



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

55th ANNUAL REPORT 2016-2017

FIFTY FIFTH ANNUAL REPORT 2016 - 2017**BOARD OF DIRECTORS**

Mr. Meghraj Sohanlal Jain

Mr. Sandeep Maloo

Mrs. Neeta Maloo (*Resigned on 20/06/2017*)Mr. Sunil Ramachandran Nair (*Resigned on 20/06/2017*)Mrs. Nirupama Dattatray (*Resigned on 20/06/2017*)Mr. Shyamkumar Madanlal Agrawal (*Resigned on 28/07/2017*)

Mrs. Swati Sharma

Mr. Ratish Suresh Tawde (*Appointed on 28/02/2017*)**AUDITOR**

M/S MGB & Co. LLP,

Chartered Accountants

BOARD COMMITTEE***Audit Committee***

Mr. Sandeep Maloo

Mr. Sunil Ramachandran Nair

Mr. Shyamkumar Madanlal Agrawal

BANKERS

The Bharat Co-operative Bank

Axis Bank

Stakeholders Relationship Committee

Mr. Sandeep Maloo

Mr. Sunil Ramachandran Nair

Mr. Shyamkumar Madanlal Agrawal

REGISTERED & CORPORATE OFFICEOffice No- 1701/1702, 17th Floor, A

Wing, Lotus Corporate Park,

Graham Firth Steel Compound,

Western Express Highway, Goregaon

East), Mumbai-400063

Nomination and Remuneration Committee

Mr. Sandeep Maloo

Mr. Sunil Ramachandran Nair

Mrs. Nirupama Dattatray

Mr. Shyamkumar Madanlal Agrawal

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.,

C-13, Pannalal Silk Mills

Compound, L.B.S. Marg,

Bhandup (W), Mumbai-400078

KEY MANAGERIAL PERSONNEL

Mr. Meghraj Jain, Managing Director

Mr. Sandeep Maloo, Managing Director & Chief Financial Officer

Mrs. Madhuri Prakash Survase, Company Secretary & Compliance officer

LISTING ON THE STOCK EXCHANGES

The Company's shares are listed on:

1. Bombay Stock Exchange Limited
2. Ahemdabad Stock Exchange Limited

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Chairman's Message

Dear Shareholders,

I welcome you all to the 55th Annual General Meeting of your Company, **Mangal Credit and Fincorp Limited**. Last year witnessed interesting developments across the global economy. After a long spell of stagnation and de-growth, green shoots of economic upswing are appearing for the world economy. According to the International Monetary Fund, global economic activity led by emerging markets and developing economies should pick up pace in FY 2017 and FY 2018. Asian economies led by India are picking up speed as policy and consumption led tailwinds have given businesses a positive fillip. Indeed, India with a 7.1% growth rate in FY 2016-17 along with China's growth rate of 6.7% for 2016 and promising to continue the trend into FY 2017-18 will remain the epicenter of action. In India, a fundamental premise of optimism stemmed from its strong socio-economic reforms that were peppered with events that will reset our country's economic direction in a transformational manner. The Indian economy finished on satisfied note even after challenging world economy in the fiscal year 2016-2017.

In the face of challenges to domestic growth across countries, doubts on the very concept of globalization have surfaced. This has led to demand for reversing progress towards a barrier free world trade. The new world, however, has come a long way under globalisation and collaboration and have redefined the modern economy. Technology has dropped the barriers irreversibly and disruption through innovation is the norm which is rewriting the very rules of conducting business. Businesses which leverage innovation to deliver the best solution in the ever-changing global arena will triumph. In this backdrop, relentless pursuit of sustainable and inclusive growth and redistribution of wealth are of critical importance if the destination of a global village that the world embarked under globalisation is to be met. We at MCFL, will remain committed to promoting inclusiveness and sustainability in our business and play a positive role as a corporate citizen.

DEMONETISATION TO DIGITISATION

We have great pleasure to present before you the performance of your Company for the financial year 2016-17. The geographical expansion undertaken by the Company will help in improving in the coming years also.

During the year 2016-17, your Company reported consolidated revenue of ₹ 7921.56 lacs as compared to the previous year's



consolidated revenue of ₹ 14341.52 lacs. This resulted in a consolidated Profit of ₹ 401.89 lacs vis--vis a consolidated Profit of ₹ 140.80 Lac in FY 2015-16.

Economic Outlook

India is powering ahead as the world's fastest growing major economy and looking forward to minimize NPA,s (Non-performing Assets) of banking sectors and NBFC,s to improve the financial conditions of the Companies/Banks., the World Bank Economic Survey has pegged India's GDP growth at 7.6% in 2017-18 and 7.8% in 2018-19. Owing to a shift in consumer behaviour and expenditure pattern, India is expected to be the third largest consumer economy in the world by 2025, as its consumption is expected to triple to US\$ 4 trillion by 2025.

Your Company continues to view its markets, marketing, and investment plans through the broad lens of addressing the needs of new India that is emerging beyond the existing sectors.

Performance

A Strong performance of any organization is always enabled by the aspiration, will and efforts of its employees, Mangal Credit and Fincorp Limited and its employees are committed to building a bigger, bolder and smarter company which never loses sight of its customers. I am Happy to share that the initiatives during the year review demonstrated this bigger, bolder and smarter thinking which is based on strong customer insight.

Fiscal year 2016-17 was also challenging, but the company has successfully maintained its profit after tax 269.87 Lacs as compared to 109.72 Lacs in the previous year.

As a responsible company, Mangal group has substantially increased its community initiatives with various projects by involving its employees as well. The Company has also managed to declare a dividend of 0.25 (twenty five paise) per equity share 2.5% of ₹10/- each for the year ended March, 2017.

Looking Forward

The parliament took a decisive step towards a possible roll out of Goods and Services Tax (GST) on July 1, 2017 by passing the four related legislations on GST. The state governments will have to pass the GST law in their respective state assemblies. GST will be a single levy to replace multiple central and state taxes to make the country a seamless national market and is expected to boost india,s growth rate.

According to RBI, GVA growth is projected to strengthen to 7.4% in 2017-18. Inflation is expected to average 4.5% in the first half and 5 % in the second half of the FY 2017-18.

Mangal Group of Company looking forward to adopt innovative business model especially in the area of entertainment and infrastructure development through its subsidiaries or through its associate Companies. Your Company also laid down the foundation for a robust ecommerce plan to drive the sales of its products and solutions.

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.

MANGAL has put its best efforts towards expansion of business activities from the funds raised through preferential issue and also planning to utilize the maximum resources available with the Company to improve financial ratios of the Company.

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:

I also express my thanks to all our Directors for their invaluable contribution through their guidance and encouragement, which have been critical for the success of the Company. Finally, I thank each and every shareholder, large and small, for your support and trust. I assure you that each one of us is committed to build a company that is high on corporate governance, is of great value for society and is a Company that you will be proud of.

With Best Wishes,

Sd/-

Meghraj Jain

Chairman & Managing Director

Place: Mumbai

Date: 30th May, 2017

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

CIN: L65990MH1961PLC012227

NOTICE

Notice is hereby given that the Fifty Fifth Annual General Meeting of the shareholders of Mangal Credit and Fincorp Limited will be held on Friday, 29th September 2017 at the Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, Above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai-400091 at 3.00 p.m., to transact the following business:

Ordinary Business

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2017 and reports of the Board of Directors (“the Board”) and Auditors thereon.
2. To declare final dividend on Equity Shares for the year ended March 31, 2017.
3. To appoint a Director in place of Mr. Sandeep Maloo (DIN 01145616) who retires by rotation, and being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. Meghraj Sohanlal Jain (DIN 01311041) who retires by rotation, and being eligible, offers himself for re-election.
5. **To consider and, if thought fit, to pass, with or without modification(s), the following as a Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of MGB & Co. LLP, Chartered Accountants, (ICAI Registration Number FRN: 101169W/W-100035), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-19 on such remuneration as may be determined by the Board of Directors.”

Special Business

6. **REGULARISATION OF MR. RATISH SURESH TAWDE (DIN: 03310739) AS A DIRECTOR OF THE COMPANY.**

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

“**RESOLVED THAT** pursuant to Section 160 & 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ratish Tawde (DIN: 03310739), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 28/02/2017 and who holds office until the date of the ensuing Annual General Meeting and in respect of

whom the Company has received a notice in writing from a member signifying his intention to propose Mr. Ratish Tawde as a candidate for the office of Director of the Company, be and is hereby appointed as a Director 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: 30th May, 2017

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.**

A person can act a proxy on behalf of 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholder.

- B. The Register of Members and Share Transfer Books of the Company will be closed from 22nd September, 2017 to 29th September, 2017 (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. 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 Fourth Annual General Meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2017 (9.00 A.M.) and ends on 28th September, 2017 (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 22nd September, 2017, 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.

- (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.6

In view of expansion of the business activities of the Company, the Company was in need of expert candidature in marketing domain. The Board of Directors of the Company considered the matter and decided to appoint Mr. Ratish Tawde as an Additional Director of the Company, who brings desired expertise with himself.

Hence, the Board of Directors has appointed Mr. Ratish Suresh Tawde as an Additional Director of the Company with effect from 28th February, 2017.

According to provision of Section 161 of the Companies act 2013, Mr. Ratish Suresh Tawade holds office as an Additional Director up to the date of the ensuing Annual General Meeting of the Company. As required under Section 160 of the Companies Act, 2013 a notice has been received from a Member signifying his intention to propose the appointment of Mr. Ratish Suresh Tawde 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.

ANNEXURE TO THE NOTICE

Information pursuant of Regulation 36(3) of the Listing Regulation:-

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

Names of Directors	Mr. SANDEEP MALOO	Mr. MEGHRAJ SOHANLAL JAIN
Date of Birth	11/09/1975	25/06/1970
Date of Appointment	23/03/2011	14/08/2013
Qualifications	C.A	B.COM
Profession	Business	Business
Other Directorships	1. E-Ally Consulting (India) Private Limited	1. Mangal Mines and Minerals Private Limited
	2. Standard Infra-Developers Private Limited	2. Woodland Constructions Private Limited
	3. E-Ally Equities (India) Private Limited	3. Dhakad Properties And Financial Services Private Limited
	4. Bansiwala Real Estates Private Limited	4. Mangal Compusolution Private Limited
	5. Scarled Computech Private Limited	5. Chakshu Realtors Private Limited
	6. E-Ally Commodities (India) Private Limited	6. Shwet Developers Private Limited
	7. Mangal Global Marbles Private Limited	7. Mangal Buildhome Private Limited
	8. Mangal Meta Forging Private Limited	8. Indtrans Container Lines Private Limited
	9. Mangal Compusolution Private Limited	9. Vijay Dwellers Private Limited
	10. Mangal Synnove Energies Private Limited	10. Satco Capital Markets Limited
	11. Ally Insurance Broker Private Limited	
	12. Xploretech Global Solutions Private Limited	
	13. Saahil Global Business Private Limited	

**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

Directors Report 2016-17

DIRECTOR'S REPORT

To,

The Members

Mangal Credit and Fincorp Limited

Your directors have pleasure in presenting the 55th Annual Report of the Company for the year ended 31st March, 2017.

Financial Results

The performance of the Company for the financial year ended 31st March, 2017 is summarized as under:

(₹ In Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2015-16
Revenue From Operation	827.53	664.46	7921.56	14340.52
Other Income	35.17	254.46	460.59	578.62
Total Income	862.70	918.92	8382.15	14919.14
Profit Before Depreciation, Extra Ordinary Items & Tax	441.52	186.57	1653.46	1047.61
Less: Depreciation & Amortisation	31.34	51.85	915.68	712.54
Profit Before Extra Ordinary Items & Tax	410.18	134.73	737.78	335.07
Less: Extra Ordinary Items	Nil	Nil	Nil	NIL
Profit Before Tax	410.18	134.73	737.78	335.07
Provision for Current Taxation	126.33	69.00	235.76	161.01
Deferred Tax Expenses/(Income)	19.32	(8.497)	45.21	30.25
Prior Period Tax Adjustment	(5.35)	(1.21)	(8.12)	(35.11)
Mat Credit Entitlement	Nil	(34.29)	Nil	(11.82)
Less: Minority Interest	Nil	Nil	63.05	49.93
Less: Share in Profit/(Loss) of Associates	Nil	Nil	NIL	Nil
Net Profit After Tax	269.87	109.72	401.89	140.81
Balance Brought forward	948.20	860.42	1274.79	1113.15
Amount Available for Appropriation	1218.07	970.14	1676.68	1253.96
Appropriations :				
Proposed Dividend	40.28	0.00	40.28	0.00
Dividend Tax	8.43	0.00	8.43	0.00

(₹ In Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2015-16
Transfer to General Reserve	NIL	Nil	Nil	Nil
Transfer to Statutory Reserve Fund	53.97	21.94	53.97	22.49
Loss of Standard Medserve brought Forward	Nil	Nil	Nil	Nil
Minority losses in excess of their Equity	Nil	Nil	Nil	(43.32)
Fixed assets traf. to retained earnings				0.00
Balance Carried forward	1115.39	948.20	1574	1274.79

Review of Operations

During the year under review, the finance division has performed well. Accordingly, the Company has achieved total revenue of ₹862.70 Lacs and net profit after tax is ₹269.87 lacs for the current year against the previous year total revenue of ₹918.92 lacs and net profit after tax ₹109.72.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 0.25 per Equity Shares (i.e 2.5%) for the year ended March 31, 2017. There will be no deduction of tax at source. The provision for dividend payable is accounted on 16112038 Nos. Equity shares.

Fixed Deposits

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

Directors and Key Managerial Personnel

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

During the year under review there is change in Key Managerial Personnel of the Company as follows:

S r . No	Name of Director	Date of Resignation	Date of Appointment
1	RATISH SURESH TAWDE	-	28/02/2017

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. Neela Maloo - Director

4. Ms. Madhuri Prakash Survase - Company Secretary

Remuneration and other details of Key Managerial Personnel for the year ended 31st March, 2017 are stated in the extract of the Annual Return.

DECLARATION FROM INDEPENDENT DIRECTORS

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

SHARE CAPITAL

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

ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

The Existing Authorised Share capital of the Company is ₹ 25,00,00,000/-consisting of 250000000 Equity Shares of Re.1/- each, Issued and Subscribed capital is ₹ 161141900/-consisting of 161141900 Equity Shares of Re.1/ each and paid up Share Capital is ₹161120380/- consisting of 161120380 Equity Shares of Re.1/ each

SUBDIVISION OF SHARES

In order to improve the liquidity of your Company's equity shares in the stock Market with higher floating stock in absolute numbers and to encourage the participation of small investors by making the Equity Shares of the Company affordable, the Board of Directors and Shareholders of Company the considered & approved the sub-division of Equity Shares of Face Value of ₹10/- each in to ten Equity Shares of Face Value of Re.1/- each.

Directors' Responsibility Statement

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and the profit for the year ended on that date;
- The directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

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

The Company has zero tolerance towards sexual harassment at the workplace. The Company has

been employing 10 women employees in various cadres as on 31st March, 2017. The Company has in place an Internal Complaint Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the FY 2016 - 2017, the Company has not received any complaint regarding sexual harassment as on 31st March, 2017.

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

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

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

Particulars Of Employees

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

Auditors and Audit Report

M/s. MGB & Co. LLP, Chartered Accountants, (FRN: 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 three years to hold the office from the conclusion of this AGM till the conclusion of the Fifty Sixth 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.

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. Shyamkumar Madanlal Agrawal	- Member

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	- Chairman
Mr. Sandeep Maloo	- Member
Mr. Shyamkumar Madanlal Agrawal	- Member

Nomination & Remuneration Committee

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

The Composition of RC was changed from time to time.

The present composition of RC consists of the following members:

Mr. Sandeep Maloo
 Mr. Sunil Ramachandran Nair
 Mr. Shyamkumar Madanlal Agrawal
 Mrs. Nirupama Dattatray

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 S. Tiwari & Associates, Company Secretaries in Whole-time practice (ACS no. 33084, C P No.12220), was appointed to conduct Secretarial Audit for the year ended 31st March, 2017.

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

Company’s Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their duties

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

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation. 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 have been approved by the Audit Committee and also by the Board. The transactions with Mangal group of the Company were approved by the shareholders at the AGM held on 30th September, 2015 and the approval is valid for a period of five years.

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

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

CORPORATE GOVERNANCE

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

Number Of Board Meetings Conducted During The Year Under Review

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

Investor Services

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

Wholly Owned Subsidiary

The Company has M/s Satco Capital Markets Limited and M/s Indrans Container Lines 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 SEBI (LODR) regulation, the Company has constituted a Risk Management Committee. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risk as also identify business opportunities.

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

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

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

Acknowledgements

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

For Mangal Credit and Fincorp Limited

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

Place: Mumbai

Date: 30th May, 2017

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

[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.	Indtrans Container Lines Private Limited	U63010MH2010PTC199252	Subsidiary	60.00%	Section 2(87)
3.	Mangal Buildhome Private Limited	U45201MH2010PTC259841	Subsidiary	74.99%	Section 2(87)
4.	Mangal Compusolution Private Limited	U72900MH2011PTC216111	Subsidiary	99.99%	Section 2(87)

Sr. No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
5.	Mangal Entertainment Private Limited	U74999MH2012PTC230698	Subsidiary	99.99%	Section 2(87)
6.	Mangal Global Marbles Private Limited	U14200RJ1998PTC014672	Subsidiary	60.00%	Section 2(87)
7.	Satco Capital Markets Limited	U65990MH1989PLC051506	Subsidiary	53.61%	Section 2(87)
8.	Indtrans Container Lines (Singapore) PTE Ltd	NA	Subsidiary	100.00%	Section 2(87)
9.	Standard Infra Developers Private limited (formerly known as Standard Medserve Tpa Pvt Ltd)	U45200RJ2010PTC032261	Subsidiary	99.00%	Section 2(87)
10	Mangal Extrusion Private Ltd	U74900MH2016PTC274378	Subsidiary	75.00	Section 2(87)
11.	Satco Commodities Private Limited	U70101MH1987PTC045107	Subsidiary	100.00	Section 2(87)
12.	Scarled Computech Private Limited	U72300MH2010PTC210514	Joint Ventures	50%	Section 2(6)
13.	Goldcrest Realty	NA	Associate	90%	Section 2(6)
14.	Student Films Festivals	NA	Associate	55.00%	Section 2(6)
15.	Bliss Entertainment	NA	Associate	50.00%	Section 2(6)
16.	Digital Edge Technologies	NA	Associate	50.00%	Section 2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3048258	0	3048258	19.2757	4048258	0	4048258	25.1256	5.8493
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt (s)	0	0	0	0	0	0	0	0	
d) Bodies Corp.	26091000	0	2609100	16.4987	2609100	0	2609100	16.1934	
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):-	5657358	0	5657358	35.7744	6657358	0	6657358	41.3191	5.5447
(2) Foreign									

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) 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)	911389	13300	924689	65.6359	5657358	0	5657358	35.1126	-30.5233
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks / FI	0	1500	1500	0.0095	0	1500	1500	0.0095	
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	1500	1500	0.0095	0	1500	1500	0.0095	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	352063	905050	1257113	7.9494	596655	855460	1452115	9.0126	-1.0632

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	
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	848614	7378496	8227110	52.0243	6745662	17400	6763062	41.9752	-10.0491
c) Others (specify)									
Hindu Undivided Family	235898	0	235898	1.4917	396513	0	396513	2.4609	0.9692
Non Resident Indians (Non Repat)	780	2400	3180	0.0201	21304	2400	23704	0.1471	0.127
Non Resident Indians (Repat)	1550	0	1550	0.0098	113650	0	113650	0.7053	0.6955
Clearing Member	96037	0	96037	0.6073	171430	0	171430	1.0639	0.4566
Bodies Corporate	330520	3720	334240	2.1136	528986	3720	532706	3.3062	1.1926
Sub-total (B)(2):-	1865462	8289666	10155128	64.2161	8276148	878980	9350895	58.0366	-6.1795
Total Public Shareholding (B)=(B)(1)+(B)(2)	1865462	8291166	10156628	64.2256	8276148	880480	9352395	58.0460	-6.1796
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Grand Total (A+B+C)	7522820	8291166	15813986	100	15231558	880480	16112038	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	2063418	13.0481	--	2563418	15.9099	--	2.8618
2	M/s E Ally Consulting India Pvt Ltd	1679700	10.6216	--	1679700	10.4251	--	0.1965
3	Mr. Ajit S Jain	984240	6.2239	--	1484240	9.2119	--	2.988
4	M/s Shree Jaisal Electronics & Industries Limited	929400	5.8771	--	929400	5.7683	--	0.1088
5	Mr. Neeta Maloo	600	0.0038	--	600	0.0038	--	0
	Total	5657358	35.7744	--	6657358	41.3191		5.5447

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

Sr. No	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
1. Name: MEGHRAJ SOHANLAL JAIN						
a) At the beginning of the year	2063418	13.0481	-	-	2063418	13.0481
b) Changes during the year						
Transfer			01/04/2016	-1872894	190524	1.2048
Transfer			08/04/2016	1872894	2063418	13.0481
Transfer			27/05/2016	500000	2563418	16.2098
Transfer			19/08/2016	-190524	2372894	15.005
Transfer			02/09/2016	190524	2563418	16.2098
Transfer			09/12/2016	-2372894	190524	1.2048
Transfer			16/12/2016	2372894	2563418	16.2098
c) At the End of the year					2563418	16.2098
2. E ALLY CONSULTING INDIA PRIVATE LIMITED						
a) At the beginning of the year	1679700	10.6216			1679700	10.6216
b) Changes during the year Transfer			No Change			
c) At the End of the year					1679700	10.6216
3. AJIT S JAIN						
a) At the beginning of the year	984240	6.2239			984240	6.2239
b) Changes during the year			27/05/2016	500000	1484240	9.3856
c) At the End of the year					1484240	9.3856
4. SHREE JAISAL ELECTRONICS AND INDUSTRIES LIMITED						
a) At the beginning of the year	929400	5.8771			929400	5.8771
b) Changes during the year			No Change			
c) At the End of the year					929400	5.8771
5. NEETA MALOO						
a) At the beginning of the year	600	0.0038			600	0.0038
b) Changes during the year			No Change			
c) At the End of the year					600	0.0038

(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: MAHESH SHAH				
	a) At the beginning of the year	0	0	0	0
	b) Changes during the year 27/05/2016	300000	1.8971	300000	1.8971
	c) At the End of the year	0	0	300000	1.8971
2	Name: TECKNOPOINT MERCANTILE CO PRIVATE LIMITED				
	a) At the beginning of the year	0	0	0	0
	b) Changes during the year 31/03/2017	253696	1.6043	253696	1.6043
	c) At the End of the year	0	0	253696	1.6043
3	Name: JYOTIVARDHAN JAIPURIA				
	a) At the beginning of the year	0	0.00	0	0.00
	b) Changes during the year 27/05/2016	250000	1.5809	250000	1.5809
	c) At the End of the year	0	0.00	250000	1.5809
4	Name: JAIDEEP NARENDRA SAMPAT				
	a) At the beginning of the year	0	0.00	0	0.00
	b) Changes during the year 27/05/2016	200000	1.2647	200000	1.2647
	c) At the End of the year	0	0.00	200000	1.2647
5	Name: JAGDEEP JITENDRA KAPADIA				
	a) At the beginning of the year	0	0.00	0.00	0.00
	b) Changes during the year 27/05/2016	200000	1.2647	200000	1.2647
	c) At the End of the year	0	0.00	200000	1.2647
6	Name: KISHOR PUNAMCHAND OSTWAL				
	a) At the beginning of the year	378000	2.3903	378000	2.3903
	b) Changes during the year 24/03/2017	-115500	0.7304	262500	1.6599
	31/03/2017	-98500	0.6228	164000	1.0371
	c) At the End of the year	0	0.00	164000	1.0371
7	Name: SHRADDHA SANDEEP BAGLA				
	a) At the beginning of the year	0	0.00	0	0.00
	b) Changes during the year 27/05/2016	150000	0.9485	150000	0.9485
	c) At the End of the year	0	0.00	150000	0.9485

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
8	Name: SANDEEP SURAJPRAKASH BAGLA				
	a) At the beginning of the year	0	0	0	0
	b) Changes during the year 27/05/2016	150000	0.9485	150000	0.9485
	c) At the End of the year	0	0.00	150000	0.9485
9	Name: JAYANT SADASHIV BASRUR				
	a) At the beginning of the year	0	0	0	0
	b) Changes during the year 27/05/2016	150000	0.9485	150000	0.9485
	c) At the End of the year	0	0.00	150000	0.9485
10	Name: BHARTI RAKESH JAIN				
	a) At the beginning of the year	0	0.00	0	0.00
	b) Changes during the year 27/05/2016	150000	0.9485	150000	0.9485
	c) At the End of the year	0	0.00	150000	0.9485

(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	2063418	13.0481	2063418	13.0481
	b) Changes during the year				
	Transfer (01/04/2016)	-1872894	0.1167	190524	1.2048
	Transfer (08/04/2016)	1872894	0.1167	2063418	13.0481
	Transfer (27/05/2016)	500000	9.6686	2563418	16.2098
	Transfer (19/08/2016)	-190524	1.2048	2372894	15.005
	Transfer (02/09/2016)	(190524)	1.2048	2563418	16.2098
	Transfer (09/12/2016)	-2372894	1.2048	190524	1.2048
	Transfer (16/12/2016)	2372894	11.8433	2563418	16.2098
	c) At the End of the year	0	0.00	2563418	16.2098
2	Name: Neeta Maloo				
	a) At the beginning of the year	600	0.0038	600	0.0038
	b) Changes during the year	No Change During the year			
	c) At the End of the year	0	0.00	600	0.0038

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. 01.04.2016				
i) Principal Amount	413573	30143912	0	30557485
ii) Interest due but not paid	0	85603759	0	85603759
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	413573	115747671	0	116161244
Change in Indebtedness during the financial year				
i) Addition	0	73473014	0	73473014
ii) Reduction	302650	0	0	302650
Net Change	302650	73473014	Nil	73170364
Indebtedness at the end of the financial year i.e 31.03.2017				
i) Principal Amount	110923	176205870	0	176316793
ii) Interest due but not paid	0	13014815	0	13014815
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	110923	189220685	0	189331608

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

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

B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. Sunil Ramachandran Nair	Mrs. Neeta Maloo	Mr. Shyamkumar Madanlal Agrawal	Mrs. Swati Sharma	
3.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	2500	2500	2500	2500	10000/-
	Total (1)	2500	2500	2500	2500	10000/-
4.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	2500	2500	2500	2500	10000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	2,40,000	NA	2,40,000
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	Nil	2,40,000	Nil	2,40,000
	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, 2017

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, 2017, 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, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreements entered with the BSE Limited
- (vi) As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934, applicable to Non-Banking Financial Companies (Deposit Taking) are specifically applicable to the Company:
- a. Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998;
 - b. Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
 - c. Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008;
 - d. Guidelines for investment in unencumbered approved securities;
 - e. Reserve Bank of India (Non-Banking Financial Companies) Returns Specifications, 1997;
 - f. Guidelines for Asset Liability Management (ALM) system in Non-Banking Financial Companies;
 - g. Frauds- Future Approach towards monitoring of Frauds in Non-Banking Financial Companies;
 - h. Know Your Customer (KYC) Guidelines - Anti Money Laundering Standards;
 - i. Fair Practice Code;
 - j. Non-Banking Financial Companies Corporate Governance (Reserve Bank) Directions, 2015;
 - k. Regulation of excessive interest charged by NBFCs;
 - l. Miscellaneous Instructions to all Non-Banking Financial Companies;
 - m. Revised Regulatory Framework for NBFC.

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

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

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

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

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

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

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

I further report that

2. The company has formulated a code of conduct for Insider Trading as provided in the SEBI Regulations however the Company is in the process to upload the formulated code of conduct in the website of the company.
3. During the Financial Year the company has appoint internal auditor of the company but MGT-14 form is not filed with ROC as per section 138 of the Companies Act 2013 and Rule 13(1) Internal Audit provisions in Companies (Accounts) Rules 2014.
4. 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 S. Tiwari & Associates
Company Secretary**

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

**Place : Mumbai
Date : 30/05/2017**

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, 2017.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Remuneration Committee, Stakeholders' Relationship Committee, and Independent Directors along with Attendance Register held during the financial year under report.
4. Minutes of the Board and its Committee meetings, General Body Meetings and resolutions passed through E-voting and Poll held during the financial year under report.
5. Maintenance of various Statutory Registers viz.
 - Register of Directors & KMP.
 - Register of Directors' Shareholding.
 - Register of Investment.
 - Register of Contracts.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
8. Intimations received from Directors and Senior management under the prohibition of Insider Trading Code and Company information on opening and closing of trading window as per policy in place.
9. All statutory forms filed by the Company from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

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

Sd/-

(Vijay Kumar Tiwari)

ACS No: 33084

COP No: 12220

**Place : Mumbai
Date : 30/05/2017**

FORM AOC-2

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

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

- 1) Details of contracts or arrangements or transactions not at arm's length basis:

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

- 2) Details of material contracts or arrangement or transactions at arm's length basis:

The transactions entered into by the Company during the year with related parties on an arm's length basis, were not material in nature.

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

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

**Place: Mumbai
Date: 30th May, 2017**

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

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

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

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

1. Company's Philosophy

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

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

2. Board of Director

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

The composition and category of Directors on the Board of the Company for the FY 2016-2017 were as under:

Name of the Director	Category	Attendance		* Other Director-ships	Committee Positions in other companies *	
		Board Meeting	AGM/ EGM		As Member	As Chairman
Mr. Meghraj Jain	C/ED	8	Yes	Yes	Yes	Yes
Mr. Sandeep Maloo	ED	8	Yes	Yes	Yes	Yes

Name of the Director	Category	Attendance		* Other Directorships	Committee Positions in other companies *	
		Board Meeting	AGM/ EGM		As Member	As Chairman
Mrs. Neeta Maloo	ED	8	Yes	Yes	No	No
Mrs. Nirupama Dattatray	NED& IND	6	Yes	Yes	No	No
Mr. Sunil Ramachandran Nair	NED& IND	4	Yes	Yes	Yes	No
Mr. Shyamkumar Madanlal Agrawal	NED& IND	4	0	Yes	Yes	No
Mrs. Swati Sharma	NED& IND	4	Yes	No	No	No
Mr. Ratish Suresh Tawde (Appointed on 28/02/2017)	NED& IND	1	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 8 board meetings held on 30.05.2016, 03.06.2016, 13.08.2016, 21.09.2016, 14.11.2016, 14.02.2017, 28.02.2017 and 28.03.2017. Brief resumes of the directors are displayed on the website of the Company.
- Mrs. Neeta Maloo, Mrs. Nirupama Dattatray, Mr. Sunil Ramachandran Nair resigned from directorship w.e.f 20/06/2017.

Brief Details of Directors Seeking Appointment at the Annual General Meeting:

Name of Director	Date of Birth	Qualification	Expertise in specific Functional Area	Shares Held in the Company (%)
Mr. Meghraj Jain	25/06/1970	B.Com	Business Admin	13.0481
Mr. Sandeep Maloo	11/09/1975	C.A	Finance Advisor, Accounts & Admin	Nil
Mrs. Neeta Maloo	15/04/1976	M.B.A	Accounts & Admin	0.0038
Mrs. Nirupama Dattatray	30/07/1965	M.B.A	Business Administrative	Nil
Mr. Sunil Ramachandran Nair	05/05/1972	C.A	Accounts & Admin	Nil
Mr. Shyamkumar Madanlal Agrawal	08/07/1981	M.B.A	Corporate Legal & Finance	Nil
Mrs. Swati Sharma	21/07/1971	B.Com	Accounts	Nil
Mr. Ratish Suresh Tawde	01/07/1973	B.Com	Accounts	Nil

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 2016-17 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

The Chief Executive Officer and Chief Financial Officer Certification as required under Regulation 17(8) read with Part B of Schedule II of the SEBI(LODR) Regulation,2015.

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. Shyamkumar Madanlal Agrawal	Member	4	4

Remarks

- Total 4 committee meetings held on 30.05.2016, 13.08.2016, 14.11.2016 & 14.02.2017.
- The Committee has powers to formulate policies, prepare & review financial statements & internal control system, interact with the statutory/internal auditors, quarterly & annual reporting and seek information internally or externally as needed.

7. Nomination and Remuneration Committee

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

*Name of Director	*Status	Meetings	
		Held	Attended
Mr. Sunil Ramachandran Nair	Chairman	4	4
Mr. Sandeep Maloo	Member	4	4
Mr. Shyamkumar Madanlal Agrawal	Member	4	4
Mrs. Nirupama Dattatray	Member	4	0

Remarks :

- a. Total 4 committee meetings held on 03.06.2016, 21.09.2016, 14.11.2016 and 14.02.2017.
- b. The Committee reviews the performance and makes recommendations for the remuneration package of the senior management.

8. REMUNERATION TO DIRECTORS

Directors	Sitting Fees for Per Board Meeting	Salary & Perks	Total
Mr. Meghraj Sohanlal Jain	0.00	720000	720000/-
Mr. Sandeep Maloo	0.00	720000	720000/-
Mrs. Neeta Maloo	2500	0.00	2500/-
Mr. Sunil Ramachandran Nair	2500	0.00	2500/-
Mrs. Nirupama Dattatray	2500	0	2500/-
Mr. Shyamkumar Madanlal Agrawal	2500	0	2500/-
Mrs. Swati Sharma	2500	0	2500/-
Mr. Ratish Suresh Tawde	0	0	0/-

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. Sunil Ramachandran Nair	Member	4	4
Mr. Shyamkumar Madanlal Agrawal	Member	4	4

Remarks:

- a. Total 4 committee meetings held on 03.06.2016, 21.09.2016, 14.11.2016 and 14.02.2017
- 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. Sunil Ramachandran Nair	Member	1	1
Mr. Shyamkumar Madanlal Agrawal	Member	1	1
Mrs. Nirupama Dattatray	Member	1	1

11. Number of Board Meetings and Board Procedures

Your Company's Board met 8 times during the period and details of the meetings are highlighted below. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters

of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues. Your Company has placed all relevant information before the Board as per SEBI (LODR) Regulation.

Name of Director	Status	Meetings Held	Meetings Attended
Mr. Meghraj Sohanlal Jain	Chairman/ Managing Director	8	8
Mr. Sandeep Maloo	Managing Director	8	8
Mrs. Neeta Maloo	Director	8	8
Mrs. Nirupama Dattatray	Director	8	6
Mr. Sunil Ramachandran Nair	Director	8	4
Mr. Shyamkumar Madanlal Agrawal	Director	8	4
Mrs. Swati Sharma	Director	8	4
Mr. Ratish Suresh Tawde	Director	8	1

12. General Body Meetings

Year	Date	Venue	Time	Special Resolutions Passed
2015-16	30.09.2016	Premises no. A304, Oberoi Chambers, Commercial Premises Co Op Soc Ltd, Plot C-34, New Link Road, Andheri W, Mumbai-400053	10.00 A.M.	--
2014-15	30.09.2015	AIPMA House, A-52, 3 rd Floor, Street No. 1, M.I.D.C. Marol, Andheri (East), Mumbai-400093	10.00 A.M.	--
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	--

13. Disclosure Regarding Directors' Appointment And Re-Appointment

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

14. Disclosures

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

Accounting Code – Disclosures relating to accounting policies and accounting standards

followed are provided in the board's report and Note to the accounts. The cash flow statement specifies the details of inflow, outflow and utilization of funds & generation (if any) of funds through issue of securities.

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

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

15. Meaning of Communication

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

16. General Shareholders Information

AGM – date, time & venue	Friday, 29 th September 2017 at 3.00 p.m., Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, Above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai-400091.
Financial year	1 st April, 2016 to 31 st March, 2017
Date of book closure	Friday, 22 nd September 2017 to Friday 29 th September 2017 (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 2016-17:

Month	High	Low	Volume (No. Of Share Traded)
Apr-16	66.00	47.00	94210
May-16	70.00	56.75	36149
Jun-16	64.90	50.65	89432
Jul-16	53.00	42.90	29984
Aug-16	65.70	40.10	86208
Sep-16	71.80	55.10	220040
Oct-16	81.80	59.90	170878
Nov-16	93.10	78.95	156166
Dec-16	90.95	69.90	157512
Jan-17	89.00	63.10	669519
Feb-17	99.00	75.25	450229
Mar-17	99.15	38.05	1667627

Distribution of shareholding:

Range of shares	No. of Shareholders	(%) of Total Shareholders	Total Shares for the Range	(%) of Issued Capital
0 – 500	2427	73.1465	617492	3.9047
501-1000	463	13.9542	332920	2.1052
1001-2000	152	4.5811	214305	1.3552
2001-3000	55	1.6576	137524	0.8696
3001-4000	14	0.4219	50940	0.3221
4001-5000	25	0.7535	119049	0.7528
5001-10000	15	0.4521	111196	0.7031
Above 10001	167	5.0332	14230560	89.9872

Shareholding Pattern as on 31-3-2017:

Category	No. of Shares	(%) to total
Corporate Bodies (Promoters Co.)	2609100	16.4987%
Clearing Member	171430	1.0840%
Other Bodies Corporate	528986	3.3686%
Hindu Undivided Family	396513	2.5074%
Nationalized Banks	1500	0.0095%
Non Resident Indians	113650	0.7187%
Non Resident (Non Repatriable)	21304	0.1499%
Public	7044265	50.0603%
Promoters	4048258	25.5992%
TOTAL	14933506	100.00%

CEO / CFO Certificate for Compliance of Corporate Governance Code

To

Board of Directors

Mangal Credit and Fincorp Limited,

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

- (a) We have reviewed the financial statements, read with the cash flow statement of Mangal Credit and Fincorp Limited for the year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that –
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - ii. these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and the Audit Committee that –
 - i. There are no significant changes in the internal control over financial reporting during the year;
 - ii. There are no significant changes in accounting policies made during the year, and that the same have been disclosed in the notes to the financial statements; and
 - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

On behalf of the board

For Mangal Credit and Fincorp Limited

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

Place: Mumbai

Date: 30th May, 2017

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

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Mangal Credit and Fincorp Limited Code of Business Conduct and Ethics for the year ended March 31, 2017.

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

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

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 2017, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) with Stock Exchanges in India.

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

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

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

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

**Place : Mumbai
Date : 30/05/2017**

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

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its financial condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future. There are forward looking statements mentioned in this report which may involve risks and uncertainties, including but not limited to the risk inherent to the Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially from those expressed or implied.

GLOBAL ECONOMIC REVIEW

Global economic overview Global economic activity and trade picked up modestly from the later part of 2016. Global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit road map. The US economy bounced back strongly in Q3:2016, due to robust consumer spending and continuing improvement in the labour market. In the UK, economic growth gained momentum in second half of 2016, notwithstanding the uncertainties surrounding the negotiations relating to Brexit, as exports rose substantially following the weakening of the pound. In the Euro area, GDP growth accelerated in second half of 2016. The Japanese economy continued to recover at a modest pace even as the momentum weakened in second half of 2016. Economic activity in Emerging Markets continued to be divergent. In China, even though year on year GDP growth improved in Q4:2016, the quarter on quarter growth showed a sharp loss of momentum. Economic contraction has eased in Russia with the improvement in the mining and manufacturing sectors, rise in oil prices and policy initiatives.

Crude oil prices rose to a multiyear high in December 2016 after OPEC members agreed to cut production in end November 2016. Oil prices rose in April 2017 on account of strong demand and uncertainty over the conflict in Syria. Reduced OPEC volumes and stronger US output will result in a deeper discount for US crude and support greater exports from the US to Asia over the coming months.

INDIAN ECONOMIC OVERVIEW

The year was marked by major events namely demonetization of specified bank notes, conclusion of legislative assembly elections in five states, passage of Goods and Services Tax (GST) Bill by the Parliament. On November 8, 2016, the government announced the demonetization of ₹ 500 and ₹1,000 denomination notes, thereby rendering 86% of the cash in circulation as invalid. The decline in cash in circulation had led to increase in bank deposits with a resultant decline in interest rates on deposits, loans and government securities as well as a decline in real-estate prices, increase in savings, digitalization, income disclosure with a resultant increase in collections by tax and

other local authorities. The immediate effect of demonetization was on the daily wages/ earnings of the contract and unskilled labourers employed in highly labour intensive, unorganized sector, construction, transportation sectors etc. These sectors are more dependent on cash for working capital requirements. There was a temporary decline in demand due to shortage of cash. This had caused layoff of contract workers, disruption in production activities due to manpower loss, etc. The impact of demonetisation is dissipating with entry of replacement notes in circulation. Inflation in terms of the wholesale price index (WPI) was closely co-moving with consumer price index (CPI) inflation during October-December 2016, but it shot up in January and further in February to close to three percentage points above CPI inflation, driven by a sharp pick-up in international commodity prices. After moderating continuously over the last six months to a historic low, retail inflation measured by year-on-year changes in the CPI turned up in February to 3.7 per cent. The current account deficit for the first three quarters of the financial year narrowed to 0.7% of GDP. For the whole year it is likely to remain at less than 1 % of GDP. During April-December 2016, the Foreign Direct Investment (FDI) showed net capital inflows with manufacturing, communications and financial services being preferred sectors. Foreign Portfolio Investment (FPI) during November 2016 to January 2017 showed net outflows. FPI flows turned positive in February and March 2017. From February 2017 onwards, the rupee has appreciated due to equity portfolio inflows on policy announcements made in the Union Budget and easing of concerns about the speed of Fed policy rate hikes. Factors such as India's low current account deficit, the emphasis of monetary policy on the 4% inflation target, the transient impact of demonetisation on economic activity, and the commitment to fiscal prudence announced in the Union Budget provided stability to the exchange rate. The rupee gained further in March as FPI inflows, especially equity, were boosted by the outcome of State elections, which augur well for accelerating the pace of reforms. The level of foreign exchange reserves was US\$ 369.9 billion on March 31, 2017. As per the second advance estimates report dated 28th February 2017 of the Central Statistics Office (CSO), the growth in GDP during 2016-17 is estimated at 7.1% as compared with the growth rate of 7.9% in 2015-16. The sectors which are likely to register growth rate of over 7.0 percent are 'public administration, defence and other services', 'manufacturing' and 'trade, hotels, transport, communication and services related to broadcasting'. Agriculture, forestry and fishing gross value added (GVA) is now projected to grow 4.4% in FY17 against 4.1% estimated in January. Mining swung to a positive 1.3% growth for the full year against 1.8% contraction factored in earlier. Construction is pegged to grow 3.1%, manufacturing 7.7% and utilities 6.6%. Foodgrains production has touched an alltime high of 272 million tons, with record production of rice, wheat and pulses.

FINANCIAL SERVICES SECTOR

India's financial services sector is diversified, comprising of entities such as commercial banks, co-operatives, insurance companies, pension funds, mutual funds, non-banking financial companies and other various entities. As on December 31, 2016, the total managed retail credit (including off balance sheet book) of NBFCs stood at ₹ 5.6 trillion, growing year-on-year by about 17.5% in 9M FY 2017 (as against 19.5% in FY 2016 and 14.8% in FY 2015). The total NBFC retail credit including SME exposure stood at about ₹ 6.2 trillion as on December 31, 2016, growing year-on-year by about 19.0% in 9M FY 2017 (as against 21.2% in FY 2016 and 16.2% in FY 2015).

INDUSTRY STRUCTURE & DEVELOPMENT –

The Non-banking Finance Companies (NBFCs) sector has been growing steadily over the years. NBFCs have created a mark in the Indian financial system by providing the last-mile access and by developing capabilities to reach many un-touched micro segments. Further important point is that the sector has catered to these segments in an efficient and profitable manner, thus making it sustainable. By riding on niche competencies, wider reach and focussed product lines, NBFCs now contribute to a wider share of the total credit in the system. Reports by PWC and ICRA point to a healthy growth of about 15% in the NBFC sector over the past many years, and estimate such growth to continue based on the unique approach and distributed reach provided by these institutions.

Mangal Credit and Fincorp Limited with its 54 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 & OUTLOOK –

The economy is undergoing a paradigm shift as a result of a number of initiatives. In the financial space, the introduction of Aadhaar Card based identification and e-KYC, amongst others, will go a long way towards augmenting financial inclusion and enabling financiers to tap the vast segment of under-served individuals whose credit needs grow with their aspirations and income levels. With more consumers and entrepreneurs showing their true income on the books of accounts it will now be easier to evaluate creditworthiness. Further, we can be a perfect supplement in the new cashless payments ecosystem that the government has envisaged with the demonetisation drive. As things stand, the Company feels confident to grow its asset under management by 20-25% over the next three years. In terms of lines, lending appropriate amounts to unstructured needs is likely to receive greater focus in future. However, we are also confident Company has the necessary checks and controls to grow at a steady pace. The assets of the Company are well diversified and help the Company keep asset quality at a high standard.

Performance – During the year ended 31st March, 2017, the Income of the Company by way of interest and other income has stood at ₹ 82753241.00 as compared to ₹ 66445999.00 during the previous year. Net Profit after tax stood at ₹ 26987112.00 as compared to ₹ 10972004.00 during the previous year.

Risk & Concerns –

Interest rate volatility: Fluctuations in interest rates could adversely affect borrowing costs, interest income and net interest margins of companies in the financial sector. Being well funded with a strong capital base, MCFL is in a position to tide over such spells. Further, the Company ensures that it maintains an appropriate proportion of asset and liabilities at floating rate to avoid interest rate mismatches across buckets.

Competition: The financial services space in India is quite competitive. The Company is of the belief that from the country's point of view India needs an ever-growing number of players to address the large markets in the country. There is scope for sustained business growth despite competition.

Further, being a Company that is well capitalised accompanied with high governance standards, robust internal controls and advanced IT & Risk management systems, the Company is comfortable and confident on this count.

Changes in policies towards NBFC: There is a growing trend towards more stringent regulation in the NBFC sector. The Company is of the view that these changes are structurally beneficial for the financial services industry. Anticipating such regulations and implementing good governance norms before they are mandated has been a constant practice at MCFL. Accordingly, the Company feels confident on this count as well.

Operational Risk Management: Towards minimising operational risks, the Company has put in place a mechanism with system based ‘maker-checker’ processes for critical controls. Further, it has laid down detailed process manuals with Service Level Agreements (SLA) for data and document processing

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 Entertainment Industry, Capital Market Business, Real Estate sector, IT Sector, Logistics sector etc. MCFL ended the year with a net NPA of NIL % which is amongst the lowest in the industry.

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

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 ₹ 1762.06 Lacs as on 31 March 2017. 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 2017 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.

Cautionary Statements: The statements made in this report describe the Company's objectives and projections that may be forward looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

For Mangal Credit and Fincorp Limited

Sd/-

(Mr. Meghraj S Jain)

Chairman & Managing Director

DIN: 01311041

Place: Mumbai

Date: 30th May, 2017

**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"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

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

1. Note No 22.1 to the Financial Statements stating the fact of non-provision of liability of ₹ 49,41,750/- arising on Income Tax Assessment for the A.Y. 2008-09 to A.Y. 2013-14 consequent upon search & seizure operations in the case of company on 01/10/2013.
2. Note No 22.2 to the Financial Statements stating non provision of any liability that may arise in respect of show cause notice of SEBI for alleged delay in complaints under regulation 8(3) of SAST Regulation, 1997 in the years 2002, 2003, 2005 to 2011.

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

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and

- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 22 to the financial statements.
 - ii. We have not come across any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. An amount of ₹ 2,44,700/- due to be transferred to Investor Education and Protection Fund on or before 25/10/2016 has been so transferred on 22/04/2017.
 - iv. The company had provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and is in agreement with the relevant books of accounts maintained by the company – Refer Note 24 to the financial statements.

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

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

**Place: Mumbai
Date : 12th May, 2017**

(Annexure A)

Annexure to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
2. The company is a NBFC Company, primarily engaged in rendering loans services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the Company.
3. The Company has granted loan to 18 body corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) Act, for any of the services rendered by the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material

statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

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

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

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

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Place: Mumbai
Date : 12th May, 2017

Auditor's Additional Report

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

Dear Sirs

We have audited the balance sheet of Mangal Credit & Fincorp Limited (The Company) as at 31st March 2017 and related statement of profit and loss and the cash flow statement for the year ended on that date, issued our report dated 03rd May 2017.

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 2017 and as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 vide circular No. DNBS.PPD.03/66.15.001/2016-17 dated September 29, 2016 ('the Directions'), we are required to report on the matters specified in paragraph 3 and 4 of the aforesaid directions to the extent applicable.

Management's Responsibility for the financial statements

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

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

Auditor's Responsibility

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

Report

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

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

- a. The Company is engaged in the business of non-banking financial institution and has obtained a certificate of registration from the reserve bank of India dated 11/03/1998, 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 2017.
- c. The NBFC has complied with norms relating to net owned fund requirement as prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

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

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

- a. The Board of Directors has passed a resolution dated 11/04/2017 for non- acceptance of any public deposits.
- b. The company has not accepted any public deposits during the year ended 31.03.2017.
- c. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016;
- d. Based on the criteria set forth by the Bank in the Notification viz; Non - Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2016 for classification of NBFCs as NBFC-MFIs, the company has not been classified as NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the applicable financial year.

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

Restrictions on use

This report is issued pursuant to our obligations under Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 to submit a report on exceptions noted while issuing our report dated 03/05/2017 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 : 12th May, 2017**

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Mangal Credit & Fincorp Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

**Place: Mumbai
Date : 12th May, 2017**

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Notes	As at	As at
		31.03.2017	31.03.2016
		Rupees	Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	16,11,20,380	15,81,39,860
Reserves and Surplus	3	46,67,03,152	43,18,32,560
Money Received Against Warrants	4	4,42,13,375	4,69,29,375
		67,20,36,907	63,69,01,795
Share Application Money pending allotment			
		-	-
Non Current Liabilities			
Long Term Borrowings	5	-	1,10,924
Current Liabilities			
Short-Term Borrowings	6	17,62,05,870	3,01,43,912
Trade Payables		-	-
Other Current Liabilities	7	3,34,24,016	9,93,64,271
Short-Term Provisions	8	84,33,389	70,17,015
		21,80,63,275	13,65,25,198
TOTAL		89,01,00,181	77,35,37,918
ASSETS			
Non-Current Assets			
Fixed Assets	9	80,13,550	1,10,65,294
Non-Current Investments	10	16,39,54,503	16,36,29,646
Deferred Tax Assets	11	3,49,321	22,81,745
Long-Term Loans and Advances	12	2,08,00,750	2,08,00,750
		19,31,18,124	19,77,77,435
Current Assets			
Inventory		-	-
Trade Receivables		-	-
Cash and Bank Balances	13	1,63,09,936	1,30,02,140
Short-Term Loans and Advances	14	67,12,68,970	53,74,50,066
Other Current Assets	15	94,03,151	2,53,08,275
		69,69,82,057	57,57,60,481
TOTAL		89,01,00,181	77,35,37,918
Significant Accounting Policies			
	1		
Other Notes on Accounts			
	2 to 31		

In terms of our audit report of even date

FOR MGB & Co. LLP

Chartered Accountants

FRN: 101169W/W-100035

For and on behalf of the board of directors

Mangal Credit & Fincorp Ltd

Sd/-

Sandeep Jhanwar

Partner

M.No. 078146

Place: Mumbai

Date : 12th May, 2017

Sd/-

Madhuri Prakash Survase

Company Secretary

Sd/-

Meghraj Jain

Managing Director

DIN: 01311041

Sd/-

Sandeep Maloo

Managing Director

DIN: 01145616

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

Particulars	Notes	For the	For the
		Year Ended 31.03.2017	Year Ended 31.03.2016
		Rupees	Rupees
Revenue from Operations	16	8,27,53,241	6,64,45,999
Other Income	17	35,16,765	2,54,46,263
Total Revenue		8,62,70,006	9,18,92,262
Expenses:			
Employee Benefit Expenses	18	50,11,182	46,73,722
Finance Costs	19	1,25,42,253	4,30,53,528
Depreciation and Amortization	9	31,34,834	51,84,592
Other Expenses	20	2,45,64,197	2,55,07,372
Total Expenses		4,52,52,466	7,84,19,215
Profit before extraordinary items and tax		4,10,17,540	1,34,73,047
Extraordinary items		-	-
Prior Period Item expense / (income)		-	-
Profit before Tax		4,10,17,540	1,34,73,047
Tax Expense:			
(a) Current year		1,26,33,000	69,00,000
(b) Short / (Excess) provision for tax relating to prior years		(5,34,996)	(1,20,655)
(c) Net Current Tax Expense		1,20,98,004	67,79,345
(d) Deferred tax (credit) / charge		19,32,424	(8,49,724)
(e) MAT Credit		-	(34,28,578)
Profit(Loss) for the period from continuing operations		2,69,87,112	1,09,72,004
Profit(Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit(Loss) from Discontinuing operations (after tax)		-	-
Profit for the Period		2,69,87,112	1,09,72,004
Earnings per ordinary share:			
Basic		1.70	1.19
Diluted		1.30	1.14
Nominal Value of each ordinary share is ₹10/-			
Significant Accounting Policies	1		
Other Notes on Accounts	2 to 31		

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Madhuri Prakash Survase
Company Secretary

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

Place: Mumbai
Date : 12th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED, 31ST MARCH, 2017

Particulars	For the Year Ended	
	31.03.2017	31.03.2016
	₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	4,10,17,540	1,34,73,047
Adjustments for :		
Depreciation	31,34,834	51,84,592
Interest Expenses - Unsecured Loan	1,17,45,231	4,20,54,684
Interest Expenses - Secured Loan	31,346	1,04,702
Interest Expenses - Margin funding	-	1,96,897
Income Tax - Appeal Fees	6,000	-
Share Capital Increase Expenses	-	23,45,050
Interest Income	-8,24,69,637	-6,64,45,999
(Profit)/loss from Capital Gain on sale of shares	-20,04,557	-1,23,58,694
Bad Debts	2,26,52,740	
Provision for Standard Loans	3,39,981	-52,708
Provision for Sub Standard Loans	-23,80,000	14,00,000
Provision for Doubtful Assets	-17,00,000	17,00,000
Dividend on Investments	-	-
	-5,06,44,062	-67,569
	<u>-96,26,522</u>	<u>-1,24,65,998</u>
Operating profit before working capital changes		
Movement in Working Capital :		
(Increase)/Decrease in Other Current Assets	47,69,031	-28,363
(Increase)/Decrease in Unpaid Dividend Bank Account Balance	3,69,089	-79,567
(Increase)/Decrease in Short Term Loans & Advances - Loans	-12,28,82,976	-5,00,219
(Increase)/Decrease in Short Term Loans & Advances - Others	-3,36,93,888	-6,06,206
Increase/(Decrease) in Other Current Liabilities	72,08,595	-19,55,706
(Increase)/Decrease in Other Long Term Loans & Advances	-	1,08,338
Increase/(Decrease) in Short Term Provision (Other Than Provision for Tax)"	-14,42,30,149	-30,61,723
Cash generated/ (Utilised) in Operations	-15,38,56,671	-1,55,27,721
Interest Paid	-90,89,036	-6,75,76,669
Interest Received	8,92,54,095	8,43,09,855
Income Tax Paid (Net of Refund)	-24,90,756	-54,54,254
	<u>-7,61,82,368</u>	<u>-42,48,789</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase Of Fixed Assets	-83,090	-13,44,810
Sale Of Fixed Assets	-	-
Investment In Shares Of Subsidiary & Associates	-4,23,75,000	-28,60,000
Sale of Investments in Share of Subsidiary (net of receivable)	4,40,54,700	10,03,87,143
(Increase)/Decrease in Fixed Deposites With Bank on lien	-	-
Purchase of Other Investments	-	-
Sale of Other Investments	-	-
Security Deposit Given	-	-50,750
Security Deposit Received	-	-
Dividend Received on Investments	15,96,610	67,569
Net Cash Generated/(Used) in Investing Activities -B.	<u>15,96,610</u>	<u>9,61,99,152</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED, 31ST MARCH, 2017

Particulars	For the Year Ended		For the Year Ended	
	31.03.2017		31.03.2016	
	₹		₹	
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from Long Term Borrowings	-3,02,650		-18,18,186	
Proceed from Short Term Borrowings	7,07,85,473		-43,24,51,289	
Proceed from Short Term Borrowings - Bank Overdraft	-		-	
Increase in Share Capital & Security Premium (Net)	81,48,000		26,83,11,950	
Money Received against Share Warrant	-		4,69,29,375	
Share Capital Increase Expenses	-		-23,45,050	
Dividend Distribution Tax Paid	-		-1,44,226	
Dividend Paid	-3,68,180	7,82,62,643	-6,44,840	-12,21,62,266
Net cash used in financing activities		7,82,62,643		-12,21,62,266
NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS		36,76,885		-3,02,11,903
Cash and cash equivalents:				
Opening balance as at the beginning of the year		1,20,89,237		4,23,01,140
Closing balance as at the end of the year		1,57,66,122		1,20,89,237
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		1,57,66,122		1,20,89,237
Add: Balance in Unpaid Dividend Account		5,43,814		9,12,903
Add: Fixed Deposits with Bank		-		-
Add: Fixed Deposits with Bank under lien		-		-
Cash and Bank Balance as shown in balance sheet		1,63,09,936		1,30,02,140

Notes:

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

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146
Place: Mumbai
Date : 12th May, 2017

Sd/-
Madhuri Prakash Survase
Company Secretary

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

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. The Company is Non Systemically Important Non Deposit Taking NBFC (NBFC-ND-Non SI) vide circular no. RBI/DNBR/2016-17/44 DNBS (PD).007/03.10.119/2016-17 dated 1 September 01, 2016. It's shares are listed on Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange (ASE).

Note 1: Significant Accounting Policies

i. Basis of preparation of accounts

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

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

ii. Use of Estimates

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

iii. Revenue Recognition

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

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 FINANCIAL STATEMENT

v. Depreciation

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

vi. Investments

- a. Investments are classified into 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.
- 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,

NOTES FORMING PART OF FINANCIAL STATEMENT

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

2.1 Share Capital

(Amount in Rupees)

Share Capital	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount	Number of Shares	Amount
Authorised				
Equity Shares of ₹10/- each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
Issued, Subscribed and Paid up				
Equity Shares of ₹10/- each	1,61,12,038	16,11,20,380	1,58,13,986	15,81,39,860
Total	1,61,12,038	16,11,20,380	1,58,13,986	15,81,39,860

2.2 Reconciliation of the number of shares outstanding at the beginning and at the end of Financial Year 2016-17

(Amount in Rupees)

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	1,58,13,986	15,81,39,860	14,08,815	1,40,88,150
Bonus shares issued during the year	-	-	70,44,075	7,04,40,750
Equity Shares issued during the year				
- on account of equity shares to the promoters/non-promoters against share warrants	2,98,052	29,80,520	73,61,096	7,36,10,960
Equity Shares outstanding at the end of the year	1,61,12,038	16,11,20,380	1,58,13,986	15,81,39,860

2.3 Rights attached to equity Shares

The Company has only one class of equity shares having face value of ₹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.

NOTES FORMING PART OF FINANCIAL STATEMENT

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

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	25,63,418	16.21	23,72,894	15.00
Ajit S Jain	14,84,240	9.39	14,84,240	9.39
M/s E-ally Consulting (I) Pvt. Ltd	16,79,700	10.62	16,79,700	10.62
M/s Shree Jaisal Electronics and Inds. Ltd	9,29,400	5.88	9,29,400	5.88

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

Shares reserved for issue under options

For details of shares reserved for share warrants, refer note 4.

2.6 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 @ ₹ 210 per share amounting to ₹ 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
Shres Issued for Balance Amount			9,99,99,690

NOTES FORMING PART OF FINANCIAL STATEMENT

3. RESERVES AND SURPLUS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Securities Premium		
Opening Balance	26,62,44,290	14,19,84,050
Add: Premium received during the year on account of Preferential allotment to the promoters/non-promoters	-	19,47,00,990
Less: Amount utilised for issuance of bonus shares	-	7,04,40,750
Add: Premium received during the year on account of equity shares to the promoters/non-promoters against share warrants	78,83,480	-
Closing Balance	27,41,27,770	26,62,44,290
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	3,10,57,842	2,88,63,441
Add: Transferred from Statement of Profit and Loss	53,97,422	21,94,401
Closing Balance	3,64,55,264	3,10,57,842
Capital Reserve	10,425	10,425
Proposed Dividend	40,28,010	-
Tax on Proposed Dividend	8,42,854	-
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	9,48,20,003	8,60,42,400
Add: Profit for the year	2,69,87,112	1,09,72,004
Less: Proposed Dividend	40,28,010	-
Tax on Proposed Dividend	8,42,854	-
Transferred To : Statutory Reserve Fund	53,97,422	21,94,401
Closing Balance	11,15,38,828	9,48,20,003
Total	46,67,03,152	43,18,32,560

DIVIDEND

Dividend of ₹ 0.25/- share has been recommended for the FY 2016-17 (No dividend was provided in FY 2015-16).

4. MONEY RECEIVED AGAINST SHARE WARRANTS

Money received against share warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each.

During last year, the Company issued to its promoters/non-promoters 10,50,000 warrants dtd. 23.02.2016 and 41,00,000 warrants dtd. 03.03.2016 of a face value of ₹ 10 each, having option to apply for and be allotted an equivalent number of equity shares of a face value of ₹ 10 each at a premium of ₹ 26.45/- each determined in accordance with Regulation 76 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ('SEBI ICDR Regulations'). The holder of the warrants would need to exercise the option to subscribe to shares before 22.08.2017 and 02.09.2017 upon payment of the balance amount of ₹ 14,07,88,125/-.

During the year 2,98,052 shares were issued against equivalent number of warrant on payment by subscriber.

NOTES FORMING PART OF FINANCIAL STATEMENT

5. LONG TERM BORROWINGS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Secured		
Term Loans	1,10,924	4,13,573
Less: Current Maturities(Refer Note No. 7)	1,10,924	3,02,650
Total	-	1,10,924

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

6. SHORT TERM BORROWINGS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Unsecured		
Inter-Corporate Loans	7,90,22,843	1,41,00,000
Loan from Directors	9,71,83,027	-
Related Parties	-	1,60,43,912
Total	17,62,05,870	3,01,43,912

7. OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Current maturities of long term debt (Refer Note No. 5)	1,10,924	3,02,650
Interest accrued and due on borrowings	1,30,14,815	8,56,03,759
Unpaid Dividends*	5,24,723	8,92,903
Excess share application money due for refund	-	22,59,900
Other Payables		
Security Deposit against Rent	-	50,00,000
Duties and Taxes	11,89,989	39,93,891
Creditors for Expenses & Others	1,85,83,565	13,11,168
Total	3,34,24,016	9,93,64,271

* An amount of ₹ 2,44,700/- due in Investor Education and Protection Fund was so deposited vide challan dated 22.04.2017.

8. SHORT TERM PROVISIONS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Contingent Provisions against Standard Assets	15,61,250	12,21,269
Provision on Sub Standard Assets	2,70,000	26,50,000
Provision on Doubtful Assets	-	17,00,000
Advance Tax/TDS (Net of provision for taxation)	66,02,139	14,45,746
Total	84,33,389	70,17,015

NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount in Rupees)

A. Tangible assets	Gross block			Accumulated depreciation and impairment				Net Block	
	Balance as at 1 April, 2016	Additions	Deductions	Balance as at 31 March, 2017	upto 31 March, 2016	Depreciation / amortisation for the period.	Eliminated on deductions of assets	Balance as at 31 March, 2017	Balance as at 31 March, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Plant and Equipment	26,99,920	-	-	26,99,920	10,23,176	3,06,207	-	13,29,383	16,76,744
(b) Furniture and Fixtures	1,58,97,670	32,690	-	1,59,30,360	81,26,508	20,52,288	-	1,01,78,796	77,71,162
(c) Vehicles	44,67,125	-	-	44,67,125	36,86,581	3,05,722	-	39,92,302	7,80,544
(d) Office equipment	51,90,326	50,400	-	52,40,726	43,53,482	4,70,617	-	48,24,099	8,36,844
Total	2,82,55,041	83,090	-	2,83,38,131	1,71,89,746	31,34,834	-	2,03,24,580	1,10,65,294
Previous year	2,69,10,231	13,44,810	-	2,82,55,041	1,20,05,154	51,84,592	-	1,71,89,746	1,49,05,076

Notes:

- 1 Vehicles represent 5 cars purchased by Company and leased to another company.

NOTES FORMING PART OF FINANCIAL STATEMENT

10. NON CURRENT INVESTMENT

Particulars

	As At 31.03.2017		As At 31.03.2016		(Amount in ₹)
	No. of Shares	Face Value	Amount	No. of Shares	
A) Investment in Land			1,39,79,720		1,39,79,720
Sub Total (A)			1,39,79,720		1,39,79,720
B) Investment in Shares					
i) Unquoted, Long Term (valued at cost)					
a) Investment in Subsidiaries (Group Concerns)					
Chakshu Realtors Pvt Ltd	9,999	10	99,990	9,999	10
Mangal Buildhome Pvt Ltd	14,99,999	10	1,49,17,990	14,99,999	10
Mangal Bullion Pvt Ltd	-	-	-	11,99,999	10
Mangal Compusolution Pvt Ltd	19,99,999	10	2,07,49,940	19,99,999	10
Mangal Entertainment Pvt Ltd	9,999	10	24,99,750	9,999	10
Mangal Timber & Laminate Pvt Ltd	-	-	-	1,59,999	10
Indtrans Container Lines Pvt Ltd	6,00,000	10	60,00,000	6,00,000	10
Mangal Globle Marble Pvt Ltd	15,000	10	1,50,000	15,000	10
Mangal Synnove Energies Pvt Ltd	-	-	-	4,95,099	10
Mangal Extrusion Pvt Ltd	2,37,500	10	23,75,000	-	-
Satco Capital Markets Ltd	45,11,755	10	6,30,33,113	45,11,755	10
Standard Medserve Tpa Pvt Ltd	9,900	10	99,000	9,900	10
Total Investment in equity shares of subsidiaries (a)			10,99,24,783		14,95,99,926
b) Investment in Associates (Group Concerns)					
Scarled Computech Private Limited	5,000	10	50,000	5,000	10
Total Investment in equity shares of others (b)			50,000		50,000
b) Investment in Associates (Group Concerns)					
Scarled Computech Private Limited	40,00,000	10	4,00,00,000	-	-
Total Investment in equity shares of others (b)			4,00,00,000		-
Total Investment in unquoted equity & preference shares (a) + (b) + (c)			14,99,74,783		14,96,49,926
TOTAL INVESTMENT (A) + (B)	1,28,99,151		16,39,54,503	1,05,16,748	
					16,36,29,646

NOTES FORMING PART OF FINANCIAL STATEMENT

11. Deferred Tax Assets

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Deferred Tax Liability :		
Difference between wdv as per book & IT Act	-	-
Provision for Standard Assets	-	17,394
Provision for Sub Standard Assets	7,85,400	-
Provision for Doubtful Assets	5,61,000	-
Deferred Tax Assets :		
Difference between wdv as per book & IT Act	15,83,527	12,76,139
Provision for Standard Assets	1,12,194	-
Provision for Sub Standard Assets	-	4,62,000
Provision for Doubtful Assets	-	5,61,000
Net Deferred Tax Asset (DTA)	3,49,321	22,81,745
Incremental/(Decremental)		
DTA taken to Profit & Loss Account	(19,32,424)	8,49,724

12. LONG-TERM LOANS & ADVANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Unsecured, considered good		
Security Deposits	2,00,50,750	2,00,50,750
Other Loans and advances		
-Balances with Revenue Authorities*	7,50,000	7,50,000
Total	2,08,00,750	2,08,00,750

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

13. CASH AND BANK BALANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
A. Cash and Cash Equivalents		
(a) Cash in hand	83,464	6,70,258
(b) Balances with banks in current account	1,56,82,658	1,14,18,979
	1,57,66,122	1,20,89,237
B. Other Bank Balances		
(a) Unpaid Dividend Account	5,43,814	9,12,903
	5,43,814	9,12,903
Total	1,63,09,936	1,30,02,140

NOTES FORMING PART OF FINANCIAL STATEMENT

14. SHORT TERM LOANS AND ADVANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Secured, considered good		
Other Loans	9,38,75,000	6,05,42,987
	(a) 9,38,75,000	6,05,42,987
Unsecured, considered good		
Loans and Advances to Subsidiaries	12,05,88,988	7,53,69,976
Loans and Advances to Related Parties other than Subsidiaries	-	18,82,378
Other Loans	41,26,68,456	38,47,95,650
	(b) 53,32,57,443	46,20,48,004
Other Advances		
Balance with Revenue Authorities	1,25,393	13,65,700
Advance for Shares acquisition	3,50,00,000	-
Income Tax Refundable	89,94,134	1,34,10,570
Prepaid Expenses	-	64,805
Advance to Staff	17,000	18,000
	(c) 4,41,36,527	1,48,59,075
Total (a+b+c)	67,12,68,970	53,74,50,066

15. OTHER CURRENT ASSETS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Unsecured, considered good		
Interest accrued and due on lending	67,96,612	1,79,32,705
Others Receivables	26,06,539	73,75,570
Total	94,03,151	2,53,08,275

16. REVENUE FROM OPERATION

Particulars	For the	Previous
	Year ended	Year ended
	31.03.2017	31.03.2016
	Rupees	Rupees
A. Interest Income		
on Loans to Subsidiary	1,11,02,370	81,68,198
on Loans to Others	7,13,67,267	5,82,77,801
on Fixed Deposits	2,83,604	-
Total	8,27,53,241	6,64,45,999

NOTES FORMING PART OF FINANCIAL STATEMENT

17. OTHER INCOME

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Rent Income	-	1,18,20,000
Rent from Leasing of Motor Cars	9,00,000	12,00,000
Profit/(Loss) on sale of shares	20,04,557	1,23,58,694
Interest on Income Tax Refund	4,29,208	-
Misc. Income	1,83,000	67,569
Total	<u>35,16,765</u>	<u>2,54,46,263</u>

18. EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Director's Remuneration	14,40,000	18,00,000
Directors Sitting Fees	10,000	-
Salaries, Bonus and Allowances	33,90,353	26,36,908
Staff Welfare Expenses	1,70,829	2,36,814
Total	<u>50,11,182</u>	<u>46,73,722</u>

19. FINANCE COSTS

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Interest cost:		
On Car Loan	31,346	1,04,702
On Inter-Corporate Deposits	1,03,72,451	4,20,54,684
Others	21,38,456	8,94,142
Total	<u>1,25,42,253</u>	<u>4,30,53,528</u>

20. OTHER EXPENSES

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Advertisement Expenses	71,202	70,648
Payment to Auditor		
- Statutory Audit Fees	2,00,000	2,00,000
- Tax Audit Fees	50,000	50,000
- Others	29,346	-
Internal Audit Fees	1,80,000	1,80,000
Conveyance Expenses	2,23,035	2,90,320

NOTES FORMING PART OF FINANCIAL STATEMENT

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Office Expenses	2,14,500	-
Bad Debts	2,26,52,740	-
Electricity Charges	12,47,183	15,25,806
Legal & Prof.Charges	12,46,766	8,42,589
Repair & Maintenance	60,431	44,011
Annual Maintenance Charges	1,00,870	99,465
Membership Fees	10,000	-
Miscellaneous Expenses	2,33,190	2,05,171
Listing Fees	3,31,193	4,79,281
Postage, Courier & Telegrams	53,703	91,142
Printing & Stationery	6,33,345	6,90,272
Rent, Rates and Taxes	-	1,44,00,000
Provision on Standard Assets	3,39,981	(52,708)
Provision on Sub Standard Assets	(23,80,000)	14,00,000
Provision on Doubtful Assets	(17,00,000)	17,00,000
ROC Filling Fee	10,050	22,09,659
Stamp Duty Shares Registration	-	1,35,391
Sundry Debit Balances W/Off.	14,040	-
Swachh Bharat Cess F.Y-16-17	5,403	-
Travelling Expenses	15,750	42,835
Telephone & Internet Charges	7,21,470	9,03,490
Total	2,45,64,197	2,55,07,372

21. EARNINGS PER EQUITY SHARE

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
Number of equity shares outstanding at the beginning of the year	1,58,13,986	14,08,815
Number of equity shares issued	-	70,44,075
- bonus issue	-	73,61,096
- preferential allotment to the promoters/non promoters	2,98,052	-
Number of equity shares outstanding at the end of the year	1,61,12,038	1,58,13,986
Weighted average number of shares		
a) Basic	1,58,54,815	91,89,444
b) Effect of dilutive equity shares on account of:		
- share warrants	48,51,948	4,33,880
c) Diluted	2,07,06,763	96,23,324
Profit/(Loss) after tax	2,69,87,112	1,09,72,004
Basic earnings/(loss) per share (₹)	1.70	1.19
Diluted earnings/(loss) per share (₹)	1.30	1.14
Nominal value per share (₹)	10	10

NOTES FORMING PART OF FINANCIAL STATEMENT

22. CONTINGENT LIABILITIES & COMMITMENTS

Particulars	For the Year ended 31.03.2017	Previous Year ended 31.03.2016
	Rupees	Rupees
(i) Contingent Liabilities		
(a) Claims against company not acknowledged as debt	49,41,750	49,41,750
(b) Guarantees	17,00,00,000	-
(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	-	-

22.1 Claims against the company not acknowledged as debts for the year ended 31st March ,2017 include demand from the Income Tax Authorities for payment of tax of ₹ 49,41,750/- upon completion of their tax assessment for Assessment Years 2010-11, 2011-12, 2012-13, 2013-14 & 2014-15. The company has filed an appeal with the income tax appellate authorities. The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and result of operation.

22.2 Company has received a show cause notice by Securities and Exchange Board of India for alleged delay in compliances under regulaion 8(3) of SAST Regulation, 1997 in the year 2002, 2003, 2005 to 2011. No liability has been acknowledged by the company in this respect as any liability in this recoverable from the erstwhile promoters group in view of the terms of Share Purchase Agreement dtd 10th February, 2011.

22.3 The company has given the following guarantees:

- i. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 11 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- ii. Guarantee to Fullerton India Credit India Pvt. Ltd. for Loan of ₹ 5 crore availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the company.
- iii. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 1 crore availed by M/s Mangal Entertainment Pvt. Ltd., subsidiary of the company.

NOTES FORMING PART OF FINANCIAL STATEMENT

23. Related Party

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

Name of Related Parties and Relationships

23.1 S.No.	Name of Subsidiary Particulars	in % Holding as at March 31	
		2017	2016
1	Chakshu Realtors Pvt Ltd	99.99	99.99
2	Indtrans Container Lines Pvt Ltd	60.00	60.00
3	Mangal Buildhome Pvt Ltd	74.99	74.99
4	Mangal Bullion Pvt Ltd(3)	-	59.99
5	Mangal Compusolution Pvt Ltd	99.99	99.99
6	Mangal Entertainment Pvt Ltd	99.99	99.99
7	Mangal Global Marble Pvt Ltd	60.00	60.00
8	Mangal Synnove Energies Pvt Ltd(3)	-	99.02
9	Mangal Timber & Laminate Pvt Ltd(3)	-	99.99
10	Satco Capital Markets Ltd	53.61	53.61
11	Indtrans Container Lines (Singapore) PTE Ltd(1)	100.00	100.00
12	Satco Commodities Private Ltd(2)	100.00	100.00
13	Mangal Extrusion Private Ltd	75.00	-
14	Standard Infra Developers Pvt Ltd	99.00	99.00

(Previously known as Standard Medserve TPA Pvt Ltd)

(1) Wholly-owned subsidiary of Indtrans Container Lines Pvt Ltd

(2) Wholly-owned subsidiary of Satco Capital Markets Ltd

(3) Shares Disposed off during the year

Name of Related Parties and Relationships

23.2 S.No	Name of Joint Ventures Particulars	in % Holding as at March 31	
		2017	2016
1	Scarled Computech Pvt Ltd	50.00	50.00

NOTES FORMING PART OF FINANCIAL STATEMENT

23.3 Name of Associate		in %	
S.No	Particulars	Holding as at March 31	
		2017	2016
1	Gold Crest Realty(1) (Partner of our subsidiary Mangal Buildhome Pvt. Ltd.)	90.00	90.00
2	Student films Festivals(1) (Partner of our subsidiary Mangal Entertainment Pvt. Ltd.)	55.00	55.00
3	Bliss Entertainment(1) (Partner of our subsidiary Mangal Entertainment Pvt. Ltd.)	50.00	50.00
4	Digital Edge Technology (Partner of our subsidiary Mangal Compusolution Pvt. Ltd.)	50.00	50.00

(1) Disposed off dated 01.04.2017

23.4 Companies / Others Under Common Control

S.No	Particulars
1	Ally Insurance Brokers Private Limited
2	Bansiwala Real Estates Private Limited
3	Dhakad Proprieties & Financial Services Private Limited
4	E-Ally Commodities India Private Limited
5	E-Ally Consulting India Private Limited
6	E-Ally Equities India Private Limited
7	Mangal Meta Forging Private Limited
8	Shwet Developers Private Limited
9	Vijay Dwellers Private Limited
10	Mangal Charitable Trust
11	Mangal Extrusion
12	Mangal Jewellers
13	Xplorettech Global Solutions Private Limited
14	Saahil Global Business Private Limited
15	Customer Centria Technologies LLP
16	Mangal Mines & Minerals Private Limited
17	CNX Corporation Ltd.
18	Centaurus Financial Services Private Limited
19	Omicron Power Engineers Private Limited
20	Perusal Global Solutions India Private Limited
21	Vizonark Solutions Private Limited
22	Datamatics HR & Consultancy Private Limited
23	Aelera Technologies India Private Limited
24	Magnetic Rent A Car Private Limited
25	Vizonark Business Technology Private Limited

NOTES FORMING PART OF FINANCIAL STATEMENT

23.5 Key Management Person

S. No.	Particulars	Relation
1	Sandeep Maloo	Managing Director
2	Meghraj Sohanlal Jain	Managing Director
3	Neeta Maloo	Director
4	Sunil Ramachandran Nair	Director
5	Nirupama Dattatray	Director
6	Shyamkumar Madanlal Agarwal	Director
7	Ratish Suresh Tawde	Add. Director
8	Swati Sharma	Director

23.6 Key Management Person's Relatives

S.No.	Particulars
1	Lokesh Devilal Jain

Transaction with Related Parties are Shown in Annexure - A1

Note 24

As per recent Ministry of corporate affairs amendment in Schedule III (Preparation of Financial Statements) as well as in Rule 11 of Companies (Audit and Auditors) Amendment Rules, 2017 regarding the disclosure & reporting in the financial statement & Auditor's Report in relation to holdings as well as dealings of company in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 is as follows:-

	SBNs	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	2,37,500	12,827	2,50,327
(+) Permitted receipts	-	1,43,000	1,43,000
(-) Permitted payments	-	65,785	65,785
(-) Amount deposited in Banks	2,37,500	-	2,37,500
Closing cash in hand as on 30.12.2016	-	90,042	90,042

Note 25

Consequent to the search and seizure proceedings u/s 132 of the Income Tax Act, 1961, assessment of income for the assessment years 2012-13 and 2013-14 have taken place under section 143(3)/153A of the Income Tax Act, 1961. As a result a total demand of ₹ 40,75,600/- has arisen. Aggrieved by the orders so passed, the company has filed appeals before the Commissioner of Income Tax (Appeals) in the respective assessment years. Considering the nature of additions made and recent judicial pronouncements, there are good chances that the additions shall be deleted in the appellate proceedings and therefore no provision in this respect has been made in respect of outstanding demand.

Note 26

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

NOTES FORMING PART OF FINANCIAL STATEMENT

Note 27

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

Note 28

Loan portfolio classification and provision (As per RBI Prudential Norms)

(₹ in Lacs)

Particulars	Gross Loan Outstanding		Provision For Standard Assets		Net Loan Outstanding	
	March, 2017	March, 2016	March, 2017	March, 2016	March, 2017	March, 2016
Standard Asset	6244.99	4884.36	15.61	12.21	6229.38	4872.15
Sub Standard Asset	27.00	265.00	2.70	26.50	24.30	238.50
Doubtful Asset	-	85.00	-	17.00	-	68.00
Loss Asset	-	-	-	-	-	-
Total	6271.99	5234.36	18.31	55.71	6205.08	5178.65

Note 29

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

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

(₹ in Lacs)

S.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	1.11	-
	(d) Inter-Corporate Loans and Borrowings	790.23	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*		
	(g) Other Loans;	-	-
	- Bank Overdraft	-	-
	- Loan from Directors	971.83	-
*Please see Note (a) Below			
2	Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):		
	(a) In the form of Unsecured Debenture	-	-
	(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-
	(c) Other Public Deposits	-	-
*Please see Note (a) Below			

NOTES FORMING PART OF FINANCIAL STATEMENT

		(₹ in Lacs)
S.No.	Particulars	Amount Outstanding
Assets Side :		
(3)	Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):	
	(a) Secured	938.75
	(b) Unsecured	5332.57
(4)	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	-
(5)	Break-up of Investments :	
	Current 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	-
	(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	-

NOTES FORMING PART OF FINANCIAL STATEMENT

(₹ in Lacs)

S.No.	Particulars	Amount Outstanding
2.	Unquoted	
	(i) Shares : (a) Equity	1099.75
	(b) Preference	400.00
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others – Investment in Land	139.80

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

Please see Note (b) below

(₹ in Lacs)

Category	Amount Net of Provisions		
	Secured	Unsecured	TOTAL
1. Related Parties			
(a) Subsidiaries	-	1202.88	1202.88
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	936.40	4114.41	5050.81
TOTAL	936.40	5317.29	6253.69

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

Please see Note (c) below

(₹ in Lacs)

Category	Market Value Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	1713.26	1499.75
(b) Companies in the same group	-	-
(c) Other related parties	0.50	0.50
2. Other than related parties	-	-
TOTAL	1713.76	1500.25

8. Other Information:

	Amount Outstanding
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	27.00
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	24.30
Assets acquired in satisfaction of debt	-

NOTES FORMING PART OF FINANCIAL STATEMENT**Sub Notes:**

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

Note 30

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

Note 31: Previous Year Figures

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

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

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

Sd/-
Sandeep Jhanwar
 Partner
 M.No. 078146
 Place: Mumbai
 Date : 12th May, 2017

Sd/-
Madhuri Prakash Survase
 Company Secretary

Sd/-
Meghraj Jain
 Managing Director
 DIN: 01311041

Sd/-
Sandeep Maloo
 Managing Director
 DIN: 01145616

NOTES FORMING PART OF FINANCIAL STATEMENT

Formatting Part of Notes on Accounts Annexure -"A1"

Name of Related Parties and Their Transaction

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Subsidiaries					
Chakshu Realtors Pvt Ltd	Rent Paid	-	-	1,44,00,000	-
	Loan Given	1,46,88,535	14,79,188	42,56,450	18,37,166
	Loan Repayment Received	1,51,47,000	-	24,09,325	-
	Interest Income	6,24,504	2,054	1,00,487	1,00,487
	Security Deposit Received	-	2,00,00,000	-	2,00,00,000
Indtrans Container Lines Pvt Ltd	Loan Given	3,49,96,752	21,06,700	65,00,000	-
	Loan Repayment Received	3,28,90,052	-	65,00,000	-
	Interest Income	43,697	327	-	-
	Rent Income	-	-	18,00,000	-
Mangal Buildhome Pvt Ltd	Rent Income	-	-	3,60,000	-
	Loan Given	37,02,09,373	29,38,144	17,06,24,399	3,44,08,264
	Loan Repayment Received	40,31,30,000	-	13,60,71,804	-
	Interest Income	32,05,860	5,274	14,50,507	14,50,507
Mangal Compusolution Pvt Ltd	Loan Given	1,95,75,514	9,60,800	3,11,91,370	2,66,52,268
	Loan Repayment Received	4,54,68,000	-	45,19,000	-
	Interest Income	10,34,921	1,429	2,01,018	2,01,018
	Purchase of Computer	50,400	1,34,400	-	-
Mangal Entertainment Pvt Ltd	Rent Income	-	-	6,00,000	-
	Loan Given	2,16,06,021	70,53,755	3,90,40,000	62,51,000
	Loan Repayment Received	2,10,30,100	-	3,27,89,000	-
	Interest Income	14,04,150	3,735	2,52,038	2,26,834

NOTES FORMING PART OF FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Mangal Globle Marble Pvt Ltd	Loan Given	4,11,44,629	2,48,50,401	1,68,23,440	2,129
	Loan Repayment Received	1,65,85,000	-	1,70,80,072	-
	Interest Income	26,85,100	1,590	3,23,081	2,88,644
Satco Capital Markets Ltd	Rent Income	-	-	42,00,00,000	-
	Loan Given	21,91,00,000	7,52,00,000	11,71,00,000	-
	Loan Repayment Received	14,49,07,493	-	11,71,00,000	-
	Interest Income	20,66,920	60,228	11,19,437	-
	Security Deposit Received	50,00,000	-	-	50,00,000
	Shares Acquired	4,00,00,000	-	28,60,000	-
Standard Medserve Tpa Pvt Ltd	Loan Given	60,00,000	60,00,000	-	-
	Loan Repayment Received	-	-	-	-
	Interest Income	-	-	-	36,166
	Other Reimbursement	10,000	50,667	4,501	4,501
Mangal Extrusions Pvt Ltd	Loan Given	18,84,602	-	-	-
	Loan Repaid	18,84,602	-	-	-
	Interest Income	37,218	-	-	-
	Shares Acquired	23,75,000	-	-	-
Mangal Bullion Pvt Ltd	Loan Given	21,25,08,385	-	47,86,25,000	31,55,500
	Loan Repaid	21,56,63,885	-	47,84,53,914	-
	Interest Income	2,87,968	-	33,16,016	-
	Shares Disposed off	3,28,19,973	-	-	-
Mangal Synnove Energies Pvt Ltd	Loan Given	1,251	-	1,66,078	-
	Loan Repaid	10,915	-	1,66,078	-
	Interest Income	-	-	10,738	9,664
	Shares Disposed off	50,74,765	-	-	-

NOTES FORMING PART OF FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Mangal Timber Pvt Ltd	Rent Income	-	-	17,500	-
	Loan Given	1,233	-	63,50,802	57,79,051
	Loan Repaid	5,33,47,964	-	5,71,751	-
	Interest Income	5,95,865	-	75,200	67,680
Joint Ventures					
Scarled Computech Private Limited	Loan Given	-	-	32,378	32,378
	Loan Repayment Received	32,378	-	-	-
	Interest Income	3,526	-	-	-
	Rent Income	-	-	17,500	-
Associates					
GoldCrest Realty	Loan Given	4,00,000	-	2,76,57,686	-
	Loan Repayment Received	4,00,000	-	2,76,57,686	-
	Interest Income	4,192	-	1,45,044	1,30,539
Digital Edge Technology	Rent Income	-	-	17,500	-
	Other Reimbursements	62,050	36,907	-	-
Companies / Others under Common Control					
E-Ally Commodities India Private Limited	Loan Taken	-	-	1,13,18,405	-
	Loan Repayment	6,26,82,145	-	1,13,18,405	-
	Loan Given	6,26,82,145	-		
	Interest Received	1,40,336	-	3,86,450	3,47,805
	Rent Income	-	-	17,500	-
E-Ally Consulting India Private Limited	Loan Taken	4,98,81,667	-	1,84,72,640	-
	Loan Repayment	6,59,25,579	-	2,03,51,955	1,60,43,912
	Interest Paid	11,61,852	-	38,07,135	35,24,561
	Rent Income	-	-	3,50,000	-
E-Ally Equities India Private Limited	Loan Given	2,46,361	-	-	-

NOTES FORMING PART OF FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
	Loan Repayment	2,46,361	-	-	-
	Interest Received	5,864	-	-	-
	Rent Income	-	-	17,500	-
	Other Reimbursements	1,000	-	-	-
E-Ally Research India Private Limited	Rent Income	-	-	17,500	-
E-Ally Securities India Private Limited	Loan Taken	2,01,25,000	-	-	-
	Loan Repaid	2,01,25,000	-	-	-
	Interest Received	1,56,182	-	17,500	-
Ally Insurance Brokers Private Limited	Loan Taken	-	-	26,989	-
	Loan Repayment	-	-	26,989	-
Dhakad Proprieties & Financial Services PL	Loan Given	91,287	-	20,275	-
	Loan Repayment Received	91,287	-	20,275	-
	Rent Income	-	-	9,00,000	-
Mangal Meta Forging Private Limited	Loan Given	-	-	7,324	-
	Loan Repayment Received	-	-	7,324	-
	Rent Income	-	-	17,500	-
Shwet Developers Private Limited	Loan Repayment Received	-	-	38,00,000	-
	Interest Received	-	-	5,68,438	-
Mangal Recycling Private Limited	Rent Income	-	-	17,500	-
Ecotech Informatics Private Limited	Rent Income	-	-	17,500	-
	Interest Received	51,207	-	-	-

NOTES FORMING PART OF FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
	Loan Given	14,60,000	-	-	-
	Loan Repaid	14,60,000	-	-	-
Shree Mangal Abhushan Pvt Ltd	Loan Taken	-	-	26,000	-
	Loan Given	-	-	26,000	-
Centaurus Equities Private Limited	Interest Paid	-	-	37,171	-
Mangal Extrusions	Loan Given	3,534	-	10,00,000	10,00,000
	Loan Repaid	10,03,534	-	-	-
	Interest Income	96,698	-	35,343	31,809
Key Management Person					
Sandeep Maloo	Directors Remuneration	7,20,000	-	7,20,000	-
	Loan Taken	6,18,15,874	1,09,90,884	97,00,000	-
	Loan Repayment	7,26,92,894	-	1,57,27,602	-
	Interest Paid	1,73,401	6,061	1,26,516	1,13,864
Meghraj Jain	Directors Remuneration	7,20,000	-	7,20,000	-
	Loan Taken	25,96,40,106	8,61,92,143	1,24,31,000	-
	Loan Repayment Received	17,34,47,963	-	1,24,31,000	-
	Interest Paid	11,99,380	9,442	-	-
	Shares Acquired	4,40,54,700	-	4,86,29,189	-
Key Management Person's Relatives					
Lokesh Devital Jain	Loan Given	-	-	-	8,50,000
	Loan Repayment Received	8,50,000	-	10,00,000	-
	Interest Income	67,182	-	1,36,070	28,611
Navin Govind Agarwal	Loan Repayment Received	-	-	40,00,000	-
	Interest Income	-	-	4,58,190	-

NOTES FORMING PART OF FINANCIAL STATEMENT

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

Disclosures Required as per Clause 32 of the Listing Agreement :					
	Name of Company	Loans And Advances			
		Amount O/s as on	Amount O/s as on	Maxium Balance O/s	Maxium Balance O/s
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
		₹	₹	₹	₹
	Subsidiaries				
1	Chakshu Realtors Pvt Ltd	2,14,81,242.00	2,19,37,653.00	80,64,406.00	68,10,950.00
2	Indtrans Container Lines Pvt Ltd	21,07,027.00	-	1,56,11,177.00	14,94,259.00
3	Mangal Buildhome Pvt Ltd	29,43,418.00	3,58,58,771.00	7,87,92,919.00	5,97,21,381.00
4	Mangal Timber Pvt Ltd	-	58,46,731.00	58,47,964.00	58,60,899.00
5	Mangal Bullion Pvt Ltd	-	31,55,500.00	1,52,87,308.00	6,10,15,086.00
6	Mangal Synnove Energies Pvt Ltd	-	9,664.00	10,915.00	1,41,000.00
7	Mangal Compusolution Pvt Ltd	10,96,628.63	2,68,53,286.00	3,08,83,286.00	2,68,53,286.00
8	Mangal Entertainment Pvt Ltd	70,57,490.00	64,77,834.00	1,47,61,444.00	95,67,000.00
9	Mangal Globle Marble Pvt Ltd	2,48,51,991.00	2,90,773.00	3,54,36,991.00	1,68,21,311.00
10	Mangal Extrusions Pvt Ltd	-	-	13,10,000.00	-
11	Satco Capital Markets Ltd	7,52,60,228.00	50,00,000.00	7,52,60,228.00	7,28,25,312.00
12	Standard Infra Developers Pvt Ltd	60,50,667.00	40,667.00	60,50,667.00	-
		14,08,48,691.63	10,54,70,879.00	28,73,17,305.00	26,11,10,484.00
	Associates & Joint Ventures				
13	Scarled Computech Private Limited	-	32,378.00	35,904.00	52,246.00
14	GoldCrest Realty	-	1,30,539.00	5,30,539.00	2,77,73,291.00
15	Digital Edge Technology	36,907.00	-	36,907.00	14,168.00
		36,907.00	1,62,917.00	6,03,350.00	52,246.00
	Companies Under Common Control				
16	Mangal Meta Forging Private Limited	-	-	-	27,192.00
17	Dhakad Proprieties & Financial Services Pvt Ltd	-	-	70,112.00	4,11,775.00
18	E-Ally Research India Private Limited	-	-	-	1,21,950.00
19	Shwet Developers Private Limited	-	-	-	43,11,596.00
20	E- Ally Equities India pvt ltd	-	-	1,46,723.00	10,02,512.00
21	E-Ally Commodities India Private Limited	-	3,47,805.00	1,88,29,141.00	54,30,000.00

NOTES FORMING PART OF FINANCIAL STATEMENT

Disclosures Required as per Clause 32 of the Listing Agreement :

	Name of Company	Loans And Advances			
		Amount O/s as on	Amount O/s as on	Maxium Balance O/s	Maxium Balance O/s
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
		₹	₹	₹	₹
22	E-Ally Consulting India Private Limited	-	1,95,68,473.00	2,43,59,562.00	3,55,55,633.00
23	E-Ally Securities India Private Limited	-	-	1,72,81,182.00	19,868.00
24	Ecotech Informatics Private Limited	-	-	8,75,500.00	-
25	Mangal Recycling Private Limited	-	-	-	19,868.00
26	Shree Mangal Abhushan Jewels Private Limited	-	-	-	26,000.00
27	Mangal Extrusions	-	10,31,809.00	10,35,343.00	-
		-	-	2,16,835.00	58,75,025.00
		14,08,85,598.63	10,56,33,796.00	28,81,37,490.00	26,70,37,755.00

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, 2017, 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, 2017, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

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

1. Note No 32.1 to the Consolidated Financial Statements stating the fact of non-provision of liability of ₹ 435.62 lakhs arising on Income Tax Assessment for the A.Y. 2010-11 to A.Y. 2014-15 consequent upon search & seizure operations in the case of company on 01/10/2013.
2. Note No 32.2 to the Consolidated Financial Statements stating non provision of any liability that may arise in respect of show cause notice of SEBI for alleged delay in complaints under regulation 8(3) of SAST Regulation, 1997 in the years 2002, 2003, 2005 to 2011.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of 11 subsidiaries, and One jointly controlled entities, whose financial statements reflect total assets of ₹ 25267.32/- lacs as at 31st March, 2017, total revenues of ₹ 7704.78/- lacs and net cash flows amounting to ₹ 514.97/- 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 ₹ 9.76/- lacs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of Four associate, also whose financial statements have not been audited by us. Except in case of Indtrans Containers Lines (Singapore) PTE Ltd. whose financial statements are yet to be audited and which reflect total assets amounts of ₹ 15.56 lacs as on 31st March, 2017, total loss of ₹ 2.11 lacs and net cash flows represents cash outflow amounting to ₹ 8.00 lacs for the year ended on that date. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by subsection 3 of section 143 of the Act, we report, to the extent applicable that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit of the consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2017, 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, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note No. 32 to the consolidated financial statements.
 - ii. We have not come across any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. An amount of ₹ 2,44,700/- due to be transferred to Investor Education and Protection Fund on or before 25/10/2016 has been so transferred on 22/04/2017.
 - iv. The company had provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and is in agreement with the relevant books of accounts maintained by the company – Refer Note 38 to the financial statements.

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

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

**Place: Mumbai
Date : 12th May, 2017**

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements as of and for the year ended 31st March 2017 we have audited the internal financial control over financial reporting of Mangal Credit & Fincorp Ltd. (the holding company) and its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the holding company and its subsidiary companies incorporated in India, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

**Place: Mumbai
Date : 12th May, 2017**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Notes	As at	As at
		31.03.2017	31.03.2016
		Rupees	Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	16,11,20,380	15,81,39,860
Reserves and Surplus	3	51,41,92,795	46,56,39,322
Money Received Against Warrants	4	4,42,13,375	4,69,29,375
		71,95,26,550	67,07,08,557
Share Application Money Pending Allotment		-	-
Minority Shareholder		7,34,37,618	8,85,73,042
Non Current Liabilities			
Long Term Borrowings	5	30,48,50,833	21,27,15,980
Deferred Tax Liabilities (Net)	6	87,52,344	40,30,343
Other Long Term Liabilities	7	24,86,897	46,35,375
Long Term Provision	8	25,86,833	21,01,967
		31,86,76,907	22,34,83,665
Current Liabilities			
Short-Term Borrowings	9	39,96,09,603	44,53,61,415
Trade Payables	10	35,83,29,027	38,07,87,896
Other Current Liabilities	11	32,51,24,463	16,96,98,921
Short-Term Provisions	12	1,39,11,547	84,69,980
		1,09,69,74,639	1,00,43,18,212
		2,20,86,15,714	1,98,70,83,476
ASSETS			
Non-Current Assets			
Fixed Assets	13		
Intangible Assets		25,21,38,757	20,59,33,370
Intangible Assets		44,31,591	32,78,291
Goodwill on Consolidation		1,21,33,042	1,33,57,596
Non-Current Investments	14	2,05,98,709	1,99,23,020
Deferred Tax Assets		-	-
Long-Term Loans and Advances	15	6,82,61,073	6,81,62,515
Other Non Current Assets	16	2,41,08,473	7,54,82,138
		38,16,71,645	38,61,36,930
Current Assets			
Inventory	17	29,84,90,203	15,58,77,027
Trade Receivables	18	25,25,19,865	22,37,29,963
Cash and Bank Balances	19	29,45,94,705	35,57,34,689
Short-Term Loans and Advances	20	96,44,76,259	83,03,41,078
Other Current Assets	21	1,68,63,036	3,52,63,788
		1,82,69,44,069	1,60,09,46,546
		2,20,86,15,714	1,98,70,83,476

Significant Accounting Policies**Other Notes on Accounts**

In terms of our audit report of even date

FOR MGB & Co. LLP

Chartered Accountants

FRN: 101169W/W-100035

For and on behalf of the board of directors

Mangal Credit & Fincorp Ltd

Sd/-

Sandeep Jhanwar

Partner

M.No. 078146

Place: Mumbai

Date : 12th May, 2017

Sd/-

Madhuri Prakash Survase

Company Secretary

Sd/-

Meghraj Jain

Managing Director

DIN: 01311041

Sd/-

Sandeep Maloo

Managing Director

DIN: 01145616

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

Particulars	Notes	For the	For the
		Year Ended 31.03.2017	Year Ended 31.03.2016
		Rupees	Rupees
Revenue from Operations	22	79,21,56,466	1,43,40,52,205
Other Income	23	4,60,59,118	5,78,62,110
Total Revenue		83,82,15,584	1,49,19,14,316
Expenses:			
Cost of Material/Services Consumed	24	37,42,78,567	18,49,16,392
Purchases of Stock-in-Trade	25	19,25,31,059	72,04,75,371
Changes in Inventories of Finished Goods, Work in Progress	26	(15,16,24,312)	12,61,46,388
Employee Benefit Expenses	27	8,55,45,543	8,28,80,020
Finance Costs	28	6,67,15,942	13,12,77,437
Depreciation and Amortization	29	9,15,68,011	7,12,53,962
Other Expenses	30	10,54,21,948	14,14,57,581
Total Expenses		76,44,36,758	1,45,84,07,153
Profit before extraordinary items and tax		7,37,78,827	3,35,07,163
Extraordinary items		-	-
Prior Period Item expense / (income)		-	-
Profit before Tax		7,37,78,827	3,35,07,163
Tax Expense:			
(a) Current year		2,35,75,780	1,61,01,155
(b) MAT Credit Entitlement		(8,11,983)	(35,10,989)
(c) Short / (Excess) provision for tax relating to prior years		2,27,63,797	1,25,90,166
(d) Net Current Tax Expense		45,20,807	30,25,237
(e) Deferred tax (credit) / charge		-	(11,82,000)
Profit (Loss) for the period from continuing operations		4,64,94,222	1,90,73,760
Profit available for Minority before elimination round			
Profit (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit(Loss) from Discontinuing operations (after tax)		-	-
Minority Interest		63,04,847	49,92,824
Profit for the Period		4,01,89,376	1,40,80,936
Earnings per ordinary share:			
Basic		2.53	1.53
Diluted		1.94	1.46

Nominal Value of each ordinary share is ₹10/-

Significant Accounting Policies

1

Other Notes on Accounts

2 to 44

In terms of our audit report of even date

For and on behalf of the board of directors

FOR MGB & Co. LLP**Mangal Credit & Fincorp Ltd**

Chartered Accountants

FRN: 101169W/W-100035

Sd/-

Sandeep Jhanwar

Partner

M.No. 078146

Place: Mumbai

Date : 12th May, 2017

Sd/-

Madhuri Prakash Survas

Company Secretary

Sd/-

Meghraj Jain

Managing Director

DIN: 01311041

Sd/-

Sandeep Maloo

Managing Director

DIN: 01145616

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED, 31ST MARCH, 2017

Particulars	For the Year Ended	For the Year Ended
	31.03.2017	31.03.2016
	₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	737.79	335.07
Adjustments for :		
Depreciation	914.51	711.41
Provision for Gratuity	4.53	1.68
Provision for Compensated Expenses	0.36	0.31
VAT Expense Write-off		2.23
(Profit) / loss on sale of Fixed Assets	(25.65)	(5.53)
Provision for Standard Loans	3.40	14.00
Interest Expenses	616.61	1,209.74
Borrowing Cost Capitalized to Project	64.73	21.85
Interest Income on Income Tax Refund	(0.05)	(0.15)
Interest Income	(930.07)	(934.02)
Loss Share from Partnership Firm	(8.11)	-
Share Capital Increase Expense	1.07	24.47
Interest income from Partnership firm	(9.63)	(0.16)
(Profit)/loss from Capital Gain on sale of shares	23.89	(0.45)
Preliminary Expenses	0.03	0.11
Provision for Doubtful Assets	(17.00)	17.00
Provision for Sub Standard Loans	(23.80)	(0.53)
Bad Debts	226.53	
Dividend on Investments	(1.56)	
	839.78	(1.15)
	1,577.57	1,395.87
Operating profit before working capital changes		
Movement in Working Capital :		
(Increase)/Decrease in Inventories	(1,840.74)	622.50
Increase in Trade Receivables & Other Receivable	(950.11)	1,055.67
Increase in Trade DTL	-	-
(Increase)/Decrease in Short Term Loans & Advances	(1,756.79)	(92.56)
(Increase)/Decrease in Other Current Assets	48.17	226.95
Increase in Other Security Deposits Received		-
Increase in Minority Shareholders		-
Increase in Trade payables	27.02	1,023.33
Increase / Decrease in unpaid dividend account	3.69	(0.80)
Increase / Decrease in Other Loans & Advances	(7.29)	11.74
Increase / Decrease Interest accrued on Fixed Deposit		-
Increase in Other Current Liabilities	1,737.93	157.85
Increase in Short Term Provision(Other Than Provision for Tax)	(82.44)	-
	(2,820.57)	3,004.68
Cash generated/ (Utilised) in Operations	(1,242.99)	4,400.55
Interest Paid	(90.89)	(675.77)
Interest Received	752.15	764.63
Cash seized by Income Tax Authority		-
Income Tax Paid (Net of Refund)	(122.45)	114.08
	538.81	(25.23)
Net Cash from Operating Activities -A.	(704.18)	4,375.32
B) CASH FLOW FROM INVESTING ACTIVITIES		
Increase in FA Fixed Assets	(1,371.41)	(900.45)
Sale in Investments	440.55	1,003.88

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED, 31ST MARCH, 2017

Particulars	For the Year Ended		For the Year Ended	
	31.03.2017		31.03.2016	
	₹		₹	
Purchase of Investments	(0.02)		(28.60)	
Investment in Partnership Firm (Net)	45.96		(9.56)	
(Increase)/Decrease in Fixed Deposits	(451.51)		(1,549.77)	
(Increase)/Decrease in Loans & Advances	41.30		(1,771.14)	
Interest Received	149.61		231.66	
Security deposit Given/Refund	(21.95)		(0.01)	
Dividend Received on Investments	1.56	(1,165.91)	1.15	(3,022.84)
Net Cash Generated/(Used) in Investing Activities -B.		(1,165.91)		(3,022.84)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from Long Term Borrowings	1,471.23		1,189.16	
Proceed from Short Term Borrowings	867.08		(5,217.42)	
Increase in Share Application / Share Capital & Security Premium (Net)	81.46		2,688.03	
Share Capital Increase Expenses/ Company Inc. Expense	(0.35)		(23.45)	
Money Received against Share Warrant	-		469.29	
Interest Paid	(544.65)		(837.15)	
Dividend Distribution Tax Paid			(1.44)	
Dividend Paid	(3.68)	1,871.09	(6.45)	(1,739.42)
Net cash used in financing activities - C		1,871.09		(1,739.42)
NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C)		1.00		(386.93)
Cash and cash equivalents:				
Opening balance as at the begining of the year		458.52		864.55
Closing balance as at the end of the year		459.52		477.66
Reconciliation of cash and cash equivilants as above with cash and bank balance as shown in balance sheet				
Cash & cash equivilant as at the end of the year as above		459.52		477.66
Add: Fixed Deposits with Bank under lien		2,480.98		3,079.68
Add: Balance in Unpaid Dividend Account		5.44		-
Cash and Bank Balance as shown in balance sheet		2,945.94		3,557.34

Notes:

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

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

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146
Place: Mumbai
Date : 12th May, 2017

Sd/-
Madhuri Prakash Survase
Company Secretary

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

Sd/-
Meghraj Jain
Managing Director
DIN: 01311041

Sd/-
Sandeep Maloo
Managing Director
DIN: 01145616

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Overview

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation

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

ii. Basis for Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Company, its subsidiaries, its jointly controlled entities and its associates as on March, 31 2017 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:-

- a. The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intragroup balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 21 on “Consolidated Financial Statements” as notified by the Companies (Accounting Standards) Rules, 2006.
- b. The financial statements of jointly controlled entities have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 27 on “Financial Reporting of Interest in Joint Ventures” as notified by the Companies (Accounting Standards) Rules, 2006 using the “proportionate consolidation” method.
- c. The Consolidated financial statements include the share of profit / (loss) of associated companies, which are accounted under the “Equity Method” in accordance with Accounting Standard (AS) 23 on ‘Accounting for Investments in associates in consolidated financial statements’ as notified by the companies (Accounting Standards) Rules, 2006, the share of profit / (loss) of the associated company has been added / deducted to the cost of investment. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a jointly controlled entity.
- d. The financial statements of the subsidiaries, joint ventures and the associates used in the consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2017.
- e. The financial statements of the subsidiaries disposed off during the year used in the consolidation are drawn upto the date of disposal.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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

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

Name of the entity	Proportion of ownership interest March 31, 2017	Proportion ownership interest March 31, 2016	Country of Incorporation
(a) Subsidiaries/sub-subsidiaries			
Mangal Compusolution Private Limited	99.99%	99.99%	India
Mangal Timber and Leminat Private Limited (Formerly known as Mangal Timber Private Limited)	-	99.99%	India
Mangal Entertainment Private Limited	99.99%	99.99%	India
Mangal Synnove Energies Private Limited	-	99.02%	India
Standard Infra Developers Pvt. Ltd. (Formerly Standard Medserve TPA Private Limited)	99.00%	99.00%	India
Indtrans Container Lines Private Limited	60.00%	60.00%	India
Mangal Bullion Private Limited	-	59.99%	India
Chakshu Realtors Private Limited	99.99%	99.99%	India
Mangal Buildhome Private Limited	74.99%	74.99%	India
Mangal Globle Marble Private Limited	60.00%	60.00%	India
Satco Capital Markets Limited	53.61%	53.61%	India
Satco Commodities Private Limited	100.00%	100.00%	India
Indtrans Containers Lines (Singapore) PTE Ltd.	100.00%	100.00%	Singapore
Mangal Extrusions Private Limited	75.00%	-	India

iii. Use of Estimates

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

iv. Revenue Recognition

- i) Interest income from financing activities is recognized on an accrual basis except in the case of non-performing assets, where it is recognised on realisation, as per the prudential norms of the RBI.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- 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**

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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.

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**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.

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

- ii) Contingent liabilities are not recognized but disclosed in the financial statement when there is a
- Possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the 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.
- 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

2.1 Share Capital

(Amount in Rupees)

Share Capital	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount	Number of Shares	Amount
Authorised				
Equity Shares of ₹10/- each	25,000,000	250,000,000	2,000,000	20,000,000
Issued, Subscribed and Paid up				
Equity Shares of ₹10/- each	15,813,986	158,139,860	1,408,815	14,088,150
Total	1,61,12,038	16,11,20,380	1,58,13,986	15,81,39,860

2.2 Reconciliation of the number of shares outstanding at the beginning and at the end of Financial Year 2016-17

(Amount in Rupees)

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	1,58,13,986	15,81,39,860	14,08,815	1,40,88,150
Bonus shares issued during the year	-	-	70,44,075	7,04,40,750
Equity Shares issued during the year				
- on preferential allotment to the promoters/non-promoters	2,98,052	29,80,520	73,61,096	7,36,10,960
Equity Shares outstanding at the end of the year	1,61,12,038	16,11,20,380	1,58,13,986	15,81,39,860

2.3 Rights attached to equity Shares

The Company has only one class of equity shares having face value of ₹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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	25,63,418	16.21	23,72,894	15.00
Ajit S Jain	14,84,240	9.39	14,84,240	9.39
M/s E-ally Consulting (I) Pvt. Ltd	16,69,700	10.62	16,69,700	10.62
M/s Shree Jaisal Electronics and Inds. Ltd	9,29,400	5.88	9,29,400	5.88

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

2.6 Shares reserved for issue under options

- For details of shares reserved for share warrants, refer note 4.

2.7 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 @ ₹ 210 per share amounting to ₹ 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
Shres Issued for Balance Amount			9,99,99,690

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

3. RESERVES AND SURPLUS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Securities Premium		
Opening Balance	26,62,44,290	14,19,84,050
Add: Premium received during the year on account of Preferential allotment to the promoters/non-promoters	-	19,47,00,990
Less: Amount utilised for issuance of bonus shares (Refer note 2.5)	-	7,04,40,750
Add: Premium received during the year on account of equity shares to the promoters/non-promoters against share warrants	78,83,480	-
Closing Balance	27,41,27,770	26,62,44,290
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	3,11,13,242	2,88,63,441
Add: Transferred from Statement of Profit and Loss	53,97,422	22,49,801
Closing Balance	3,65,10,664	3,11,13,242
Capital Reserve on Consolidation	15,60,582	9,86,022
Capital Redemption Reserve	10,425	10,425
Foreign Currency Translation Reserve	12,724	1,06,668
Proposed Dividend	40,28,010	-
Tax on Proposed Dividend	8,42,854	-
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	12,74,78,675	11,13,15,322
Add: Profit for the year	4,01,89,376	1,40,80,936
Less: Proposed Dividend	40,28,010	-
Tax on Proposed Dividend	8,42,854	-
Transferred To : Statutory Reserve Fund	53,97,422	22,49,801
Minority Interest due to change in shareholding	-	43,32,218
Closing Balance	15,73,99,765	12,74,78,675
Total	51,41,92,795	46,56,39,322

DIVIDEND

Dividend of ₹ 0.25/- share has been recommended for the FY 2016-17 (No dividend was provided in FY 2015-16).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

4. MONEY RECEIVED AGAINST SHARE WARRANTS

Money received against share warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each.

During last year, the Company issued to its promoters/non-promoters 10,50,000 warrants dtd. 23.02.2016 and 41,00,000 warrants dtd. 03.03.2016 of a face value of ₹ 10 each, having option to apply for and be allotted an equivalent number of equity shares of a face value of ₹ 10 each at a premium of ₹ 26.45/- each determined in accordance with Regulation 76 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ('SEBI ICDR Regulations'). The holder of the warrants would need to exercise the option to subscribe to shares before 22.08.2017 and 02.09.2017 upon payment of the balance amount of ₹ 14,07,88,125/-. During the year 2,98,052 shares were issued against equivalent number of warrant on payment by subscriber.

5. LONG TERM BORROWINGS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Secured		
Term Loans (Refer Note 5.1)	4,67,26,135	7,91,900
From NBFC's (Refer Note 5.2)	11,80,87,428	12,17,63,750
Term Loan - The Bharat Co-Operative Bank (Mumbai) Ltd (Refer Note 5.3)	21,23,30,280	9,01,60,330
Less: Current Maturities(Refer Note 11)	7,22,93,010	-
Total	30,48,50,833	21,27,15,980

- 5.1 "Term Loan represents sanction amount of ₹ 4.91 crore under the guarantee of directors & director's relatives taken from Kotak Mahindra Bank Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of Director's residence. (Period of defaults: NIL, No defaults in repayment of Interest)"

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

- 5.2 Loan from NBFC's represents sanction amount of ₹ 5 crore under the guarantee of directors & director's relatives and group company taken from Fullerton India Credit Company Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of company controlled by relative of Director. (Period of defaults: NIL, No defaults in repayment of Interest)" sanction amount of ₹ 7.51 crore under the guarantee of directors and group company taken from Indiabulls Housing Finance Ltd. and is secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of company controlled by Director. (Period of defaults: NIL, No defaults in repayment of Interest)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

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

Nature of Security

- A. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties of office at Lotus Corporate Park - A-1701/1702)(Period of defaults: NIL, No defaults in repayment of Interest)
- B. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties being residence of directors relative & Group company's office & hypothecation charges over company's fixed assets) (Period of defaults: Nil, No defaults in repayment of Interest)
- C. Secured by way of Equitable Mortgage by depositing of title deeds of immovable properties being residence of director's relative & hypothecation charges over company's fixed assets. (Period of defaults: Nil, No defaults in repayment of Interest)
- D. Secured by way of Equitable Mortgage by registering mortgage of Land & saleable flats of "Stany House" the project for which loan taken(Period of defaults Nil, No default in repayment of interest)

6. DEFERRED TAX LIABILITY

Particulars	As at 31.03.2017	As at 31.03.2016
	Rupees	Rupees
Deferred Tax Liability:		
Difference between wdv as per book & IT Act	1,06,25,604	70,70,664
Provision for Standard Assets	7,85,400	-
Provision for Doubtful Assets	5,61,000	-
Deferred Tax Assets:		
Difference between wdv as per book & IT Act	31,07,466	20,34,715
Provision for Standard Assets	1,12,194	(17,394)
Provision for Sub Standard Assets	-	4,62,000
Provision for Doubtful Assets	-	5,61,000
Net Deferred Tax Liability (Net)	87,52,344	40,30,343

7. OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2017	As at 31.03.2016
	Rupees	Rupees
Unsecured		
Security Deposit from Branches	24,86,897	46,35,375
Total	24,86,897	46,35,375

8. LONG TERM PROVISIONS

Particulars	As at 31.03.2017	As at 31.03.2016
	Rupees	Rupees
Unsecured		
Provision for Gratuity	22,92,116	1795110
Provision for Compensated Absences	2,94,717	306857
Total	25,86,833	21,01,967

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

9. SHORT TERM PROVISIONS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Secured		
Cash Credit facility- The Bharat Co-operative Bank (Mumbai) Ltd. (Refer Note 9.1)	7,24,97,104	17,71,06,777
Bank Overdraft against FD (Refer Note 9.2)	2,96,00,023	1,26,80,000
Unsecured		
Inter-Corporate Loans	11,00,24,272	13,53,80,624
Loan from Directors	14,74,88,205	10,06,25,540
Loan from Others	4,00,00,000	1,95,68,473
Total	39,96,09,603	44,53,61,415

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

Nature of Security

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

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

10. TRADE PAYABLE

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Payable for Goods/Services	17,57,65,974	10,48,75,418
Payable for Expenditure	18,25,63,053	27,59,12,478
	35,83,29,027	38,07,87,896

11. OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Current maturities of long term debt (Refer Note No. 5)	7,22,93,010	1,68,29,010
Interest accrued and due on borrowings	2,05,36,736	9,56,00,752
Unpaid Dividends*	5,24,723	8,92,903
Excess share application money - refund	-	22,59,900
Bank Overdraft in Bank Accounts	98,13,843	46,80,955
Other Payables		
Advance against Property	60,00,000	60,10,000
Advance against Contractual Obligation of Redevelopment	17,25,00,000	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Retention Money	5,62,815	-
Duties and Taxes	76,93,829	1,60,75,231
Creditors for Expenses & Others	2,16,43,499	1,76,70,806
Equity Index / Stock Option / Currency Option Premium	49,20,446	7,54,954
Account		
Advance from Customers	82,50,000	88,69,416
Others	3,85,561	54,995
Total	<u>32,51,24,463</u>	<u>16,96,98,921</u>

* An amount of ₹ 2,44,700/- due in Investor Education and Protection Fund was so deposited vide challan dated 22.04.2017.

12. SHORT TERM PROVISIONS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Contingent Provisions against Standard Assets	15,61,250	12,21,269
Provision on Sub Standard Assets	2,70,000	26,50,000
Provision on Doubtful Assets	-	17,00,000
Provision for Income Tax	98,13,861	20,83,679
Provision for Freight Payable	10,24,396	-
Provision for Bonus	6,87,100	6,12,000
Provision for Gratuity	73,965	1,89,585
Provision for Audit Fees	4,67,500	-
Provision for Compensated Absences	13,475	13,447
Total	<u>1,39,11,547</u>	<u>84,69,980</u>

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A. Tangible Assets		Gross Block				Accumulated Depreciation and Impairment				Net Block	
		Balance as at 1 April, 2016	Additions	Disposals	Balance as at 31 March, 2017	"Balance as at 1 April, 2016"	Depreciation / amortisation for the period.	Eliminated on deductions of assets	"Balance as at 31 March, 2017"	"Balance as at 31 March, 2017"	"Balance as at 31 March, 2016"
(a)	Plant and Equipment	₹ 1,59,87,476	₹ 5,29,733	₹ 16,02,147	₹ 1,49,15,062	₹ 97,83,404	₹ 19,31,358	₹ 14,97,206	₹ 1,02,17,556	₹ 46,97,506	₹ 54,28,324
(b)	Furniture and Fixtures	₹ 1,89,61,461	₹ 1,98,707	₹ 47,000	₹ 1,91,13,168	₹ 99,77,891	₹ 24,00,311	₹ 10,426	₹ 1,23,67,777	₹ 67,45,391	₹ 89,90,676
(c)	Vehicles	₹ 82,47,125	-	-	₹ 82,47,125	₹ 50,42,577	₹ 10,13,175	-	₹ 60,55,751	₹ 21,91,374	₹ 40,45,354
(d)	Computer & Printers	₹ 18,98,43,687	₹ 14,99,53,698	₹ 2,08,95,654	₹ 31,89,01,731	₹ 10,22,67,133	₹ 8,10,10,302	₹ 1,00,40,070	₹ 17,32,37,365	₹ 14,56,64,366	₹ 8,84,03,028
(e)	Land & Building	₹ 8,15,12,689	-	-	₹ 8,15,12,689	₹ 95,95,137	₹ 35,81,727	-	₹ 1,31,76,864	₹ 6,83,35,825	₹ 7,19,17,552
(f)	Leasehold Land & Building	₹ 2,57,89,158	-	-	₹ 2,57,89,158	₹ 10,55,734	₹ 2,29,129	-	₹ 12,84,863	₹ 2,45,04,295	₹ 2,47,33,424
	Sub Total (A)	₹ 34,03,41,596	₹ 15,06,82,138	₹ 2,25,44,801	₹ 46,84,78,932	₹ 13,77,21,876	₹ 9,01,66,001	₹ 1,15,47,702	₹ 21,63,40,175	₹ 25,21,38,757	₹ 20,35,18,358
B Intangible Assets											
(a)	Computer Software	₹ 97,25,234	₹ 42,430	₹ 21,45,036	₹ 76,22,628	₹ 40,31,931	₹ 13,04,142	₹ 21,45,036	₹ 31,91,038	₹ 44,31,591	₹ 56,93,303
	Sub Total (B)	₹ 97,25,234	₹ 42,430	₹ 21,45,036	₹ 76,22,628	₹ 40,31,931	₹ 13,04,142	₹ 21,45,036	₹ 31,91,038	₹ 44,31,591	₹ 56,93,303
	Total (A+B)	₹ 35,00,66,830	₹ 15,07,24,568	₹ 2,46,89,837	₹ 47,61,01,561	₹ 14,17,53,807	₹ 9,14,70,143	₹ 1,36,92,738	₹ 21,95,31,213	₹ 25,65,70,348	₹ 20,92,11,661
	Previous year	₹ 27,29,63,967	₹ 9,50,11,743	₹ 1,85,05,609	₹ 34,94,70,101	₹ 7,98,54,748	₹ 7,05,21,638	₹ 1,01,32,710	₹ 14,03,06,772	₹ 20,92,11,661	₹ 19,31,63,515

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

14. NON CURRENT INVESTMENT

Particulars	As At 31.03.2017			As At 31.03.2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments At Cost						
a) Investment in Land	-	-	1,97,63,020	-	-	1,97,63,020
b) Investment in Equity Instruments of Other Companies	-	7,000	7,000	-	1,10,000	1,10,000
(i) 700(As at 31 March, 2016: 11000) Shares Of ₹ 10 each fully paid up in The Bharat Co-Operative Bank Ltd Shares	-	-	-	-	50,000	50,000
(ii) Nil (As at 31 March, 2016: 5000)Shares Of ₹ 10 each fully paid up in Scarleed Computech Private Limited Shares	-	-	1,49,156	-	-	-
(iii) Investment in Digital Edge	-	-	6,79,534	-	-	-
(iv) Investment in Gold Cress Reality	-	-	-	-	-	-
Total - Non Trade Investment	-	7,000	2,05,98,709	-	1,60,000	1,99,23,020

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

15. LONG-TERM LOANS & ADVANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Unsecured, considered good		
Security Deposits	8,17,531	5,66,150
Capital Advance	6,59,53,000	6,59,53,000
Other Loans and advances		
-Balances with Revenue Authorities*	7,97,180	9,10,511
-MAT Credit Entitlement*	6,93,362	7,32,854
Total	6,82,61,073	6,81,62,515

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

16. OTHER NON CURRENT ASSETS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Rent Deposit	55,49,581	79,86,437
Deposit with The Jt. Director, Director Enforcement, Chennai	-	4,60,94,826
Share Capital Increase Expenses	-	44,800
Arbitration Deposit	70,00,000	-
Deposit with Stock Exchange & Clearing Member	1,12,28,000	2,10,62,284
Other Deposit	3,30,892	2,93,791
Total	2,41,08,473	7,54,82,138

17. INVENTORY

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Inventory	29,84,90,203	15,58,77,027
Total	29,84,90,203	15,58,77,027

18. TRADE RECEIVABLES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Trade receivables outstanding for a period exceeding six months	66,23,440	1,41,33,289
Other debts	24,58,96,425	20,95,96,675
Total	25,25,19,865	22,37,29,963

- The company has not received any Registration Certificate from any vendor as to whether it is

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Registered under the Sec 22 of Micro, Small & Medium Enterprises Development Act, 2006.

19. CASH AND BANK BALANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
A. Cash and Cash Equivalents		
(a) Cash in hand	12,19,521	63,55,810
(b) Balances with banks in current account	4,47,32,580	4,04,98,219
	4,59,52,101	4,68,54,028
B. Other Bank Balances		
(a) Unpaid Dividend Account	5,43,814	9,12,903
	5,43,814	9,12,903
C. Fixed Deposit with Bank	24,80,98,790	30,79,67,758
Total	29,45,94,705	35,57,34,689

20. SHORT TERM LOANS AND ADVANCES

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Secured, considered good		
Other Loans	9,38,75,000	6,05,42,987
(a)	9,38,75,000	6,05,42,987
Unsecured, considered good		
Loans and Advances to Subsidiaries	(0)	91,438
Loans and Advances to Related Parties other than Subsidiaries	9,23,07,939	18,82,378
Other Loans	68,72,90,193	71,61,66,184
(b)	77,95,98,131	71,81,39,999
Other Advances		
Balance with Revenue Authorities	21,033,499	23,572,251
Prepaid Expenses	4,063,614	4,141,840
Advance to Staff	595,458	269,674
Advance for Shares acquisition	35,000,000	-
Receivable from Stock Exchange	9,231,696	1,175,040
Income Tax Refundable	8,994,134	8,994,134
Advance Tax/TDS (Net of provision for taxation)	12,084,727	13,505,154
(c)	91,003,128	51,658,092
Total (a+b+c)	964,476,259	830,341,078

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

21. OTHER CURRENT ASSETS

Particulars	As at	As at
	31.03.2017	31.03.2016
	Rupees	Rupees
Advance to Vendor	49,500	87,93,247
Unsecured, considered good		
Interest accrued and due on lending	84,65,449	1,67,94,036
Interest on Deposit	49,40,445	21,24,999
Others Receivables	25,55,872	73,75,636
Preliminary Expenses	8,21,580	6,840
Deposits	30,190	1,69,030
Total	1,68,63,036	3,52,63,788

22. REVENUE FROM OPERATIONS

Particulars	For the	For the
	year ended	year ended
	31.03.2017	31.03.2016
	Rupees	Rupees
A. Interest Income	7,16,50,871	5,81,95,060
B. Sale of Product	23,93,52,613	97,72,27,377
C. Sale of Services	47,72,97,457	39,65,07,028
D. Other Operating Revenue	38,55,525	21,22,741
Total	79,21,56,466	1,43,40,52,205

23. OTHER INCOME

Particulars	For the	For the
	year ended	year ended
	31.03.2017	31.03.2016
	Rupees	Rupees
Commission Income	18,000	18,000
Dividend Income	1,55,667	1,14,785
Discount Received	39,442	2,06,670
Rent Income	-	52,15,250
Rent from Leasing of Motor Cars	9,00,000	12,00,000
Profit/(Loss) on sale of shares	-	2,57,92,905
Profit/(Loss) on share and Bond Trading	1,64,70,783	-
Profit on sale of Fixed Assets	25,64,644	5,52,746
Misc. Income	8,35,151	12,57,561
Gain from Foreign Exchange Fluctuations	8,39,363	-
Interest on Loans & Advances	32,89,478	29,97,050
Interest on Deposits	1,40,89,873	-
Interest on FD	45,43,899	1,99,60,165
Interest on Income Tax Refund	5,46,691	1,02,749
Interest on Partner's Capital	9,54,813	15,920
Profit/Loss of Associate	8,11,314	4,28,309
Total	4,60,59,118	5,78,62,110

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

24. COST OF MATERIAL/SERVICES CONSUMED

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	Rupees	Rupees
Cost of Material Consumed/Services Consumed	37,42,78,567	18,49,16,392
Total	<u>37,42,78,567</u>	<u>18,49,16,392</u>

25. PURCHASE OF STOCK IN TRADE

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	Rupees	Rupees
Purchase of Stock in Trade	19,25,31,059	72,04,75,371
Total	<u>19,25,31,059</u>	<u>72,04,75,371</u>

26. CHANGES IN INVENTORIES

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	Rupees	Rupees
Inventory at the end of year		
Stock-in-Trade	26,59,97,868	81,53,66,687
	26,59,97,868	81,53,66,687
Inventory at the beginning of the year		
Stock-in-Trade	11,43,73,557	94,15,13,075
	11,43,73,557	94,15,13,075
Total	<u>(15,16,24,312)</u>	<u>12,61,46,388</u>

27. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Director's Remuneration	99,59,277	1,23,46,633
Directors Fees/Travelling	10,000	-
Salaries, Bonus and Allowances	7,07,31,642	6,72,24,472
Staff Welfare Expenses	19,44,167	18,41,742
Contribution to Provident & Other Funds	24,47,596	13,37,990
Gratuity	4,52,861	1,29,183
Total	<u>8,55,45,543</u>	<u>8,28,80,020</u>

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

28. FINANCE COSTS

Particulars	For the year ended 31.03.2017	Previous year ended 31.03.2016
	Rupees	Rupees
Interest cost:		-
On Bank Loan	4,10,67,464	5,87,45,577
On Car Loan	31,346	1,04,702
On Loan from Financial Institutions	3,32,598	7,35,768
On Unsecured Loan	1,11,63,573	6,09,98,180
On Late Payment of Statutory Dues	2,98,453	18,41,727
Others	49,82,872	-
Other Borrowing Cost :		
Bank Guarantee Fee	39,65,652	34,45,743
Bank Charges	11,61,856	8,97,624
Loan Processing Charges	37,12,129	45,08,116
Total	6,67,15,942	13,12,77,437

29. DEPRECIATION & AMORTISATION EXPENSES

Particulars	For the year ended 31.03.2017	Previous year ended 31.03.2016
	Rupees	Rupees
Depreciation	9,14,48,165	7,11,41,008
Share capital increase expenses written off	35,000	1,01,814
Deferred Revenue expenditure written off	71,706	-
Preliminary Expenses written off	13,140	11,140
Total	9,15,68,011	7,12,53,962

30. OTHER EXPENSES

Particulars	For the year ended 31.03.2017	Previous year ended 31.03.2016
	Rupees	Rupees
Advertisement Expenses	10,37,730	2,39,24,110
Payment to Auditor	11,54,008	10,61,627
Internal Audit Fees	1,80,000	1,80,000
Discount Allowed	18,64,129	3,51,855
Loss on sale of Subsidiary	23,89,087	(44,974)
Decrease in value of stock	6,33,841	57,697
Commission Expenses	65,74,610	1,35,218
Business Promotion Expenses	54,81,685	2,35,99,259
Donation	1,04,000	6,33,830

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Particulars	For the year ended 31.03.2017	Previous year ended 31.03.2016
	Rupees	Rupees
Electricity & Water Charges	56,57,287	52,48,562
Event Management Expenses	49,000	1,24,86,576
Exchange Expenses	33,27,616	41,15,325
Freight Expenses	16,67,681	4,16,790
Food & Beverages Expenses	18,15,504	28,76,940
Hall Rental Charges	33,26,407	30,00,000
Insurance	4,46,003	7,81,617
Legal & Prof.Charges	1,13,49,195	81,24,547
Labour Charges	5,96,627	86,55,877
Office Expenses	17,52,822	10,32,700
Marketing Expenses	21,000	14,59,981
Overtime- Outstanding Working Pay	1,06,965	66,256
Luxury Tax	57,990	37,600
Motor Car Expenses	7,20,000	7,20,000
Repair & Maintenance	49,30,074	58,50,656
Membership Fees	5,18,084	10,39,174
Miscellaneous Expenses	18,36,980	18,78,083
Listing Fees	3,31,193	4,79,281
Foreign Exchange Gain/Loss	-	42,68,639
Postage, Courier & Telegrams	8,00,997	13,19,182
Printing & Stationery	18,52,132	20,07,561
Property Tax	3,18,798	4,27,516
Rent, Rates and Taxes	1,01,91,814	1,06,94,782
Provision on Standard Assets	3,39,981	(52,708)
Provision on Sub Standard Assets	(23,80,000)	14,00,000
Provision on Doubtful Assets	(17,00,000)	17,00,000
ROC Filling Fee	27,159	23,12,403
Bad Debts	2,36,57,751	-
Website Design Expenses	37,100	36,600
Security Deposit Contribution	-	2,16,000
Stamp Duty Shares Registration	-	1,35,391
Sundry Debit Balances W/Off.	39,91,965	2,77,024
Service Tax Expense	80,821	-
Swachh Bharat Cess F.Y-16-17	2,54,719	1,15,409
Conveyance Expenses	59,95,723	40,28,117
Telephone & Internet Charges	40,23,470	44,03,078
Total	10,54,21,948	14,14,57,581

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

31. Earnings per Share

Particulars	For the	Previous
	year ended 31.03.2017	year ended 31.03.2016
	Rupees	Rupees
Number of equity shares outstanding at the beginning of the year	1,58,13,986	14,08,815
Number of equity shares issued		
- bonus issue	-	70,44,075
- preferential allotment to the promoters/non promoters	-	73,61,096
- on account of equity shares to the promoters/non-promoters against share warrants	2,98,052	-
Number of equity shares outstanding at the end of the year	1,61,12,038	1,58,13,986
Weighted average number of shares		
a) Basic	1,58,54,815	91,89,444
b) Effect of dilutive equity shares on account of:		
- share warrants	48,51,948	4,33,880
c) Diluted	2,07,06,763	96,23,324
Profit/(Loss) after tax	4,01,89,376	1,40,80,936
Basic earnings/(loss) per share (₹)	2.53	1.53
Diluted earnings/(loss) per share (₹)	1.94	1.46
Nominal value per share (₹)	10	10

32. Contingent Liabilities & Commitments

Particulars	For the	(In Lacs) Previous
	Period ended 31.03.2017	year ended 31.03.2016
	Rupees	Rupees
(i) Contingent Liabilities		
(i) Contingent Liabilities		
(a) Claims against company not acknowledged as debt (Refer Note 32.1)	435.62	441.14
(b) Guarantees (Refer Note 32.2)	4860	1500
(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	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

(c) Other commitments - -

32.1 Claims against the Company not acknowledged as debts for the year ended March 31, 2017 included demand from the Indian income tax authorities for payment of tax ₹ 423.74 Lacs.

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

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

Name of the Company

(In Lacs)

	Amount as on 31.03.2017	For the Period
Mangal Credit & Fincorp Ltd	30.79	A.Y. 2014-15
	9.97	A.Y. 2013-14
	7.61	A.Y. 2012-13
	0.43	A.Y. 2011-12
	0.62	A.Y. 2010-11
Mangal Buildhome Pvt.Ltd.	143.25	A.Y.2013-14
Mangal Bullion Pvt.Ltd.	222.38	A.Y.2010-11
		A.Y.2011-12
		A.Y.2013-14
		A.Y.2014-15
Mangal Entertainment Pvt.Ltd.	8.69	A.Y.2013-14
Satco Capital Markets Ltd.	11.88	A.Y. 2011-12
	<u>435.62</u>	

32.2 Company has received a show cause notice by Securities and Exchange Board of India for alleged delay in compliances under regulation 8(3) of SAST Regulation, 1997 in the year 2002, 2003, 2005 to 2011. No liability has been acknowledged by the company in this respect as any liability in this recoverable from the erstwhile promoters group in view of the terms of Share Purchase Agreement dtd 10th February, 2011.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

32.3 The company has given the following guarantees:

- i. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 1100 lacs availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the holding company.
- ii. Guarantee to Fullerton India Credit India Pvt. Ltd. for Loan of ₹ 500 lacs availed by M/s Mangal Compusolutions Pvt. Ltd., subsidiary of the holding company.
- iii. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 100 lacs availed by M/s Mangal Entertainment Pvt. Ltd., subsidiary of the holding company.
- iv. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 100 lacs availed by M/s Mangal Entertainment Pvt. Ltd., by the subsidiary Chakshu Realtors Pvt. Ltd.
- iv. Guarantee to The Bharat Co-Operative Bank (Mumbai) Ltd for Loan of ₹ 300 lacs availed by M/s Mangal Compusolutions Pvt. Ltd., by the subsidiary Chakshu Realtors Pvt. Ltd.
- iv. Moreover Satco Commodities Private Limited had issued bank guarantee on behalf of Stock Exchange for ₹ 2760 lacs.

33. Foreign Currency Transaction Particulars

Particulars	For the	For the
	Period ended 31.03.2017	Period ended 31.03.2016
i) Value of Imported Components calculated on C.I.F. basis	776.21 Lacs	948.38 Lacs
ii) Expenditure in Foreign Currency :-		
Freight Expenses	364.00 Lacs	376.46 Lacs
Insurance Expenses	3.55 Lacs	3.67 Lacs
Membership Fees	0.34 Lacs	0.21 Lacs
Travelling Expenses	2.53 Lacs	4.22 Lacs
iii) Earning in Foreign Currency	15.85 Lacs	35.73 Lacs
iv) Value of exports on F.O.B basis	Nil	Nil
v) Remittance in foreign currencies on account of dividend to non-resident Share Holders	Nil	Nil
vi) Capital Commitment Outstanding	Nil	Nil

34. At the very beginning of the year 3 subsidiaries are disposed off which are Mangal Bullion Private Limited, Mangal Timber & Laminates Private Limited and Mangal Synnove Energies Private Limited.

	In Lacs AMOUNT
EQUITY AND LIABILITIES	
Share Capital	948.75
Reserve & Surplus	582.68
Long Term Borrowings	1,010.59
Deferred tax liabilities - Net	0.02
Short Term Borrowings	4,198.48
Trade Payables	536.07
Other Current Liabilities	418.59
Short Term Provisions	8.89
	7,704.06

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

ASSETS	
Fixed Assets	32.78
Non Current Investments	0.03
Deferred Tax Asset - Net	3.12
Long term Loans and Advances	6.40
Other Non Current Assets	1.78
Inventories	6,567.44
Trade Receivables	729.50
Cash & Cash Equivalents	110.77
Short Term Loans and Advances	208.57
Other Current Assets	43.67
	<u>7,704.06</u>
REVENUE	
Revenue from Operations	4,474.66
Other Income	4.01
EXPENSES	
Purchases Cost	3,937.87
Changes in Inventory	74.31
Employee Benefits Expense	71.59
Finance Costs	225.74
Depreciation & Amortisation Expenses	6.27
Office & Administrative Expenditure	139.04
PROFIT/(LOSS) BEFORE TAX	23.85

35. 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. The Company has recognised an amount of ₹11,60,596/- (Previous year ₹ 12,54,381/-) 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:”

For Satco Capital Markets Limited

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1. Present Value of Defined Benefit Obligation as on 31-3-2016	19,20,416	17,93,515	3,01,307	3,06,803
2. Interest Cost @ (0.08)	1,53,633	1,38,997	24,105	23,777
3. Current Service Cost	2,04,286	1,88,692	(23,410)	(18,776)
4. Benefits Paid during the year ending 31-3-2017	(71,475)	-	(47,992)	(33,419)
5. Actuarial (Gain)/ loss on Defined Benefit Obligation	80,476	(2,00,788)	34,975	22,922
6. Present Value of Defined Benefit Obligation as on 31-3-2017	22,87,336	19,20,416	2,88,985	3,01,307

Amounts to be recognised in the Balance Sheet as on 31-3-2017

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1. Present Value of the Defined Benefit Obligation:31-3-2017	22,87,336	19,20,416	2,88,985	3,01,307
2. Fair Value of Plan Assets: 31-3-2017	NIL	NIL	NIL	NIL
3. Liability recognised in Balance Sheet : 31-3-2017	22,87,336	19,20,416	2,88,985	3,01,307
Long-Term	22,14,459	17,31,724	2,75,753	2,88,118
Short-Term	72,877	1,88,692	13,232	13,189

Amounts to be recognised in the statement of Profit & Loss for the year ended 31-3-2017

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1. Current Service Cost	2,04,286	1,88,692	(23,410)	(18,776)
2. Interest Cost on Obligation	1,53,633	1,38,997	24,105	23,777
3. Expected return on plan assets	NIL	NIL	NIL	NIL
4. Net Actuarial (gain)/loss recognised in the year	80,476	(2,00,788)	34,975	22,922
5. Expenses recognised in the statement of Profit & Loss	4,38,395	1,26,901	35,670	27,923

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:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Particulars	31st March, 2017	31st March, 2016
a) Rate of Interest	7.50% per annum	8.00% per annum
b) Salary Growth	7% per annum	7% per annum
c) Withdrawal Rate	1%	1%
d) Mortality Rates	"Indian Assures Lives (2006-08) Ultimate Mortality Rates."	"Indian Assures Lives (2006-08) Ultimate Mortality Rates."
e) Retirement Age	58 years	58 years

For Satco Pvt. Ltd.

Amount (₹)

Sr. No	Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
		31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
1	Present Value of commitments (as per Actuarial valuation)	78,745	64,279	19,207	18,997
2	Net liability in the Balance sheet (as per Actuarial valuation)	78,745	64,279	19,207	18,997
3	Movement in net liability recognised in the Balance Sheet	-	-	-	-
4	Net liability as at the beginning of the year	64,279	61,997	18,997	16,413
5	Amount paid during the year	-	-	-	-
	Net expenses recognised in the Profit and Loss Account	14,466	2,282	210	2,584

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, 2017	31st March, 2016
a) Rate of Interest	7.25% per annum	7.75% per annum
b) Salary Growth	7% per annum	7% per annum
c) Withdrawal Rate	1%	1%
d) Mortality Rates	Indian Assures Lives (2006-08) Ult. Mortality Rates.	Indian Assures Lives (2006-08) Ult. Mortality Rates.
e) Retirement Age	58 years	58 years

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

36 SEGMENT INFORMATION :

A) Information about Business Segments- Primary

₹ In Lacs

S. No. Particulars	Finance	Jewellery	Event/ Entertainment	Renting of Movable Assets	Broking	Others	Elimination	Total
1. Segment Revenue								
External Sales	842.65	-	124.49	1,539.44	1,183.63	4,865.59	-	8,555.80
	(918.92)	(7,668.51)	(703.33)	(1,017.42)	(1,232.27)	(3,901.40)	(-522.27)	(14,919.59)
Inter Segment Sales	(111.02)	-	-	(0.95)	-	(61.70)	-	(173.67)
	(-276.13)	(-103.72)	-	(-0.36)	-	(-142.04)	(522.25)	-
Total Revenue	731.63	-	124.49	1,538.49	1,183.63	4,803.89	-	8,382.13
2. Segment Result :								
Profit / (Loss) Before Taxation	380.63	-	58.91	466.88	244.84	244.18	-	1,395.44
	(433.13)	(412.39)	(32.93)	(253.77)	(182.56)	(333.05)	-	(1,647.83)
Less :								
1) Interest	125.42	-	27.14	311.78	51.40	141.95	(79)	578.69
	(430.53)	(523.78)	(15.44)	(119.66)	(182.56)	(123.29)	(-82.50)	(1,312.76)
2) Other unallocated corporate expenses								
Income Tax	140.30	-	3.50	66.22	40.06	22.74	-	272.82
	(25.01)	(11.18)	(3.55)	(65.82)	(18.41)	(20.35)	-	(144.33)
Profit from Ordinary Activity	114.91	-	28.27	88.88	153.38	79.49	79.00	543.93
3. Other Information :								
Segment Assets	5,968.32	-	246.06	3,684.09	4,911.39	6,821.12	-	21,630.98
	(7,719.11)	(2,592.52)	(322.64)	(2,335.93)	(4,385.87)	(5,220.13)	-	(22,576.23)
Add : Unallocated common assets	-	-	-	-	-	-	-	-
Total Assets	5,968.32	-	246.06	3,684.09	4,911.39	6,821.12	-	21,631
Segment Liabilities	7,130.00	-	200.70	3,479.61	2,340.61	6,545.69	-	19,696.61
	(1,347.32)	(2,264.46)	(282.56)	(2,014.74)	(3,750.01)	(4,312.84)	-	(13,971.93)
Add : Unallocated common liabilities	-	-	-	-	-	-	-	-
Total Liabilities	7,130.00	-	200.70	3,479.61	2,340.61	6,545.69	-	19,696.61
4. Capital Expenditure during the year :	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
5. Depreciation and amortisation :	31.34	-	0.88	803.52	39.87	40.03	-	915.64
Add : Unallocated Depreciation	(51.84)	(10.42)	(1.56)	(570.51)	(37.56)	(40.62)	-	(712.53)
6. Non - Cash Expenditure :	-	-	-	-	-	-	-	-

Note: Amount in brackets representation previous year figure.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Note 37 Name of Related Parties and Relationships

S. No.	Related Parties	
A	Common Directors	
	Aelera Technologies India Private Limited	Mangal Recycling Private Limited
	Ally Insurance Broker Private Limited	Mangal Royal Jewels Pvt.Ltd.
	Anjana Buildestate Private Limited	Mangal Synnove Energies Pvt.Ltd.
	Bansiwala Buildcon Private Limited	Omicron Power Engineers Private Limited
	Bansiwala Real Estate Pvt.Ltd.	Oyea Diamonds Private Limited
	Centaurus Financial Services Private Limited	Palkar Infraprojects Private Limited
	Cnx Corporation Ltd.	Perusal Global Solutions India Private Limited
	Customer Centria Technologies LLP	S.K. Leasefin Pvt. Ltd
	Datamatics Hr & Consultancy Private Limited	Saahil Global Business Pvt Ltd
	Dhakad Proprieties & Financial Services Private Limited	Sakshi Infracon Private Limited
	E- Ally Research (India) Private Limited	Shree Jaisal Electronics & Ind. Ltd.
	E-Ally Commodities India Private Limited	Shree Mangal Abhushan Private Limited
	E-Ally Consulting India Private Limited	Shree Mangal Jewels Private Limited
	E-Ally Equities India Private Limited	Shree Radhey Mangal Gold Chain Pvt.Ltd.
	E-Ally Securities (India) Private Limited	Shree Ratna Mangal Jewels Pvt.Ltd.
	Ecotech Informatics Pvt.Ltd.	Shreeradhey Mangal Gold Chain Private Limited
	Ekdanta Builders Pvt.Ltd.	Shwet Developers Private Limited
	Glanz Diam Private Limited	Standard Infra-Developers Private Limited
	Grass Field Petro Company Private Limited	Sumpragatti Enterprises Private Limited
	Magnetic Rent A Car Private Limited	Swarn Bhavya Mangal Jewels Pvt.Ltd.
	Mangal Charitable Trust	Tulika Infrastructure Private Limited
	Mangal Extrusion	Vibrant Granite Private Limited
	Mangal Jewellers	Vijay Dwellers Pvt.Ltd.
	Mangal Meta Forging Private Limited	Viraasat Jewels Private Limited
	Mangal Mine And Minerals Private Limited	Vizonark Business Technology Private Limited
	Satgurus	Vizonark Solutions Private Limited
	Xploretch Global Solution Private Limited	Satgurus Investment & Finance
		Premium Financial Services Ltd
B.	List of Key Managerial Person	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Note 37 Name of Related Parties and Relationships

S. No.	Related Parties	
C.	Key Management Personnel	
	Ajitkumar Jain	Pathik M Desai
	Akhilesh Bhatra	Pathik Mukesh Desai
	Anaheeta R Balsara	Pushkar Shau
	Aushtosh Mantri	Rajendra M Babani
	Bhagwati Jain	Rakesh Shenoy
	Deepak Palkar	Ram Krishna Kabra
	Dhruv	Randheer Roy
	Harshvardhan Rajendra Birani	Ratish Suresh Tawde
	Labh Chand Maloo	S T Geeta
	Lokesh Jain	Sandeep Maloo
	Manoj Kasliwal	Shyamkumar Madanlal Agarwal
	Meghraj Sohanlal Jain	Sohanlal Jain
	Naresh Tejawani	Sohanlal Vardichand Jain
	Neeta Maloo	Sunil Ramachandran Nair
	Nirupama Dattatray	Swati Sharma
D.	List of Relatives of Key Managerial Person	
	Ambaji Marbles	Bhavna Jain
	Mantri Stonex	Pathik Computers
	Rayomand Balsara	Lokesh Devilal Jain
Transaction from related parties are attached in Annexure - A1 to notes		

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT
Formatting Part of Notes on Accounts Annexure -"A1"

Name of Related Parties and Their Transaction

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Companies / Others under Common Control					
E-Ally Commodities India Private Limited	Loan Taken	-	-	1,13,18,405	-
	Loan Repayment	6,26,82,145	-	1,13,18,405	-
	Loan Given	6,26,82,145	-		
	Interest Received	1,40,336	-	3,86,450	3,47,805
	Rent Income	-	-	17,500	-
E-Ally Consulting India Private Limited	Loan Taken	4,98,81,667	-	1,94,06,640	-
	Loan Repayment	6,59,25,579	-	2,12,85,955	1,60,43,912
	Interest Paid	11,61,852	-	38,07,135	35,24,561
	Rent Income	-	-	3,50,000	-
	Sales	3,650	3,650	7,350	-
E-Ally Equities India Private Limited	Loan Given	2,46,361	-	-	-
	Loan Repayment	2,46,361	-	47,00,000	-
	Interest Received	5,864	-	1,545	-
	Rent Income	-	-	17,500	-
	Other Reimbursements	1,000	-	-	-
E-Ally Research India Private Limited	Rent Income	-	-	17,500	-
E-Ally Securities India Private Limited	Loan Taken	2,01,25,000	-	-	-
	Loan Repaid	2,01,25,000	-	-	-
	Interest Received	1,56,182	-	17,500	-
Ally Insurance Brokers Private Limited	Loan Taken	-	-	26,989	-
	Loan Repayment	-	-	26,989	-
Dhakad Proprieties & Financial Services PL	Loan Given	91,287	-	20,275	-
	Loan Repayment Received	91,287	-	20,275	-
	Rent Income	-	-	9,00,000	-
Mangal Meta Forging Private Limited	Loan Given	-	-	7,324	-
	Loan Repayment Received	-	-	7,324	-
	Rent Income	-	-	17,500	-
Shwet Developers Private Limited	Interest Received	386450	347805	0	0
	Rent Income	17500	0	30000	0
	Trading- Purchase			9961941	-5169
	Trading- Sale			6772	0

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Shwet Developers Private Limited	Loan Taken	50,00,000	-	-	-
	Loan Repayment Received	50,00,000	-	38,00,000	-
	Interest Received	-	-	5,68,438	-
	Advance under Joint Venture	4,72,97,000	7,04,94,939	2,55,55,000	7,56,97,939
	Advance Received	5,25,00,000	-	-	-
Vijay Dwellers Pvt. Ltd.	Loan Given	1,50,00,000	1,50,00,000	-	-
Mangal Recycling Private Limited	Rent Income	-	-	17,500	-
Ecotech Informatics Private Limited	Rent Income	-	-	17,500	-
	Interest Received	51,207	-	-	-
	Loan Given	14,60,000	-	-	-
	Loan Repaid	14,60,000	-	-	-
Shree Mangal Abhushan Pvt Ltd	Loan Taken	-	-	26,000	-
	Loan Given	-	-	26,000	-
Dhakad Properties & Fin Ser P Ltd	Rent Income	9,00,000	-	-	-
Centaurus Equities Private Limited	Interest Paid	-	-	37,171	-
Mangal Extrusions	Loan Given	3,534	-	10,00,000	10,00,000
	Loan Repaid	10,03,534	-	-	-
	Interest Income	96,698	-	35,343	31,809
Shree Mangal Jewels Pvt.Ltd.	Reimbursement of Expenses	6,71,467	-	-	-
Premium Financial Services Ltd	Brokerage	1,827	136	-	-
Shree Jaisal Electronics & Ind. Ltd.	Loan Taken	0	12355000	450000	12355000
	Loan Repayment	0	0	0	0
Key Management Person					
Sandeep Maloo	Directors Remuneration	19,20,000	-	22,20,000	8,10,000
	Loan Taken	6,19,00,874	1,26,00,884	4,11,09,077	15,60,000
	Loan Repayment	7,27,27,894	-	4,55,76,679	-
	Interest Paid	1,73,401	6,061	2,12,489	1,91,240
	Sales	-	58,800	58,800	58,800
	Withdraw of Capital	14,81,377	-	68,322	-
	Capital Introduced	12,783	64,129	-	7,74,844
	Share in Profit	64,616	-	1,78,699	-
	Interest On Capital	93,263	-	6,223	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Meghraj Jain	Directors Remuneration	7,20,000	-	7,20,000	-
	Loan Taken	49,75,78,894	9,67,99,730	15,84,45,000	1,26,23,000
	Loan Repayment Received	38,93,99,463	-	16,95,47,000	17,93,81,500
	Interest Paid	11,99,380	9,442	4,89,777	4,40,799
	Shares Acquired	4,40,54,700	-	4,86,29,189	-
	Sales	18,000	18,000	-	-
	Advance Given	-	-	5,00,000	5,00,000
	Advance Repaid	5,00,000	-	-	-
	Brokerage	18,207	-	-	-
Manoj Kasliwal	Loan Taken	₹ 1,20,00,000.00	₹ 1,20,00,000.00	₹ 1,20,00,000.00	₹ 1,20,00,000.00
Akhilesh Bhatra	Loan taken	₹ -	₹ 50,000.00	₹ -	₹ 50,000.00
Ashutosh Mantri	Director Remuneration	₹ 8,40,000.00	-	-	-
Harsh Vardhan	Loan Taken	₹ -	₹ -	₹ 2,00,000.00	-
	Interest	₹ 25,981.00	₹ -	₹ 16,510.00	-
	Salary	₹ 5,40,000.00	₹ 5,40,000.00	₹ -	-
Sohanlal Jain	Loan Taken	₹ 34,20,000.00	₹ -	₹ -	-
	Loan Repaid	₹ 34,20,000.00	₹ -	₹ -	-
	Security Deposit (Rent)	₹ 21,00,000.00	₹ -	₹ -	₹ -
	Director Remuneration	₹ 5,00,000.00	₹ 4,75,000.00	₹ -	₹ -
	Rent Paid	₹ 12,59,000.00	₹ -	₹ -	₹ -
Bhagwati Jain	Director Remuneration	₹ 5,00,000.00	₹ -	₹ -	₹ -
Ajit Jain	Reimbursement of Expenditure	₹ -	₹ -	₹ 9,35,310.00	₹ -
	Loan Taken	₹ 1,03,34,500.00	₹ -	₹ -	₹ -
	Loan Repaid	₹ 1,03,34,500.00	₹ -	₹ -	₹ -
	Interest Paid	₹ -	₹ -	₹ -	₹ -
Pathik M Desai	Loan Taken	₹ -	₹ -	₹ 1,13,598.00	₹ 1,50,000.00
	Loan Repaid	₹ 1,50,000.00	₹ -	₹ 1,13,598.00	₹ -
	Interest Paid	₹ -	₹ -	₹ 18,200.00	₹ 38,717.00
	Bonus	₹ 45,000.00	₹ -	₹ -	₹ -
	Director Remuneration	₹ 5,53,500.00	₹ -	₹ 5,33,000.00	₹ -
Rakesh Shenoy	Withdraw of Capital	₹ -	₹ -	₹ 17,081.00	₹ -
	Capital Introduced	₹ 3,196.00	₹ 68,498.04	₹ -	₹ -
	Share in Profit	₹ 16,153.93	₹ -	₹ 44,675.00	₹ -
	Interest On Capital	₹ 5,437.00	₹ -	₹ 1,556.00	₹ -
Randheer Roy	Withdraw of Capital	₹ -	₹ -	₹ -	₹ -
	INTEREST ON CAPITAL	₹ -	₹ -	₹ -	₹ -
	SHARE IN PROFIT	₹ -	₹ -	₹ -	₹ -

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Rajendra M Babani	Remuneration	₹ 15,00,000.00	₹ -	₹ -	
	Motor Car Expenses	₹ 2,40,000.00	₹ -	₹ -	₹ -
	Brokerage	₹ 15,012.50	₹ 286.00	₹ -	₹ -
	Loan Given	₹ 68,00,000.00	₹ 68,00,000.00	₹ -	₹ -
S.T. Garela	Remuneration	₹ 12,00,000.00	₹ -	₹ -	₹ -
	Motor Car Expense	₹ 2,40,000.00	₹ -	₹ -	₹ -
	Brokerage	₹ 3,052.10			
Gaurav Kothari	Directors Remuneration			0	0
Naresh Tejwani	Remuneration	₹ 15,00,000.00	₹ -	₹ -	₹ -
	Motor Car Expense	₹ 2,40,000.00	₹ -	₹ -	₹ -
	Reimbursement of Expense	₹ 32,415.62	₹ -	₹ -	₹ -
	Brokerage	₹ 30.72			
Ashok Motwani	Remuneration	₹ 15,000.00	₹ -	₹ -	₹ -
Lokesh Jain	Interest Paid	₹ -	₹ -	₹ -	₹ 6,16,653.00
	Loan Taken	₹ -	₹ -	₹ 7,00,000.00	₹ -
	Loan Repaid	₹ 29,45,000.00	₹ 4,69,583.00	₹ 15,00,000.00	₹ 27,97,930.00
	Expenses Reimbursement	₹ 1,61,823.00	₹ -	₹ 2,07,417.00	₹ -
Anaheeta R Balsara	Expenses Reimbursement	₹ 1,30,957.00	₹ 4,437.00	₹ 1,80,061.00	₹ -
	Directors Remuneration	₹ 15,60,000.00	₹ -	₹ 15,72,000.00	₹ -
Dhruv Shah	Withdraw of Capital	₹ 2,60,000.00	₹ -	₹ 88,981.00	₹ -
	Capital Introduced	₹ -	₹ 6,65,312.79	₹ 48,981.00	₹ 3,49,706.63
	Interest on Capital	₹ 11,219.00	₹ -	₹ 4,800.00	₹ -
	Share in Profit	₹ 84,387.16	₹ -	₹ 48,695.63	₹ -
	Remuneration to Partner	₹ 4,80,000.00	₹ -	₹ 3,00,000.00	₹ -
Khemchandra	Capital Introduced	₹ -	₹ -	₹ -	₹ -
	Withdraw of Capital	₹ -	₹ -	₹ 40,381.00	₹ -
	Remuneration to Partner	₹ -	₹ -	₹ -	₹ -
	Share in Profit	₹ -	₹ -	₹ -	₹ -
Propriety Concerns Of Directors					
Ambaji Marbles	Purchase	₹ -	₹ -	₹ 42,36,320.00	₹ -
	Sale	₹ -	₹ -	₹ 63,86,162.00	₹ -
	Reimbursement	₹ -	₹ -	₹ 4,31,130.00	₹ -
Mantri Stonex	Purchase	₹ -	₹ -	₹ 90,22,501.00	₹ -
	Sale	₹ 1,59,73,569.00	₹ 39,73,569.00	₹ 48,44,359.00	₹ -

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

Name of the Related Parties & Nature of Relationships	Nature of Transaction	2016-17		2015-16	
		Transaction Value	O/s Amount carried to Balance Sheet	Transaction Value	O/s Amount carried to Balance Sheet
Key Management Person's Relatives					
Lokesh Devilal Jain	Loan Given	-	-	-	8,50,000
	Loan Repayment Received	8,50,000	-	10,00,000	-
	Interest Income	67,182	-	1,36,070	28,611
Pathik Computers	Loan Taken	41,72,414	-	8,00,000	-
	Loan Repaid	41,72,414	-	8,00,000	-
Ramond Balsara	Salary Paid	-	-	-	-
	Loan Taken	-	-	3,50,000	-
	Loan Repaid	-	-	3,50,000	-
	Expenses Reimbursement	1,68,150	-	1,96,078	-
	Professional Charges Paid	9,00,000	-	2,16,000	-
Bhavna Jain	Salary Paid	6,00,000	-	6,00,000	-
Sangeeta Babani	Brokerage	33109.07	-	-	-
Rajiv Srichand Gerela	Brokerage	1,789	-	-	-
Kamini Gerela	Brokerage	13,615	-	-	-
Prerana Gerela	Brokerage	22	0	-	-
Satguru	Rent	21,00,000	-	-	-
Kankubai Sohanlal Jain	Brokerage	23.2	-	-	-
Navin Govind Agarwal	Loan Repayment Received	-	-	40,00,000	-
	Interest Income	-	-	4,58,190	-

Note 38

As per recent Ministry of corporate affairs amendment in Schedule III (Preparation of Financial Statements) as well as in Rule 11 of Companies (Audit and Auditors) Amendment Rules, 2017 regarding the disclosure & reporting in the financial statement & Auditor's Report in relation to holdings as well as dealings of company in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 is as follows:-

	SBNs	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	34,30,000	20,52,983	54,82,983
(+) Permitted receipts	1,01,000	1,55,274	2,56,274
(-) Permitted payments	-	24,70,527	24,70,527
(-) Amount deposited in Banks	35,31,000	3,500	35,34,500
(+) Amount withdrawn from Banks	-	15,46,000	15,46,000
Closing cash in hand as on 30.12.2016	-	12,80,230	12,80,230

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**Note 39**

Consequent to the search and seizure proceedings u/s 132 of the Income Tax Act, 1961, assessment of income for the assessment years 2012-13 and 2013-14 have taken place under section 143(3)/153A of the Income Tax Act, 1961. As a result a total demand of ₹ 40,75,600/- has arisen. Aggrieved by the orders so passed, the company has filed appeals before the Commissioner of Income Tax (Appeals) in the respective assessment years. Considering the nature of additions made and recent judicial pronouncements, there are good chances that the additions shall be deleted in the appellate proceedings and therefore no provision in this respect has been made in respect of outstanding demand.

Note 40

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

Note 41

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

Note 42

Loan portfolio classification and provision (As per RBI Prudential Norms)

Particulars	Gross Loan Outstanding		Provision For Standard Assets		Net Loan Outstanding	
	March, 2017	March, 2016	March, 2017	March, 2016	March, 2017	March, 2016
Standard Asset	6244.99	4884.36	15.61	12.21	6229.38	4872.15
Sub Standard Asset	27.00	265.00	2.70	26.50	24.30	238.50
Doubtful Asset	-	85.00	-	17.00	-	68.00
Loss Asset	-	-	-	-	-	-
Total	6271.99	5234.36	18.31	55.71	6205.08	5178.65

Note 43**Schedule to the Balance Sheet of Non-Deposit Taking Non-Banking Financial Company**

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

(₹ in Lacs)

S.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*)		

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

S.No.	Particulars	Amount Outstanding	Amount Overdue
	(b) Deferred Credits	-	-
	(c) Term Loans	1.11	-
	(d) Inter-Corporate Loans and Borrowings	790.23	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*		
	(g) Other Loans;	-	-
	- Bank Overdraft	-	-
	- Loan from Directors	971.83	-
*Please see Note (a) Below			
(2)	Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):		
	(a) In the form of Unsecured Debenture	-	-
	(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-
	(c) Other Public Deposits	-	-
*Please see Note (a) Below			

S.No.	Particulars	Amount Outstanding
Assets Side :		
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
	(a) Secured	938.75
	(b) Unsecured	5332.57
(4)	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:	
	Financing Lease	-
	Operating Lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	Asset on hire	-
	Repossessed Asset	-
	(iii) Other loans counting towards AFC activities	
	Loans where asset have been repossessed	-
	Loans other than (a) above	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

(4)	Break-up of Investments :	
	Current Investments :	
	1. Quoted	
	Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted	
	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	1099.75
	(b) Preference	400.00
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others - Investment in Land	139.80

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: Please see Note (b) below

Category	Amount Net of Provisions		
	Secured	Unsecured	TOTAL
1. Related Parties			
(a) Subsidiaries	-	1202.88	1202.88
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	936.40	4114.41	5050.81
TOTAL	936.40	5317.29	6253.69

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :Please see Note (c) below

Category	Market Value Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	1713.26	1499.75
(b) Companies in the same group	-	-
(c) Other related parties	0.50	0.50
2. Other than related parties	-	-
TOTAL	1713.76	1500.25

8. Other Information:

	Amount Outstanding
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	27.00
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	24.30
Assets acquired in satisfaction of debt	-

Sub Notes:

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

Note 44: Previous Year Figures

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

**In terms of our audit report of even date
For MGB & CO. LLP
Chartered Accountants,
FRN 101169W/W-100035**

**For and on behalf of the board of Directors
MANGAL CREDIT & FINCORP LTD**

Sd/-
Sandeep Jhanwar
Partner
M.No. 078146

Sd/-
Madhuri Prakash Survase
Company Secretary

Sd/-
Meghraj Jain
Managing Director
DIN-01311041

Sd/-
Sandeep Maloo
Managing Director
DIN-01145616

**Place: Mumbai
Date: 12th May, 2017**

MANGAL CREDIT AND FINCORP LIMITED

CIN:L65990MH1961PLC012227
 R.o.: 1701/1702,17TH FLR., 'A' Wing, Lotus Corporate Park,
 Western Express Highway, Goregaon (E), Mumbai- 400063.
 W: www.mangalfincorp.com, Email:compliance@mangalfincorp.com,
 Tel: 022 4246 1300 Fax: 022 4246 1310

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):
Registered address:
Email Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) ofshares of the above named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 55th Annual general meeting of the company, to be held on the Friday, 29th September, 2017 at 3:00 p.m. at Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2, Next to Mangal Murti Hospital, Above Hanuman Mandir, Gorai Bridge Stop, Borivali (W), Mumbai-400091 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Type of Resolution	For	Against
1.	To consider and adopt: A. the Audited balance sheet of the Company as at 31st March 2017 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.	Ordinary		
2.	To declare final dividend on Equity Shares for the year ended March 31, 2017.	Ordinary		
3.	To appoint Mr. Sandeep Maloo (DIN 01145616), a director in the Company, who retires at this meeting by rotation and being eligible, has offered himself for re-appointment, be and is hereby appointed as director of the Company.”	Ordinary		
4.	To appoint Mr. Meghraj S. Jain (DIN 01311041), a director in the Company, who retires at this meeting by rotation and being eligible, has offered himself for re-appointment, be and is hereby appointed as director of the Company.”	Ordinary		
5.	To ratify the appointment of M/s MGB & Co. LLP, Chartered Accountants, (FRN: 101169W/W-100035) be and is hereby re-appointed as Statutory Auditors of the Company.	Ordinary		
6.	To regularize the appointment of Mr. Ratish Suresh Tawde as a Director of the Company:	Special		

Signed this.....day of....., 2017

Signature of shareholder

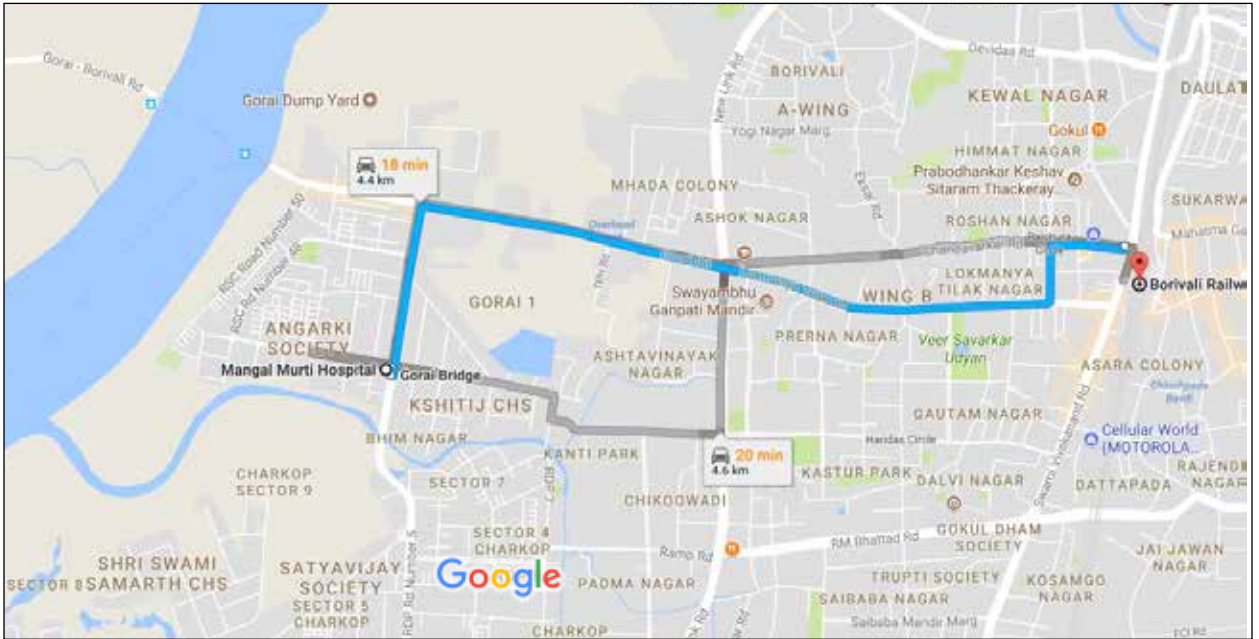
Signature of Proxy holder(s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- It is optional to put a “X” in the appropriate column against the Resolution indicated in the box. If you leave the ‘For’ or ‘Against’ column blank any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details of Member(s) in the above box before submission.

Affix ₹ 1/-
Revenue
Stamp

ROUTE MAP



Plot No. 44/47, Shivam Hall, RSC-13, Gorai-2,
Next to Mangal Murti Hospital,
Above Hanuman Mandir, Gorai Bridge Stop,
Borivali (W), Mumbai-400091

MANGAL CREDIT AND FINCORP LIMITED

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

If undelivered, please return to :

MANGAL CREDIT & FINCORP LIMITED,

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

Lotus Corporate Park,

Western Express Highway,

Goregaon - East,

Mumbai - 400 063

MH (INDIA)