

19. SHORT TERM LOANS AND ADVANCES

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Unsecured & considered good | | |
| Loans and Advances to Subsidiaries | - | - |
| Loans and Advances to Related Parties | 96,50,000 | 4,72,10,837 |
| Other Loans | 45,03,32,687 | 48,72,61,779 |
| | 45,99,82,686 | 53,44,72,616 |
| Secured & considered good | | |
| Other Loans | 9,50,00,000 | 11,40,00,000 |
| | 9,50,00,000 | 11,40,00,000 |
| Unsecured & considered Good | | |
| Loans & Advances to Employees | 2,18,000 | 3,00,150 |
| Prepaid Expenses | 37,00,431 | 18,31,309 |
| Loans & Advances- Others | 8,39,46,629 | - |
| Balance with Revenue Authorities | 1,89,22,862 | 96,97,352 |
| Security Deposit | 3,22,648 | 8,65,669 |
| Receivable From Stock Exchange & Others | 5,65,089 | 5,08,69,947 |
| Advances recoverable in cash or kind | 2,10,726 | 1,95,46,789 |
| Total | 66,28,69,070 | 73,15,83,832 |

20. OTHER CURRENT ASSETS

| Particulars | As at 31.03.2015 | As at 31.03.2014 |
|---|---------------------|---------------------|
| | Rupees | Rupees |
| Advance to Suppliers | 3,07,35,000 | 10,62,48,000 |
| SAD Refund Claim | 39,34,145 | - |
| Interest accrued and Due on Deposits & Advances | 2,21,64,814 | 86,75,581 |
| Prepaid Expenses | 68,037 | 59,682 |
| Others current Assets | 7,35,456 | 11,82,429 |
| Interest Accrued on Deposits | 22,67,253 | 57,70,551 |
| Capital Advances | - | 1,25,034 |
| Company Incorporation Expenses | 14,000 | - |
| Total | 5,99,18,705 | 12,20,61,277 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

21. REVENUE FROM OPERATIONS

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|-------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Interest Income | 8,26,34,622 | 8,05,06,774 |
| Sale of Product | 1,91,48,51,846 | 1,97,92,19,742 |
| Sale of Services | 33,64,22,369 | 8,51,70,034 |
| Other Operating Revenue | - | 9,72,170 |
| Total | 2,33,39,08,837 | 2,14,58,68,720 |

22. OTHER INCOME

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Dividend Income | 17,588 | 1,02,729 |
| Commission Income | 2,53,38,387 | - |
| Profit from Trading in Securities | 1,72,90,067 | 22,77,500 |
| Rent from Premises | 48,13,500 | 33,47,500 |
| Rent from Leasing of Motor Cars | 12,00,000 | 12,00,000 |
| Miscellaneous Income | 5,50,817 | 15,80,798 |
| Profit / (Loss) on sale of Fixed Assets | 5,92,830 | -1,31,457 |
| Gain from Foreign Exchange Fluctuations | 16,77,579 | 1,86,23,703 |
| Interest on Capital - Partnership firm | - | 38,188 |
| Profit on sale of Investments (Shares of Subsidiaries) | 53,35,420 | 10,93,546 |
| Profit on sale of Subsidiary | 23,50,000 | - |
| Interest Income | 1,70,21,823 | 55,69,504 |
| Insurance Claim Received | 6,77,847 | - |
| Income from Consultancy Business | 12,50,000 | - |
| Interest on Income Tax Refund | 27,260 | - |
| Total | 7,81,43,118 | 3,37,02,011 |

23. COST OF MATERIAL/SERVICES CONSUMED

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--------------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Cost of Material / Services Consumed | 15,04,40,419 | 2,13,61,351 |
| Total | 15,04,40,419 | 2,13,61,351 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

24. CHANGE IN INVENTORIES

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Inventory at the end of year | | |
| Raw Material | - | - |
| WIP | 16,51,97,995 | 13,79,93,972 |
| Stock-in-Trade | 77,47,19,469 | 71,60,23,342 |
| | 93,99,17,465 | 85,40,17,314 |
| Inventory at the beginning of the year | | |
| Ram Material | - | - |
| WIP | 13,82,78,640 | 10,74,16,398 |
| Stock-in-Trade | 71,60,23,342 | 48,69,47,376 |
| | 85,43,01,982 | 59,43,63,774 |
| Total | (8,56,15,482) | (25,96,53,540) |

25. EMPLOYEE BENEFIT EXPENSES

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|-------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Salaries and Allowances | 8,05,91,740 | 2,40,22,345 |
| Staff Welfare Expenses | 20,69,288 | 15,40,510 |
| Bonus | 6,47,952 | - |
| Total | 8,33,08,980 | 2,55,62,855 |

26. FINANCE COST

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--------------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Interest cost: | | |
| Interest on Bank Finance | 6,67,25,626 | 4,58,87,606 |
| Interest on Car Loan | 2,50,176 | 3,90,189 |
| Interest on Inter-Corporate Deposits | 11,22,53,976 | 6,69,82,397 |
| Interest & Other Financing Cost | 81,92,427 | 61,50,570 |
| Total | 18,74,22,205 | 11,94,10,762 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

27. DEPRECIATION & AMORTISATION EXPENSES

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Depreciation | 5,64,65,290 | 1,62,55,397 |
| Deferred Revenue Expenditure Written off | 2,20,760 | 1,52,490 |
| Total | 5,66,86,050 | 1,64,07,887 |

28. PROJECT EXPENSES

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Project Expenses | 8,05,75,786 | 1,72,84,913 |
| Total | 8,05,75,786 | 1,72,84,913 |

29. OTHER EXPENSES

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|----------------------------------|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| Exchange Expenses | 23,99,326 | 5,55,661 |
| Advertisement Expenses | 84,76,287 | 37,49,491 |
| Audit Fees | 14,56,986 | 8,13,852 |
| Auditor's out of Pocket Expenses | 62,336 | - |
| Brokerage Expenses | 62,538 | - |
| Business Promotion Expenses | 24,34,028 | - |
| Travelling & Conveyance Expenses | 41,87,357 | 28,58,947 |
| Director's Sitting Fees | 2,000 | - |
| Donation | 14,00,700 | 3,96,869 |
| Electricity Charges | 48,31,111 | 21,62,812 |
| Insurance | 10,78,492 | 10,26,876 |
| Legal & Prof.Charges | 50,49,983 | 1,56,63,260 |
| Miscellaneous Expenses | 36,24,237 | 43,12,218 |
| Office Expenses | 12,21,079 | 8,31,929 |
| Office Inauguration Expenses | - | 3,21,061 |
| Postage, Courier & Telegrams | 9,58,853 | 2,70,542 |
| Printing & Stationery | 19,89,490 | 11,53,405 |
| Rent, Rates and Taxes | 99,87,220 | 48,18,403 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | |
|----------------------------------|--------------------|--------------------|
| Provision on Standard Assets | (13,11,023) | 25,85,000 |
| Provision on Sub-Standard Assets | 12,50,000 | - |
| Telephone & Internet Charges | 36,01,488 | 12,67,747 |
| Travelling Expenses | 9,97,656 | - |
| Listing Fee | 1,20,860 | - |
| Housekeeping & Wages Charges | 1,96,964 | - |
| Labour Charges | 1,56,89,500 | 1,10,68,336 |
| Property Tax | 4,56,350 | - |
| Repairs & Maintenance Expenses | 69,26,360 | 17,87,204 |
| Membership & Subscription | 7,43,517 | 4,38,365 |
| Exhibition Charges | 4,46,375 | 3,70,710 |
| Packaging Charges | 2,84,572 | 4,08,390 |
| Transportation Charges | 6,65,771 | 2,75,214 |
| Event Management Expenses | 9,01,910 | 94,28,786 |
| Commission Expenses | - | 9,65,067 |
| Spare Parts Expenses | - | 1,70,899 |
| Construction Expenses | - | 1,54,14,386 |
| Import Duty Charges | - | 5,13,381 |
| Motor Car Expenses | 7,20,000 | 2,30,044 |
| Bad Debts | 6,39,603 | - |
| Loss(Profit) on Trading | 3,96,094 | - |
| Decrease in Value of Stock | 2,86,816 | - |
| Solar Project Expenses | 5,50,000 | - |
| | 8,17,87,177 | 8,38,58,855 |

30. EARNING PER EQUITY SHARE

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|---|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| i) Net Profit (adjusted) available for Equity Shareholders | 1,95,89,721.76 | 2,89,44,971 |
| ii) Weighted Average number of equity shares for Basic EPS (Number) | 14,08,815 | 13,14,203 |
| iii) Nominal Value of shares | 10 | 10 |
| iv) Earning per Equity Share | | |
| Basic (in Rs.) | 13.91 | 22.02 |
| Diluted (in Rs.) | 13.91 | 22.02 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

31. CONTINGENT LIABILITIES & COMMITMENTS

| Particulars | For the year ended 31.03.2015 | For the year ended 31.03.2014 |
|--|-------------------------------------|-------------------------------------|
| | Rupees | Rupees |
| (i) Contingent Liabilities | | |
| (a) Claims against company not acknowledged as debt | - | |
| (b) Guarantees | 1,25,00,00,000 | 99,00,00,000 |
| (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 | - | - |

32. The Joint Director, Directorate of Enforcement, Chennai Zonal office vide his attachment order no 07/2013 dated 18.03.2014 has provisionally attached one of the subsidiary's (Mangal Bullion Private Limited) balance lying in trading account with India Infoline Limited amounting Rs. 4,60,94,825.97. Appeal has been filed with Appellate Tribunal under Prevention of Money Laundering Act (PML Act). The appeal is pending before appellate tribunal for PML.

33. During last year the premises of the company were subjected to search and seizure proceedings u/s 132 of the Income Tax Act, 1961 alongwith the similar proceedings at the residential premises of the directors and also the premises of certain other group concerns. Cash of Rs. 7,50,000/- belonging to the company was seized during such proceedings, besides certain other papers, documents, books, electronic data which, according to management, does not contain any incriminating material. During the year notice under section 153A for filing of the returns of income for the F.Y. 2007-08 to 2012-13 were served in compliance of which returns of income have been filed without making a self assessment of undisclosed income of Rs. NIL in all the years. The Assessment Proceedings are pending as on date. The management is of the view that no additional tax liability shall arise as a result of such proceedings.

34 **Employee Benefits:**

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. An amount of Rs.5,08,524/- (Previous year Rs. 4,01,728/-) has been recognised 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:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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

| Particulars | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--|---------------------|------------------|---------------------------------|------------------|
| | 31st March, 2015 | 31st March, 2014 | 31st March, 2015 | 31st March, 2014 |
| 1. Present Value of Defined Benefit Obligation as on 31-3-2014 | 2198038 | 2238579 | 495969 | 634981 |
| 2. Interest Cost @ (0.0875) | 203319 | 184683 | 45877 | 52386 |
| 3. Current Service Cost | 217837 | 286686 | -61459 | -11916 |
| 4. Benefits Paid during the year ending 31-3-2015 | -271062 | -260076 | 0 | -1710 |
| 5. Actuarial (Gain)/ loss on Defined Benefit Obligation | -554617 | -251834 | -173584 | -177772 |
| 6. Present Value of Defined Benefit Obligation as on 31-3-2015 | 1793515 | 2198038 | 306803 | 495969 |

Amounts to be recognised in the Balance Sheet as on 31-3-2015

| Particulars | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--|---------------------|------------------|---------------------------------|------------------|
| | 31st March, 2015 | 31st March, 2014 | 31st March, 2015 | 31st March, 2014 |
| 1. Present Value of the Defined Benefit Obligation:31-3-2015 | 1793515 | 2198038 | 306803 | 495969 |
| 2. Fair Value of Plan Assets: 31-3-2015 | NIL | NIL | NIL | NIL |
| 3. Liability recognised in Balance Sheet : 31-3-2015 | 1793515 | 2198038 | 306803 | 495969 |
| | 1736894 | 2111660 | 293911 | 469168 |
| | 56621 | 86378 | 12892 | 26801 |

Amounts to be recognised in the statement of Profit & Loss for the year ended 31-3-2015

| Particulars | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|---|---------------------|------------------|---------------------------------|------------------|
| | 31st March, 2015 | 31st March, 2014 | 31st March, 2015 | 31st March, 2014 |
| 1. Current Service Cost | 217837 | 286686 | -61459 | -11916 |
| 2. Interest Cost on Obligation | 203319 | 184683 | 45877 | 52386 |
| 3. Expected return on plan assets | NIL | NIL | NIL | NIL |
| 4. Net Actuarial (gain)/loss recognised in the year ended 31.3.2014 | -554617 | -251834 | -173584 | -177772 |
| 5. Expenses recognised in the statement of Profit & Loss | -133461 | 219535 | -189166 | -137302 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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, 2015 | 31st March, 2014 |
|------------------|--|--|
| Rate of Interest | 7.25% per annum | 9.25% per annum |
| Salary Growth | 7% per annum | 7% per annum |
| Withdrawal Rate | 1% | 1% |
| Mortality Rate | Indian Assures Lives (2006-08) Ultimate Mortality Rates. | Indian Assures Lives (2006-08) Ultimate Mortality Rates. |
| Retirement Age | 58 years | 58 years |

35. SEGMENT INFORMATION :

A) Information about Business Segments- Primary

Rs. In Lacs

| S. No. | Particulars | Finance | Jewellery | Event/ Entertain- ment | Others | Elimi- nation | Total |
|-----------|--|---------------|------------------|------------------------------|---------------|------------------|------------------|
| 1. | Segment Revenue | | | | | | |
| | External Sales | 805.07 | 19,580.17 | 380.72 | 692.73 | - | 21,458.69 |
| | | (335.89) | (115.28) | - | - | - | (451.17) |
| | Inter Segment Sales | 170.08 | 3,266.05 | - | 67.35 | (3,503) | - |
| | | - | - | - | - | - | - |
| | Total Revenue | 975.14 | 22,846.22 | 380.72 | 760.08 | -3,503.48 | 21,458.69 |
| 2. | Segment Result : | | | | | | |
| | Profit / (Loss) Before Taxation | 820.94 | 684.13 | 52.28 | 211.29 | 170.08 | 1,598.56 |
| | | (253.21) | (4.10) | - | - | - | (257.25) |
| | Less : | | | | | | |
| | 1) Interest | 731.65 | 449.81 | 11.84 | 170.89 | 170.08 | 1,194.11 |
| | | (140.58) | - | - | - | - | (140.58) |
| | 2) Other unallocated corporate expenses | - | - | - | - | - | - |
| | Income Tax | 20.88 | 51.62 | 3.40 | 24.89 | - | 100.80 |
| | | - | - | - | - | - | - |
| | Profit from Ordinary Activity | 68.40 | 182.70 | 37.05 | 15.51 | - | 303.66 |
| | | - | - | - | - | - | - |
| 3. | Other Information : | | | | | | |
| | Segment Assets | 8,840.33 | 12,611.11 | 312.95 | 8,517.12 | - | 30,281.51 |
| | | (3,656.40) | (390.84) | - | - | - | (4,047.24) |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | | | |
|----|---------------------------------------|------------|----------|--------|----------|---|------------|
| | Add : Unallocated common assets | - | - | - | - | - | - |
| | Total Assets | 8,840 | 12,611 | 313 | 8,517 | - | 30,282 |
| | Segment Liabilities | 14,015.48 | 7,054.00 | 115.84 | 5,839.45 | | 27,024.77 |
| | | (2,217.43) | (233.72) | - | - | - | (2,451.15) |
| | Add : Unallocated common liabilities | - | - | - | - | - | - |
| | Total Liabilities | 14,015 | 7,054 | 116 | 5,839 | - | 27,024.77 |
| | | | | | | | |
| 4. | Capital Expenditure during the year : | 211.27 | 4 | 0 | 1,180 | - | 1,395.33 |
| | | (60.40) | (0.08) | - | - | - | (60.48) |
| | | | | | | | |
| 5. | Depreciation and amortisation : | 16.24 | 38.15 | 0.43 | 107.74 | - | 162.55 |
| | | (7.96) | (1.85) | - | - | - | (9.81) |
| | Add : Unallocated Depreciation | - | - | - | - | - | - |
| 6. | Non - Cash Expenditure : | 0.84 | 25.85 | 0.02 | 0.66 | - | 27.37 |

Note: Amount in brackets representation previous year figure.

NOTE 36: NAME OF RELATED PARTIES AND RELATIONSHIPS

S. No. Related Parties

A. Subsidiaries

Indtrans Container Lines (Singapore) PTE LTD

B. Associates

Scarled Computech Private Limited

C. Common Directors

Ally Insurance Brokers Private Limited
 Bansiwala Real Estates Private Limited
 Dhakad Proprieties & Financial Services PL
 E-Ally Commodities India Private Limited
 E-Ally Consulting India Private Limited
 E-Ally Equities India Private Limited
 E-Ally Reserch India Private Limited
 E-Ally Securities India Private Limited
 Ectech Informatics Private Limited
 Karishma Metal Industries Private Limited
 Mangal Meta Forging Private Limited
 Mangal Recycling Private Limited

Satguru Enterprises Pvt. Ltd
 Shree Jaisal Electronics & Ind. Ltd.
 Shree Mangal Abhusan Private Limited
 Shwet Developers Private Limited
 Viraasat Jewels Private Limited
 Chakshu Realtors Private Limited
 Indtrans Container Lines Pvt Ltd
 Mangal Compusolution Pvt Ltd
 Mangal Entertainment Private Limited
 Mangal Global Marble Pvt Ltd
 Mangal Synnove Energies Private Limited
 Satco Capital Markets Ltd

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

List of Key Managerial Person

D. Key Management Personnel

| | | | |
|------------------------------|----------|---------------------------|----------|
| Ajit Jain | Director | Neeta Maloo | Director |
| Akhilesh Bhatra | Director | Nitin Raheja | Director |
| Anaheeta R Balsara | Director | Pathik M desai | Director |
| Aushtosh Mantri | Director | Praveenkumar Bansilal | Director |
| Anoop Babani | Director | Hiran | Director |
| Chintan Valia | Director | Rajendra Mahadev Babani | Director |
| Dinesh Hire | Director | Rakesh Chandrakant Jain | Director |
| Dinesh Jain | Director | Ram Krishan Kabra | Director |
| Dixit Jain | Director | Rashid Ali Khan | Director |
| Fatehlal Kothari | Director | Sandeep Maloo | Director |
| Gaurav Kothari | Director | Sohan Lal Jain | Director |
| Harshvardhan Rajendra Birani | Director | Srichand Teckchand Gerela | Director |
| Karan Verma | Director | S S Bharwani | Director |
| Ketan Nanalal Jain | Director | Sital Motwani | Director |
| Labhchand Maloo | Director | Vikas Ganeshlal Jain | Director |
| Lokesh Devilal Jain | Director | Vinod Mehta | Director |
| Mahipal Bishnoi | Director | Vinod Prakashchand Mehta | Director |
| Manish Lodha | Director | Randheer Roy | Partner |
| Meghraj Jain | Director | Dhruv Shah | Partner |
| Naresh Jain | Director | Khemchandra | Partner |
| Naresh Madhu Tejwani | Director | Manit Parikh | Partner |
| Navin Govind Agarwal | Director | Pushkar Shau | Partner |
| | | Rakesh Shenoy | Partner |

E. List of Relatives of Key Managerial Person

| | |
|-------------------------|------------------------------|
| Ajit Jain HUF | Rajesh Jain |
| Anuradha Bhatra | Ramond Balsara |
| Harish S Jain | Sandeep Maloo HUF |
| Indra M Jain | Satguru Investment & Finance |
| Lata Maloo | Satgurus |
| Mangal Chartiable Trust | Seema A Jain |
| Mangal Jewellers | Sheela Jain |
| Manish Jain | Sohanlal Jain HUF |
| Meena Jain | Swarn Mangal Jewels |
| Meghraj Jain HUF | Vikas |
| Mukesh Jain | Vinod Jain |
| Pathik Computers | |

Note: Transaction from related parties are attached in Annexure - A1 to notes

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Ajit Jain
Whole Time Director
DIN: 01317169

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 30th May, 2015

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| Formatting Part of Notes on Accounts Annexure -"A1" | | | | | |
|---|-----------------------------------|-------------------|-------------------------------------|-------------------|-------------------------------------|
| Name of Related Parties and Their Transaction | | | | | |
| | | 2014-15 | | 2013-14 | |
| Name of the Related Parties & Nature of Relationships | Nature of Transaction | Transaction Value | O/s Amount carried to Balance Sheet | Transaction Value | O/s Amount carried to Balance Sheet |
| Subsidiaries | | | | | |
| Indrans Container Lines (Singapore) PTE LTD | Loan Given | 1,152,700.60 | 1,152,700.60 | - | - |
| | Investment in Subsidiary | 467,600.00 | 467,600.00 | - | - |
| Associates | | | | | |
| Scarled Computech Private Limited | Loan Given | - | - | 12,000,000.00 | 12,000,000.00 |
| | Interest Income | 264,308.00 | - | 1,250,548.00 | 1,125,493.00 |
| | Loan Repaid | 12,000,000.00 | - | - | - |
| | Rent Income | 22,500.00 | - | - | - |
| Comman Director | | | | | |
| Ally Insurance Brokers Private Limited | Loan Taken | 2,000,000.00 | - | - | 2,000,000.00 |
| | Loan Repaid | 4,000,000.00 | - | - | - |
| | Interest Paid | 283,896.00 | - | 300,000.00 | 270,000.00 |
| Bansiwala Real Estates Private Limited | Loan Repaid | 8,200,000.00 | - | - | - |
| | Interest Received | 316,281.00 | - | - | - |
| Dhakad Proprietries & Financial Services PL | Loan Given | 3,360,606.00 | - | 9,003,229.00 | 3,920,907.00 |
| | Advance received against Expenses | 480,000.00 | - | - | - |
| | Loan Taken | 8,000,000.00 | - | 300,000.00 | - |
| | Loan Repayment | 15,281,443.00 | - | 5,382,392.00 | - |
| | Interest Received | 113,600.00 | - | 46,919.00 | 42,227.00 |
| | Expenses Reimbursement | 24,170.00 | - | - | - |
| | Rent Income | 900,000.00 | - | - | - |
| E-Ally Commodities India Private Limited | Loan Repayment | 43,585,000.00 | - | 5,756,233.00 | - |
| | Loan Taken | 43,235,000.00 | - | 6,106,233.00 | 350,000.00 |
| | Interest Paid | 589,728.00 | - | - | - |
| | Interest Received | - | - | 61,205.00 | 55,084.00 |
| | Rent Income | 30,000.00 | - | 16,250.00 | - |
| | Trading- Purchase | 9,961,941.00 | -5,169.00 | - | - |
| | Trading- Sale | 6,772.00 | - | - | - |
| E-Ally Consulting India Private Limited | Loan Repayment | 19,978,363.00 | - | 53,643,445.00 | - |
| | Loan Taken | 17,517,870.00 | - | 70,177,165.00 | 20,383,720.00 |
| | Interest Paid | 2,442,378.00 | - | 995,543.00 | 895,704.00 |
| | Rent Income | 600,000.00 | - | 325,000.00 | - |
| | Trading- Sale | 89,034.00 | - | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | |
|--|-------------------|---------------|---------------|---------------|---------------|
| E-Ally Equities India Private Limited | Loan Given | 14,270,000.00 | 6,420,000.00 | 5,200,000.00 | - |
| | Loan Repayment | 8,250,000.00 | | 5,600,000.00 | 400,000.00 |
| | Interest Received | 936,910.00 | 843,219.00 | 21,962.00 | 2,196.00 |
| | Interest Paid | 2,112.00 | 2,115.00 | - | - |
| | Rent Income | 30,000.00 | - | 16,250.00 | - |
| | Trading- Sale | 4,140,098.00 | - | - | - |
| E-Ally Reserch India Private Limited | Rent Income | 30,000.00 | - | 16,250.00 | - |
| | Loan Given | 10,000,000.00 | - | - | - |
| | Loan Repaid | 10,000,000.00 | - | - | - |
| | Interest Received | 113,425.00 | 102,085.00 | - | - |
| E-Ally Securities India Private Limited | Rent Income | 30,000.00 | - | 16,250.00 | - |
| Ectech Informatics Private Limited | Rent Income | 30,000.00 | - | 16,250.00 | - |
| Karshma Metal Industries Private Limited | Loan Given | - | - | 15,950,000.00 | - |
| | Loan Repayment | 17,150,000.00 | - | 4,800,000.00 | 17,150,000.00 |
| | Interest Received | 1,045,096.00 | - | 2,017,360.00 | 337,446.00 |
| Mangal Meta Forging Private Limited | Loan Given | - | - | 4,775,000.00 | - |
| | Loan Repayment | 2,790,000.00 | - | 1,985,000.00 | 2,790,000.00 |
| | Interest Received | 63,197.00 | - | 385,874.00 | 347,286.00 |
| | Rent Income | 30,000.00 | - | 16,250.00 | - |
| Mangal Recycling Private Limited | Rent Income | 22,500.00 | - | - | - |
| Premium Financial Services Limited | Trading- Purchase | 443,507.00 | - | - | - |
| | Trading- Sale | 327,323.00 | - | - | - |
| Satguru Enterprises Pvt. Ltd | Loan Repaid | 934,725.00 | - | - | - |
| | Loan Taken | 934,725.00 | - | - | - |
| | Trading- Purchase | 270,943.25 | - | - | - |
| | Trading- Sale | 274,116.17 | - | - | - |
| Shree Jaisal Electronics & Ind. Ltd. | Loan Taken | 450,000.00 | 12,355,000.00 | 3,195,000.00 | 11,905,000.00 |
| | Loan Repayment | - | - | 355,000.00 | - |
| Shree Mangal Abhusan Private Limited | Purchase | 5,800,000.00 | - | - | - |
| | Sales | 38,159,587.67 | 15,162,030.67 | - | - |
| Shwet Developers Private Limited | Loan Taken | 6,175,000.00 | 50,142,939.00 | 17,850,000.00 | 41,656,720.00 |
| | Loan Repayment | 5,000,000.00 | - | 4,293,280.00 | - |
| | Interest Received | 873,124.00 | 494,729.00 | 1,862,993.18 | 2,311,219.00 |
| | Loan Given | 8,800,000.00 | 3,800,000.00 | - | - |
| Viraasat Jewels Private Limited | Loan Given | | - | - | 12,000,000.00 |
| | Loan Repaid | 12,000,000.00 | - | - | - |
| Chakshu Realtors Private Limited | Rent Paid | - | - | 440,000.00 | - |
| Indrans Container Lines Pvt Ltd | Loan Taken | - | - | 23,847,000.00 | - |
| | Loan Repayment | - | - | 2,850,000.00 | - |
| | Interest Paid | - | - | 1,106,414.39 | - |
| | Rent Income | - | - | 775,000.00 | - |
| Mangal Compusolution Pvt Ltd | Loan Taken | - | - | 8,950,000.00 | - |
| | Loan Repayment | - | - | 7,550,000.00 | - |
| | Interest Paid | - | - | 100,890.43 | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | |
|---|---------------------------|---------------|--------------|---------------|--------------|
| Mangal Entertainment Private Limited | Loan Taken | - | - | 7,118,000.00 | - |
| | Interest Paid | - | - | 46,047.00 | - |
| | Rent Income | - | - | 25,000.00 | - |
| Mangal Global Marble Pvt Ltd | Loan Taken | - | - | 12,489,509.00 | - |
| | Interest Paid | - | - | 576,715.00 | - |
| Mangal Synnove Energies Private Limited | Loan Taken | - | - | 4,800,000.00 | - |
| | Loan Repayment | - | - | 200,000.00 | - |
| | Interest Paid | - | - | 18,821.00 | - |
| Satco Capital Markets Ltd | Rent Income | - | - | 875,000.00 | 895,650.00 |
| Directors & Partners | | | | | |
| Ajit Jain | Expenses Reimbursement | 582,454.00 | - | 881,240.60 | - |
| | Directors Remuneration | 1,350,000.00 | - | 442,628.33 | 100,000.00 |
| | Loan Repayment | 23,270,865.00 | - | 4,410,000.00 | - |
| | Loan Taken | 22,747,808.00 | - | 4,933,057.00 | 523,057.00 |
| | Share Acquired | - | - | 1,250,000.00 | - |
| | Sales | - | - | 1,350.00 | - |
| Akhilesh Bhatra | Loan Taken | - | 50,000.00 | - | 50,000.00 |
| | Interest Income | - | - | 60,550.00 | - |
| | Loan Given | - | - | 4,850,000.00 | - |
| | Loan Repayment | - | - | 4,850,000.00 | - |
| Anaheeta R Balsara | Expenses Reimbursement | 254,234.00 | - | 6,030.51 | - |
| | Directors Remuneration | 1,215,840.00 | - | 76,043.84 | - |
| | Subsidiaries share sale | 2,096,250.00 | - | - | - |
| Atul Jain | Directors Sitting Fees | - | - | 10,000.00 | - |
| Chintan Vaila | Director's Remuneration | - | 184,420.00 | 209,712.33 | 184,420.00 |
| | Expenses Reimbursement | 982.00 | - | 14,725.80 | - |
| Deepak Arora | Directors Sitting Fees | - | - | 2,000.00 | - |
| Dinesh Jain | Loan Taken | 500,000.00 | 9,069,373.00 | 9,222,518.00 | 9,222,518.00 |
| | Loan Repayment | 781,169.00 | - | 142,749.00 | 128,474.00 |
| | Directors Remuneration | 600,000.00 | - | 258,250.00 | 20,000.00 |
| | Interest Paid | 866,924.00 | 780,232.00 | - | - |
| Fatehlal Kothari | Loan Taken | 890,000.00 | 1,006,643.00 | 500,000.00 | 500,000.00 |
| | Loan Repayment | 385,000.00 | - | - | - |
| | Interest Paid | 96,812.00 | 87,131.00 | 1,643.00 | 1,643.00 |
| | Directors Remuneration | 600,000.00 | - | 258,250.00 | - |
| Gaurav Kothari | Directors Remuneration | - | - | 180,000.00 | 203,820.00 |
| Kanan Verma | Director's Remuneration | - | 223,130.00 | 209,712.33 | 223,130.00 |
| | Expenses Reimbursement | 33,544.00 | - | 98,702.61 | - |
| Labh Chand Maloo | Directors Sitting Fees | - | - | 6,000.00 | - |
| | Trading -Sale | 178,019.00 | - | - | - |
| Lokesh Jain | Interest Paid | 685,170.00 | 616,653.00 | 68,116.40 | -38,659.00 |
| | Interest Received | 406,377.00 | - | 172,541.00 | - |
| | Loan Taken | 2,500,000.00 | 3,597,930.00 | - | 4,250,000.00 |
| | Loan Given | - | 1,850,000.00 | 3,350,000.00 | 3,350,000.00 |
| | Reimbursement of Expenses | 500.00 | - | - | - |
| | Subsidiaries share Sale | 2,096,250.00 | - | - | - |
| Manish Lodha | Directors Remuneration | 480,000.00 | 15,000.00 | 196,270.00 | - |
| | Interest Paid | 29,822.00 | 43,252.00 | - | - |
| | Loan taken | - | 314,944.00 | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | |
|-------------------------|--|----------------|---------------|---------------|---------------|
| Meghraj Jain | Rent | 300,000.00 | - | 258,250.00 | - |
| | Interest Paid | 1,601,903.00 | 1,441,712.00 | - | - |
| | Expenses Reimbursement | 45,600.00 | - | 1,936.88 | - |
| | Directors Remuneration | 1,560,000.00 | - | 609,789.00 | - |
| | Loan Repayment | 161,671,836.00 | - | 42,973,712.00 | - |
| | Loan Taken | 183,560,165.00 | 27,395,000.00 | 48,658,548.00 | 5,684,836.00 |
| | Share Acquired | - | - | 2,050,790.00 | - |
| Naresh Jain | Directors Remuneration | 228,000.00 | 76,000.00 | 196,270.00 | - |
| | Interest Paid | 312,967.00 | 542,234.00 | - | - |
| | Laon Taken | - | 3,216,848.00 | - | - |
| | Subsidiaries share Sale | 1,359,775.00 | - | - | - |
| Navin Govind Agarwal | Loan Given | - | 4,000,000.00 | 8,000,000.00 | 8,000,000.00 |
| | Interest Income | 639,453.00 | 197,096.00 | 246,710.00 | 222,093.00 |
| | Directors Remuneration | 600,000.00 | 60,000.00 | - | - |
| | Loan Repayment | 4,000,000.00 | - | - | - |
| Neeta Maloo | Loan Repayment | 3,600,000.00 | - | - | - |
| | Loan Taken | - | 25,000.00 | 3,600,100.00 | 3,625,000.00 |
| | Interest Paid | 129,090.00 | - | 63,082.00 | 56,774.00 |
| | Directors Remuneration | - | - | 420,000.00 | - |
| | HRA | - | - | 252,000.00 | - |
| | Directors Sitting Fees | 2,000.00 | - | 1,000.00 | - |
| | Share Acquired | - | - | 400,000.00 | - |
| | Trading - Sale | 264,631.00 | - | - | - |
| Pathik M Desai | Loan Taken | - | 150,000.00 | 300,000.00 | 300,000.00 |
| | Interest Paid | 18,798.00 | 22,337.00 | 6,020.00 | 5,418.00 |
| | Loan Repaid | 150,000.00 | - | - | - |
| | Director Remuneration | 280,000.00 | 37,000.00 | - | - |
| Rashid Ali Khan | Reimbursement of expenses | - | - | 91,636.00 | - |
| Sandeep Maloo | Directors Remuneration | 720,000.00 | - | 107,100.00 | - |
| | Loan Repayment | 248,704,091.00 | - | 72,630,935.00 | - |
| | Loan Taken | 239,762,000.00 | 4,426,974.00 | 86,000,000.00 | 13,369,065.00 |
| | Interest Paid | 1,784,031.00 | 1,605,628.00 | 973,233.00 | 875,909.00 |
| | Directors Sitting Fees | - | - | 6,000.00 | - |
| | Share in Profit/(loss) in partnership Firm | 58,244.00 | 58,244.00 | - | - |
| | Trading- Purchase | 6,964,820.00 | 4,459,279.00 | - | - |
| | Trading- Sale | 14,068,386.00 | - | - | - |
| Sunil Ramachandran Nair | Directors Sitting Fees | - | - | 8,000.00 | - |
| Vinod Mehta | Directors Remuneration | 228,000.00 | - | 196,270.00 | - |
| Anoop P babani | Directors Remuneration | - | - | 125,000.00 | - |
| Rajendra M babani | Directors Remuneration | 1,800,000.00 | - | 500,000.00 | - |
| | Trading - Purchase | 2,463,774.00 | - | - | - |
| | Trading - Sale | 2,991,047.00 | - | - | - |
| Naresh Tejwani | Directors Remuneration | 1,500,000.00 | - | 500,000.00 | - |
| | Trading - Purchase | 1,160,125.00 | - | - | - |
| | Trading - Sale | 236,035.00 | - | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | |
|-----------------------------|-------------------------|---------------|--------------|----------------|---------------|
| S. T. Garela | Directors Remuneration | 705,000.00 | - | 235,000.00 | - |
| | Trading - Purchase | 1,160,125.00 | - | - | - |
| | Trading - Sale | 263,035.00 | - | - | - |
| Harsh Vardan | Interest Paid | 18,345.00 | 16,510.00 | - | - |
| | Loan Taken | 200,000.00 | 200,000.00 | - | - |
| | Director Remuneration | 480,000.00 | 425,500.00 | - | - |
| Pravin Kumar Jain | Interest Paid | 130,192.00 | 117,173.00 | - | - |
| | Loan Taken | 1,500,000.00 | 1,500,000.00 | - | - |
| | Director Remuneration | 300,000.00 | 300,000.00 | - | - |
| Rakesh C Jain | Subsidiaries share Sale | 1,537,500.00 | - | - | - |
| Sohan Lal V jain | Subsidiaries share Sale | 10,007,500.00 | - | - | - |
| | Trading - Sale | 3,754,941.00 | - | - | - |
| Randheer Roy | Interest On Capital | - | - | 3,452.00 | - |
| | Share in Profit/(Loss) | - | - | 2,724.00 | 306,176.00 |
| | Withdraw of Capital | 306,176.00 | - | 300,000.00 | - |
| Dhurve Shah | Capital Introduced | 45,000.00 | - | - | - |
| | Partner Remuneration | 60,000.00 | 48,981.00 | - | - |
| | Share in Profit/(Loss) | 381.00 | - | - | - |
| | Withdraw of Capital | 56,400.00 | - | - | - |
| Khemchandra | Capital Introduced | 55,000.00 | - | - | - |
| | Partner Remuneration | 72,000.00 | - | - | - |
| | Share in Profit/(Loss) | 381.00 | 40,381.00 | - | - |
| | Withdraw of Capital | 87,000.00 | - | - | - |
| Manit Parikh | Capital Introduced | 205,000.00 | - | 380,000.00 | 85,000.00 |
| | Withdraw of Capital | 290,000.00 | - | 295,000.00 | - |
| Pushkar Shau | Capital Introduced | - | - | 15,000.00 | - |
| | Partner Remuneration | - | - | 75,000.00 | 15,563.85 |
| | Share in Profit/(Loss) | -409.85 | - | 563.85 | - |
| | Withdraw of Capital | 15,154.00 | - | 75,000.00 | - |
| Rakesh Shenoy | Capital Introduced | 11,000.00 | - | 6,101,857.00 | 5,926,857.00 |
| | Share in Profit/(Loss) | 14,561.11 | 14,561.11 | - | - |
| | Withdraw of Capital | 5,937,857.00 | - | 175,000.00 | - |
| Director's Relatives | | | | | |
| Anuradha Bhatra | Loan Taken | - | - | 150,000.00 | - |
| | Loan Repayment | - | - | 150,000.00 | - |
| Indra M Jain | Office Deposits | - | 3,250,000.00 | - | 3,250,000.00 |
| | Rent Paid | 495,508.00 | 35,392.00 | 406,237.58 | - |
| Mangal Chartiable Trust | Donation Paid | - | - | 32,000.00 | - |
| Mangal Jewellers | Loan Taken | 28,728,252.00 | 4,822,971.00 | 36,060,697.66 | 11,111,401.00 |
| | Loan Repayment | 35,030,867.00 | - | 38,423,645.66 | - |
| | Purchase | - | - | 152,083,463.11 | 25,569.68 |
| | Loan Given | 14,185.00 | - | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

| | | | | | |
|------------------------------|----------------------------------|---------------|--------------|---------------|--------------|
| Pathik Computers | Sales | - | - | 5,532,100.00 | 9,624,094.00 |
| | Purchase Fixed Assets | 9,780,000.00 | - | 17,000,000.00 | - |
| Ramond Balsara | Salary Paid | 225,000.00 | - | 114,031.01 | - |
| | Expenses Reimbursement | 161,023.00 | - | 11,031.00 | - |
| | Professional & consulting Charge | 190,000.00 | - | - | - |
| Seema A Jain | Office Deposits | - | 1,250,000.00 | - | 1,250,000.00 |
| | Rent Paid | 495,504.00 | 35,392.00 | 406,293.48 | - |
| | Subsidiaries share Sale | 22,200,000.00 | - | - | - |
| Harish S Jain | Subsidiaries share Sale | 1,566,250.00 | - | - | - |
| Mukesh Jain | Subsidiaries share Sale | 1,566,250.00 | - | - | - |
| Rajesh Jain | Subsidiaries share Sale | 1,566,250.00 | - | - | - |
| Manish Jain | Subsidiaries share Sale | 1,359,775.00 | - | - | - |
| Lata Maloo | Trading - Purchase | - | - | - | - |
| | Trading - Sale | 489,999.00 | 398,968.00 | - | - |
| Meena Jain | Interest Paid | 28,046.00 | - | - | - |
| | Loan Taken | - | 311,629.00 | - | - |
| Meghraj Jain HUF | Loan Repaid | 6,500,000.00 | - | - | - |
| | Loan Taken | 6,500,000.00 | - | - | - |
| | Expenses Reimbursement | 49,948.00 | - | - | - |
| | Subsidiaries share Sale | 5,125,000.00 | - | - | - |
| Sandeep Maloo HUF | Trading - Purchase | 135,040.00 | 1,393,984.00 | - | - |
| | Trading - Sale | 823,234.00 | - | - | - |
| Satguru Investment & Finance | Loan Repaid | - | - | - | - |
| | Loan Taken | 5,000,000.00 | - | - | - |
| | Trading - Purchase | 78,383.00 | - | - | - |
| | Trading - Sale | 141,807.00 | - | - | - |
| Satgurus | Rent Paid | 2,100,000.00 | - | - | - |
| | Trading - Purchase | 5,556,759.00 | - | - | - |
| | Trading - Sale | 5,220,330.00 | - | - | - |
| Sheela Jain | Interest Paid | 18,698.00 | - | - | - |
| | Loan Taken | - | 207,753.00 | - | - |
| Sohanlal Jain HUF | Subsidiaries share Sale | 5,375,000.00 | - | - | - |
| Vikas | Subsidiaries share Sale | 1,537,500.00 | - | - | - |
| Ajit Jain HUF | Subsidiaries share Sale | 1,359,775.00 | - | - | - |
| Vinod Jain | Subsidiaries share Sale | 1,359,775.00 | - | - | - |
| Swarn Mangal Jewels | Interest Paid | - | - | 279,082.57 | - |
| | Loan Repayment | - | - | 17,350,000.00 | - |
| | Loan Taken | - | - | 17,150,000.00 | - |
| | Purchase of Goods | - | - | 19,838,221.00 | - |
| | Expenses Reimbursement | 217,501.00 | - | - | - |
| | Rent Paid | 300,000.00 | - | 258,250.00 | - |

MANGAL CREDIT AND FINCORP LIMITED**(Formerly known as "Tak Machinery and Leasing Limited")****Regd. Office:** 1701/1702, , A-Wing, 17th Floor, Lotus Corporate Park,
Western Express Highway, Goregaon - E, Mumbai - 400 063**PROXY FORM**

I/We.....
of.....in the district of
being a Member/Members of the above named Company, hereby appoint.....
 of in the district ofor failing him.....
of in the district of.....
as my/our Proxy to attend and vote for me/us and on My/ our behalf at the Fifty Third Annual
 General Meeting of the Company, to be held on Wednesday, 30th September, 2015 and at any adjournment thereof.

Signed this day of2015.

Folio No. : DP ID No*.

Client ID No.*

Signature.....

| |
|----------------------------------|
| Rupee One Revenue Stamp |
|----------------------------------|

No. of Shares :

This form is to be used.....(In favour of / Against).....the resolution. Unless otherwise instructed, the Proxy
 will act as he thinks fit.

Signature.....

Applicable for shares held in electronic form

NOTES : The Proxy must be returned so as to reach the Registered Office of the Company situated at 1701/1702,
 Lotus Corporate Park, A-Wing, 17th Floor, Western Express Highway, Goregaon - E, Mumbai -400 063, not less
 than FORTY - EIGHT HOURS before the time appointed for holding the aforesaid meeting.

MANGAL CREDIT AND FINCORP LIMITED

(FORMERLY KNOWN AS "TAK MACHINERY AND LEASING LIMITED")

If undelivered, please return to :

MANGAL CREDIT & FINCORP LIMITED,

1701/02, A-Wing, 17th Floor,

Lotus Corporate Park,

Western Express Highway,

Goregaon - East,

Mumbai - 400 080

MH (INDIA)