

**MANGALAN**

**INDUSTRIAL**

**FINANCE**

**LIMITED**

**ANNUAL REPORT**

**2010 – 2011**

# **MANGALAM INDUSTRIAL FINANCE LIMITED**

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- BOARD OF DIRECTORS** : **SHRI RAMESH CHANDRA DAGA (M.D.)**  
**SHRI ARUN CHAKRABORTY**  
**SMT. KAKOLI MONDAL**  
**SHRI SUDARSON KAYORI**  
**SHRI TAPAS MONDAL**  
**SHRI RATHINDRA NATH GHOSH**
- REGISTERED OFFICE** : **3, SYNAGOGUE STREET,**  
**2<sup>nd</sup> FLOOR, ROOM NO. 17**  
**KOLKATA - 700 001**  
**WEST BENGAL (INDIA)**  
**TEL.: +91 33 2210 1328**  
**E-mail : mifi\_1983@yahoo.co.in**
- AUDITORS** : **M/s. MAROTI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**9/12, LAL BAZAR STREET, BLOCK-'E',**  
**3<sup>RD</sup> FLOOR, ROOM NO.2,**  
**KOLKATA - 700 001**  
**TEL.: +91 33 2231 9392 / 9391**  
**FAX: +91 33 2243 8371**  
**E-mail : mkmaroti@sify.com**
- BANKER** : **AXIS BANK LTD**
- REGISTRARS AND**  
**SHARE TRANSFER AGENTS** : **NICHE TECHNOLOGIES PVT. LTD.**  
**D-511, BAGREE MARKET,**  
**71, B. R. B. ROAD, 5<sup>TH</sup> FLOOR,**  
**KOLKATA - 700 001**  
**TEL.: +91 33 2235 7270 / 7271**  
**FAX: +91 33 2215 6823**  
**E-mail: nichetechpl@ nichetechpl.com**
- COMPANY SECRETARY** : **SANJAYA KUMAR ROUT**

# **MANGALAM INDUSTRIAL FINANCE LIMITED**

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## **NOTICE**

### **TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the **Annual General Meeting** of the Members of **M/s. MANGALAM INDUSTRIAL FINANCE LIMITED** will be held at its Registered Office at **3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata - 700 001**, on **Friday, 9th Day of September, 2011** at **3.30 p.m.** to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Director's Report and Audited Profit & Loss account for the year ended **31<sup>st</sup> March, 2011** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mr. Tapas Mondal** and **Mr. Rathindra Nath Ghosh** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**Registered Office:**  
**3, Synagogue Street,**  
**2<sup>nd</sup> Floor, Room No. 17**  
**Kolkata -700 001 (W.B)**  
**Dated : 24<sup>th</sup> Day of June, 2011**

**By Order of the Board**

*Tapas Mondal*  
**Tapas Mondal**  
**Director**

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### **Notes:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the Meeting Hall.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **02<sup>nd</sup> day of September, 2011** to **9th day of September, 2011** (both days inclusive) for the purpose of Annual General Meeting
4. As measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report at the Meeting.

**MANGALAM INDUSTRIAL FINANCE LIMITED**

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

**DIRECTORS' REPORT**

To

The Members,

Your Directors have pleasure in presenting the **Annual Report** of the Company together with Audited Accounts for the year ended on **31st March, 2011**.

**1. FINANCIAL RESULTS :**

(Fig. in RS)

	CURRENT YEAR	PREVIOUS YEAR
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	(10,24,735)	(8,12,618)
Deferred Tax	43,376	(1,26,919)
<b>PROFIT / ( LOSS ) AFTER TAX</b>	(9,81,359)	(9,39,537)
Less: Provision for Standard Assets (As per RBI Act)	(14,340)	-----
Brought forward from earlier years	(16,12,208)	(6,72,671)
Balance Carried To Balance Sheet	(26,07,907)	(16,12,208)

**2. FUTURE PERFORMANCE :**

In the year under review, the Company has incurred Loss of Rs. 9,81,359 /-. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the company in the current Financial Year.

**3. DIVIDEND :**

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

**4. AUDITORS :**

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

**5. DIRECTORS :**

**Mr. Tapas Mondal and Mr. Rathindra Nath Ghosh** retires by rotation and being eligible, offers Themselves for re-appointment.

**6. PERSONNEL :**

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

## 7. STATUTORY INFORMATION :

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

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

## 8. RESPONSIBILITY STATEMENT :

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

## 9. CORPORATE GOVERNANCE :

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

## 10. ACKNOWLEDGEMENTS :

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

For and on behalf of the Board

Tapas Mondal  
Director

Ramesh Chandra Daga  
Managing Director

Date : 24<sup>th</sup> day of June, 2011  
Place: Kolkata

## ANNEXURE - TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

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

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

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

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

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

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

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

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

b) Appointment/Reappointment of Directors

**Mr. Tapas Mondal and Mr. Rathindra Nath Ghosh** who retires by rotation during the ensuing Annual General Meeting and is eligible for reappointment.

### 3) AUDIT COMMITTEE

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

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

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

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

Investigate any matter referred to by the Board.

The Composition of the Audit Committee:

<b>MEMBERS</b>	<b>CATEGORY</b>
<b>Mr. Arun Chakraborty</b>	Non Executive
<b>Mr. Ramesh Chandra Daga</b>	Non Executive
<b>Mrs. Kakoli Mondal</b>	Non Executive

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

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

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

The Composition of the said Committee is as follows:

<b>MEMBERS</b>	<b>CATEGORY</b>
<b>Mr. Arun Chakraborty</b>	Non Executive
<b>Mr. Ramesh Chandra Daga</b>	Non Executive
<b>Mrs. Kakoli Mondal</b>	Non Executive

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

## 5) REMUNERATION COMMITTEE

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

During the year 2 meetings of the remuneration committee was held

The Composition of the said Committee is as follows:

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

Details of remuneration paid to the Managing Director

Name	Salary	Total amount paid as on 31.03.2011	Period of Service Contract
Mr. Ramesh Chandra Daga	Rs 96,000/-	Rs 96,000/-	5 (Five) year From : 01.10.2009

## 6) BOARD PROCEDURE

### Composition:

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

Name of the Director	Nature of Directorship	No Of Board Meetings Attended	Attendance at the Last AGM
Mr. Ramesh Chandra Daga	Executive Director	7	YES
Mr. Tapas Mondal	Non-Executive Independent	7	YES
Mr. Arun Chakraborty	Non Executive Director	7	YES
Mr. Suderson Kayori	Non Executive Director	4	YES
Mrs.Kakoli Mondal	Non Executive Director	4	YES
Mr. Rathindra Nath Ghosh	Non-Executive Independent	4	YES

During the financial year ending 31.03.2011 : 7 (Seven) meeting of the Board of Directors were held on 26.04.2010, 03.05.2010, 29.06.2010, 26.07.2010, 30.10.2010, 31.01.2011 & 24.03.2011.

### RESPONSIBILITIES:



## **RESPONSIBILITIES:**

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

## **BOARD MEETINGS:**

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

## **7) GENERAL BODY MEETINGS**

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

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
<b>2007-2008</b>	<b>12.07.2008</b>	<b>2.30PM</b>	<b>3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata-700001</b>
<b>2008-2009</b>	<b>29.09.2009</b>	<b>2.30PM</b>	<b>3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata-700001</b>
<b>2009-2010</b>	<b>03.08.2010</b>	<b>2.30PM</b>	<b>3, Synagogue Street, 2<sup>nd</sup> Floor, Kolkata-700001</b>

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

## **8) DISCLOSURES**

During the financial year ended **March 31, 2011** there were no materially significant related party transactions with the Company's Directors or their relatives.

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

## **9) MEANS OF COMMUNICATIONS**

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

## **10) GENERAL SHAREHOLDER INFORMATION**

### **ANNUAL GENERAL MEETING :**

Date : 9th Day of September, 2011

Day : Friday

Time : 3.30 p.m.

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

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

From : 02<sup>nd</sup> day of September, 2011 to 9th day of September, 2011 (both days inclusive)

### **LISTING OF SECURITIES:**

Calcutta Stock Exchange Ltd.

Code No. 023098

The U. P. Stock Exchange Association Ltd.

Code No. M00023

### **LISTING FEES**

The Company has paid listing fees for the financial year 2010-2011 to all the Stock Exchanges where the securities are listed.

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

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

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

**NICHE TECHNOLOGIES PVT. LTD.**

**D-511, Bagri Market,**

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

**Kolkata-700001**

**Distribution of Shareholding as on 31<sup>st</sup> March, 2011:**

Slab	No. of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Shareholders
001-099	61	13.1749	2,755	0.0029
100-200	298	64.3629	30,250	0.0315
201-300	7	1.5119	2,100	0.0022
301-400	3	0.6479	1,095	0.0011
401-500	4	0.8639	1,930	0.0020
501-600	0	0.0000	0	0.0000
601-1000	13	2.8078	10,100	0.0105
1001 and above	77	16.6307	96,116,120	99.9498
<b>Total</b>	<b>463</b>	<b>100.0000</b>	<b>96,164,350</b>	<b>100.0000</b>

**Category of Shareholders as on 31<sup>st</sup> March, 2011:**

Category	No. of Shares	%
Public	531,745	0.553
Domestic Bodies Corporate	70,113,105	72.910
Clearing Member & Clearing Corpo.	300	0.000
Promoters & Associates	25,519,200	26.537
<b>TOTAL</b>	<b>96,164,350</b>	<b>100.000</b>

**MAROTI & ASSOCIATES**  
Chartered Accountants

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

**CERTIFICATE**

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

We have examined the Compliance of the Conditions of Corporate Governance by **M/s. MANGALAM INDUSTRIAL FINANCE LTD.** for the year ended on **March 31, 2011** as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

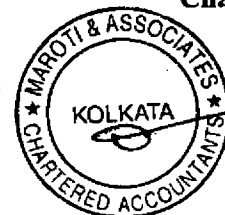
The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit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

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

As required by the Guidance note issued by the institute of Chartered Accountants of India, we have to state that based on the report given by the Registrar of Company to the investor's Grievance Committee, there was no Investors' Grievance matter remaining unattended for more than 30 days as on **31st March, 2011**, against the Company.

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

**For MAROTI & ASSOCIATES**  
Chartered Accountants



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

Firm Reg. No : 322770E

Place : Kolkata  
Date : 24<sup>th</sup> Day of June, 2011

**MAROTI & ASSOCIATES**  
Chartered Accountants

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

**AUDITORS' REPORT**

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

We have audited the attached Balance Sheet of **MANGALAM INDUSTRIAL FINANCE LIMITED**, as at **31st March 2011** and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

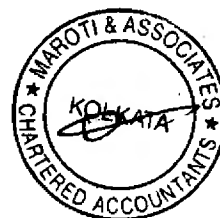
Further to our comments in the Annexure referred to in paragraph above, we state that:-

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



3. The Balance Sheet ,Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet ,Profit & Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 ;
5. On the basis of written representations received from the Directors, as on **31st March, 2011** and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March, 2011** from being appointed as Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956 ;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies, and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
  - 1) In the case of Balance Sheet, of the state of affairs of the company as at **31st March, 2011** ; and
  - 2) In the case of the Profit & Loss Account, of the **LOSS** for the Year ended on that date
  - 3) In the Case of Cash flow statement of the Cash flows for the year ended on that date.

For **MAROTI & ASSOCIATES**  
Chartered Accountants



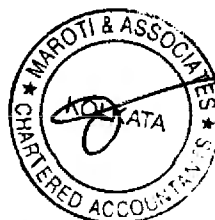
*(Signature)*  
**(M.K.MAROTI)**  
Proprietor  
M. No.057073  
Firm Reg. No: 322770E

Place : **Kolkata**  
Date : **24<sup>th</sup> Day of June, 2011**

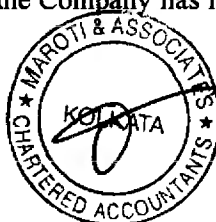
**ANNEXURES TO THE AUDITORS' REPORT**

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

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



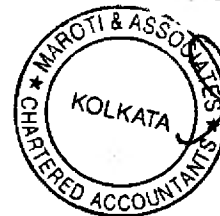
9. a) According to the records examined by us, the company is regular in depositing with appropriate authorities undisputed Income Tax Wealth Tax, Service Tax, Custom Duty, Excise Duty, Investor Education Protection Fund, Cess and other statutory dues applicable to it.  
As informed to us provisions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





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

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



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

**Firm Reg.No : 322770E**

**Place : Kolkata**  
**Date : 24<sup>th</sup> Day of June, 2011**

# MAROTI & ASSOCIATES

Chartered Accountants

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

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

Dear Sirs,

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

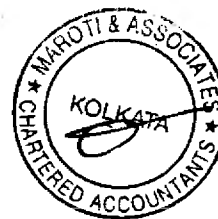
## A

1. The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Bank
2. On the basis of our examination of current year Balance Sheet and profit and loss account we hereby report that Company is entitled to continue to hold such certificate of Registration in terms of its asset / income pattern as on 31<sup>ST</sup> March, 2011.
3. On the basis of our examination of current years Balance Sheet and the immediately preceding current year balance sheet we report that the Company be classified based on its assets as INVESTMENT COMPANY.

## B

1. The Board of Directors has passed a resolution for Non Acceptance of any Public Deposits
2. The Company has not accepted any deposit from the public during the year ended 31<sup>ST</sup> March, 2011
3. The Company has complied with the prudential Norm relating to the Income Recognition, Accounting Standards , assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial ( Non Deposits Accepting or Holding ) Companies Prudential Norms ( Reserve Bank ) Directions - 2007
4. The Company is not a systematically important company as defined in paragraph 2(1)(XIX)of the Non Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms ( Reserve Bank ) Directions - 2007.

For MAROTI & ASSOCIATES  
Chartered Accountants



*M.K. Maroti*

(M.K.MAROTI)

Proprietor

M. No.057073

Firm Reg. No : 322770E

Place : Kolkata

Date : 24<sup>th</sup> Day of June, 2011

# MANGALAM INDUSTRIAL FINANCE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	Current Year RS.	Previous Year RS.
<b><u>SOURCES OF FUNDS</u></b>			
Share Capital	1	961,643,500	961,643,500
Reserves & Surplus	2	1,530,083	1,530,083
		<b>963,173,583</b>	<b>963,173,583</b>
<b><u>APPLICATION OF FUNDS</u></b>			
Investments	3	952,213,000	952,213,000
<b><u>Current Assets, Loans &amp; Advance</u></b>			
Cash & Bank Balance	4	585,319	1,911,960
Loans & Advances	5	5,876,070	4,731,514
		<b>6,461,389</b>	<b>6,643,474</b>
Less :			
Current Liabilities & Provisions	6	28,801	64,461
		<b>28,801</b>	<b>64,461</b>
Net Current Assets		<b>6,432,588</b>	<b>6,579,013</b>
Deferred Tax Assets		199,688	156,312
<b><u>MISCELLANEOUS EXPENDITURE</u></b>			
(To the extent not W/O or adjusted)			
Preliminary Expenses		1,720,400	2,613,050
Profit & Loss Account		2,607,907	1,612,208
		<b>963,173,583</b>	<b>963,173,583</b>
<b><u>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</u></b>			
	8		

For and behalf of the Board

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

(CHARTERED ACCOUNTANTS)

*Tapas Mondal.*

**Tapas Mondal**  
Director

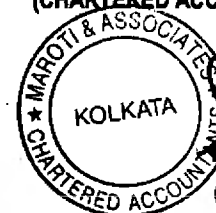
Place : Kolkata

Dated : 24th Day of June, 2011

*R. Chandra Daga*

**Ramesh Chandra Daga**  
M. Director

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



*M. K. Maroti*  
**M. K. Maroti**  
(Proprietor)

M. No. 057073

FIRM REG NO : 322770E

# MANGALAM INDUSTRIAL FINANCE LIMITED

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

<u>PARTICULARS</u>	<u>Schedule</u>	<u>CURRENT YEAR</u> <u>Rs.</u>	<u>PREVIOUS YEAR</u> <u>Rs.</u>
<b><u>INCOMES</u></b>			
Interest (Gross) (T.D.S.Rs.46130/- P.Y.Rs.59,819/-)		461,302	599,166
Interest on IT Refund		13,620	7,428
Dividend Received		12,500	10,000
		<b>487,422</b>	<b>616,594</b>
<b><u>EXPENDITURES</u></b>			
Administrative and Other Expenses	7	619,507	536,562
Preliminary Expenses W/Off.		892,650	892,650
		<b>1,512,157</b>	<b>1,429,212</b>
Profit / (Loss) before Tax		(1,024,735)	(812,618)
Adjustment for Deferred Tax		43,376	(126,919)
Profit / (Loss) after Tax		(981,359)	(939,537)
Less: Provision for Standard Assets (As per RBI Act)		(14,340)	-
		(995,699)	(939,537)
Brought forward from earlier years		(1,612,208)	(672,671)
<b>Balance Carried Over to Balance Sheet</b>		<b>(2,607,907)</b>	<b>(1,612,208)</b>
<b>Earning per Share (EPS)</b> (on nominal value of shares of Rs.10/- each)			
Basic (Rs.)		(0.010)	(0.010)
Diluted (Rs.)		(0.010)	(0.010)
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	8		

For and behalf of the Board

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

*Tapas Mondal*

**Tapas Mondal**  
**Director**

Place : Kolkata

Dated : 24th Day of June, 2011

*Ramesh Chandra Daga*

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

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



*M. K. Maroti*

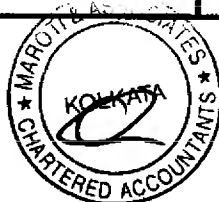
**M. K. Maroti**  
**(Proprietor)**

M. No. 057073

FIRM REG NO : 322770E

**MANGALAM INDUSTRIAL FINANCE LIMITED**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH, 2011**

	Current Year	Previous Year
	Ra.	Rs.
<b>Schedule - 1</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
9,61,70,000 (P.Y. 9,61,70,000) Equity Shares of Rs.10/- each	961,700,000	961,700,000
<b>Issued, Subscribed &amp; Paid up</b>		
9,61,64,350 (P.Y. 9,61,64,350) Equity Share of Rs.10/- each	961,643,500	961,643,500
Fully Paid-up.	961,643,500	961,643,500
( refer to note : 3 of notes on accounts )		
<b>Schedule - 2</b>		
<b>Reserves &amp; Surplus</b>		
Capital Reserve	370,630	370,630
Amalgamation Resrerve	1,050,000	1,050,000
Reserve Fund	108,749	108,749
Special Reserve (As Per Requirement of RBI)	704	704
	1,530,083	1,530,083
<b>Schedule - 3</b>		
<b>Investments (Long Term, Non Trade, valued at Cost)</b>		
Quoted Equity Shares	42,613,000	42,613,000
Unquoted Equity Shares	909,600,000	909,600,000
	952,213,000	952,213,000
Market Value of Quoted Investments	59,125,000	42,613,000
<b>Schedule - 4</b>		
<b>Cash &amp; Bank Balances :</b>		
Cash in hand (As certified)	224,991	438,640
Bank Balance with Schedule Banks in Current Accounts	360,328	1,473,320
	585,319	1,911,960
<b>Schedule - 5</b>		
<b>Loans &amp; Advances ( unsecured considered good )</b>		
Loans	5,679,969	4,451,763
<b>Advances</b>		
(Recoverable in Cash or in kind or for value to be received and or to be adjusted	56,180	56,180
Mat Tax Credit Receivable	19,556	19,556
Tax Deducted at Source	119,413	203,063
Income Tax Refund Receivable	952	952
	5,876,070	4,731,514



<b>Schedule - 6</b>		
<b>Current Liabilities &amp; Provisions</b>		
<b>Sundry Creditors</b>		
Other than Micro Small and Medium Enterprises	-	50,000
Liabilities for Expenses	13,236	13,236
Provision for Taxation	1,225	1,225
Provision for Standard Assets (As per RBI Act)	14,340	-
	<b>28,801</b>	<b>64,461</b>
<b>Schedule - 7</b>		
<b>Administrative &amp; Other Expenses:</b>		
Advertisement Expenses	12,243	14,744
Audit Fees	15,442	13,236
Bank Charges	238	1,039
Certification Fees	10,000	10,000
Data entry charges	15,000	15,000
Demat Expenses	662	684
Depository Expenses	110,300	78,544
Directors Remuneration	96,000	48,000
Filing Fees	2,500	7,500
General Expences	10,033	-
Legal Expenses	33,400	43,861
Listing Fees	150,908	158,881
Miscellaneous Expenses	-	9,331
Postage & Telegram	9,125	8,240
Printing & Stationery	29,485	18,670
Rates & Taxes	4,400	7,624
Salaries & Bonus	104,000	91,000
Transfer Agent Fees	15,772	10,208
	<b>619,507</b>	<b>536,562</b>

For and behalf of the Board

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

*Tapas Mondal*

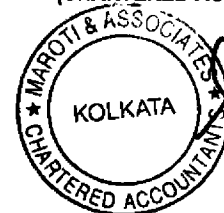
**Tapas Mondal**  
**Director**

Place : Kolkata

*Ramesh Chandra Daga*

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

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



*M. K. Maroti*  
**M. K. Maroti**  
**(Proprietor)**

M. No. 057073

FIRM REG NO : 322770E

**Schedule-8****Significant Accounting Policies :****01 ACCOUNTING CONVENTIONS**

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

**02 INVESTMENTS**

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

**03 RECOGNITION OF INCOME & EXPENDITURE**

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

**04 PRELIMINARY EXPENSES**

Preliminary Expense is amortised over a period of Five years.

**05 TAXES ON INCOME**

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

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

**06 SEGMENT ACCOUNTING**

As the Company has only one Segment of Non-Banking Financial Activities, hence, it is not required.

**NOTES ON ACCOUNTS****01 Deferred Taxation :**

The Principal components of Deferred Tax Assets :

	<u>As on 01.04.2011</u>	<u>As on 01.04.2010</u>
Op. Balance for Accumulated Losses	156,312	283,231
Generated	43,376	-
Reversed during the year	-	(126,919)
Deferred Tax Assets	199,688	156,312

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

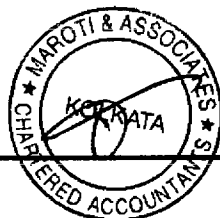
**02 The break up of Issued, Subscribed and paid up Capital is as below :**

for Cash -12,19,350 equity shares of Rs.10/- each fully paid up

Other than Cash - 9,49,45,000 equity shares of Rs.10/- each fully paid up

**03 The earning per share (EPS) has been calculated as specified in Accounting Standard 20 - on "Earning per Share" and relevant disclosures are as under :**

(a) amount used as numerator in calculating basic/diluted EPS :	<u>2010-11</u>	<u>2009-10</u>
Profit after Tax	(995,699)	(939,537)
(b) weighted average no. of shares used as denominator in calculating Basic EPS (Nos.)	96,164,350	96,164,350
Basic EPS	(0.010)	(0.010)
(c) weighted average no. of shares used as denominator in calculating Basic EPS (Nos.)	96,164,350	96,164,350
Less: Adjustment for Share Capital allotted	-	-
weighted average no. of shares used as denominator in calculating Diluted EPS (Nos.)	96,164,350	96,164,350
Diluted EPS	(0.010)	(0.010)



**04 Segment Report :**

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

**05 Related Party Disclosure :**

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

Sl. No.	Name	Relation	Nature of Transaction	Amount Paid
1	Ramesh Chandra Daga	Managing Director	Remuneration	Rs. 96,000/-

- 06** The Company has Complied this information based on the current information in its possession as at 31.03.2011 , No supplier has intimated the Company about its status as a Micro or Small enterprise or its Registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006  
Amount due to Micro Small and Medium Enterprises as on 31.03.2011 RS NIL ( PY RS NIL )
- 07** Provision for Outstanding Standard Assets have been made @ 0.25% as per RBI Circular No.: DNBPS.PD.CC.No. 207/03.02.002 /2010-11 dated: 17-01-2011.
- 08** No Provision has been made on account of gratuity as none of the employees have put in completed years of Service as required by the Payment of Gratuity Act.
- 09** No provision has been made on account of leave salary as there are no leave to the credit of employees as at the end of the year .
- 10** Previous Year figures have been regrouped, rearranged or recasted wherever considered necessary. Further they are not comparable with those of the current year as the current year figure are merged figures containing trasactions of the transferer companies.
- 11** Informations required to be furnished under paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is given in separate Annexure.

Signature to the Schedule 1 to 8

For and behalf of the Board

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

*Tapas Mondal.*

**Tapas Mondal**  
**Director**

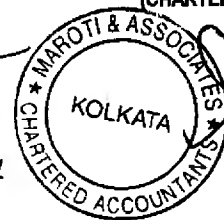
Place : Kolkata

Dated : 24th Day of June, 2011

*Ramesh Chandra Daga*

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

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



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

**FIRM REG NO : 322770E**



**MANGALAM INDUSTRIAL FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011**

	<u>31.03.2011</u>	<u>31.03.2010</u>
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax (a)	(1,024,735)	(812,618)
Add :		
Preliminary Expenses W/O.	892,650	892,650
Less:-		
Dividend Income	(12,500)	(10,000)
Sub Total - (b)	880,150	882,650
<b>Operating Profit before Working Capital Changes</b>	<b>(a)+(b)</b>	<b>70,032</b>
<b>Adjustments</b>		
Decrease in Inventories	-	-
Decrease in Loans & Advances	(1,228,206)	1,876,714
Decrease in Trade Receivables	-	-
Increase in Current Liabilities	(50,000)	-
Dividend Income	12,500	10,000
Adjustments for I.T & Provisions	83,650	39,213
Sub Total - (c)	<b>(1,182,056)</b>	<b>1,925,927</b>
<b>Net Cash from Operating Activities</b>	<b>A</b>	<b>1,995,959</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase / (Decrease ) in Investments	-	(1,200,000)
Sale of Fixed Assets	-	-
<b>Net Cash from Investing Activities</b>	<b>B</b>	<b>(1,200,000)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Capital raised during the year	-	-
Profit/(Loss) of Transferor Companies	-	-
Amalgamation Resreve	-	-
Preliminary Expenses	-	-
Loan Raised during the year	-	-
<b>Net Cash from Financing Activities</b>	<b>C</b>	<b>-</b>
<b>Net Increase in Cash/Cash Equivalent</b>	<b>A+B+C</b>	<b>795,959</b>
<b>Cash/Cash Equivalent (Opening)</b>	<b>1,911,960</b>	<b>1,116,001</b>
<b>Cash/Cash Equivalent (Closing)</b>	<b>585,319</b>	<b>1,911,960</b>

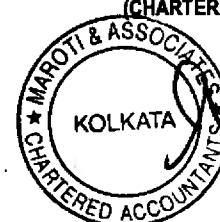
For and behalf of the Board

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

*Tapas Mondal*  
Tapas Mondal  
Director

*R. C. Daga*  
Ramesh Chandra Daga  
M. Director

*Sanjay Kumar Rout*  
Sanjay Kumar Rout  
Company Secretary



*M. K. Maroti*  
M. K. Maroti  
(Proprietor)

Place : Kolkata  
Dated : 24th Day of June, 2011

M. No. 057073  
FIRM REG NO : 322770E

# MANGALAM INDUSTRIAL FINANCE LIMITED

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE			
<b>I</b>	<b>Registration Details :</b>		
	State Code	:	21
	Registration No.	:	L65993WB1983PLC035815
	Balance Sheet Date	:	31.03.2011
<b>II</b>	<b>Capital Raised During the Year :</b>		
	Public Issue	:	NIL
	Right Issue	:	NIL
	Bonus Issue	:	NIL
	Private Placement	:	NIL
<b>III</b>	<b>Position of Mobilisation &amp; Deployment of Fund : ( Rs '000)</b>		
	Total Liabilities	:	963,202
	Total Assets	:	963,202
	<b>Sources of Funds :</b>		
	Paid-up Capital	:	961,644
	Reserve & Surplus	:	1,530
	Secured Loans	:	-
	Unsecured Loans	:	-
	Deferred Tax Liabilities	:	-
	<b>Application of Funds :</b>		
	Net Fixed Assets	:	-
	Investments	:	952,213
	Net Current Assets	:	6,433
	Misc. Expenses	:	1,720
	Accumulated Losses	:	2,608
	Deferred Tax Assets	:	200
<b>IV</b>	<b>Performance of the Company : ( Rs'000 )</b>		
	Turnover	:	487
	Total Expenditure	:	1,512
	Profit/(Loss) Before Tax	:	(1,025)
	Profit/(Loss) After Tax	:	(996)
	Earning per Share (Rs.)	:	(0.010)
	Dividend Rate %	:	NIL
<b>V</b>	<b>Generic Name of Three Products/Services of the Company (as per monetary terms) :</b>		
	Item Code	:	N.A.
	Product Description	:	FINANCE COMPANY

For and behalf of the Board

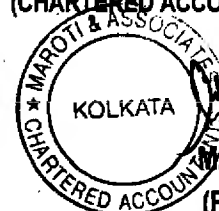
In terms of our report of even date  
**For MAROTI & ASSOCIATES**

(CHARTERED ACCOUNTANTS)

*Tapas Mondal*  
Tapas Mondal  
Director

*Ramesh Chandra Daga*  
Ramesh Chandra Daga  
M. Director

*Sanjay Kumar Rout*  
Sanjay Kumar Rout  
Company Secretary



*M. K. Maroti*  
M. K. Maroti  
(Proprietor)

M. No. 057073

FIRM REG NO : 322770E

Place : Kolkata

Dated : 24th Day of June, 2011

**ANNEXURE REFERRED TO IN NOTES OF ACCOUNTS OF  
ANNEXED AS PER RESERVE BANK OF INDIA PRUDENTIAL NORMS  
SCHEDULE '8' TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL  
COMPANY AS ON 31.03.2011 AS REQUIRED IN TERMS OF PARAGRAPH 13 OF NON  
BANKING FINANCIAL (NON DEPOSIT ACCEPTING OR HOLDING) COMPANIES  
PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007**

**PARTICULARS**

**(RS IN LACS)**

**LIABILITIES SIDE**

**1**

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

**ASSET SIDE**

**2**

<b>BREAK UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES OTHER THAN THOSE INCLUDED IN ( 4 ) BELOW</b>		<b><u>AMOUNT OUTSTANDING</u></b>
	• SECURED	NIL
	• UNSECURED	57.00
	<b>BREAK UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES</b>	NIL
<b>1</b>	<b>LEASE ASSETS INCLUDING LEASE RENTALS UNDER SUNDRY DEBTORS</b>	
	• FINANCIAL LEASE	NIL
	• OPERATING LEASE	NIL
<b>2</b>	<b>STOCK ON HIRE INCLUDING HIRE CHARGES UNDER SUNDRY DEBTORS</b>	
	• ASSETS ON HIRE	NIL
	• REPOSSESSED ASSETS	NIL
<b>3</b>	<b>HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES</b>	NIL
	• LOANS WHERE ASSETS HAVE BEEN REPOSSESSED	NIL
	• LOANS OTHER THAN ABOVE	NIL



### BREAK UP OF INVESTMENTS

3

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

	<b>• LONG TERM INVESTMENTS</b>		
1	<b>QUOTED</b>		
	<b>• SHARES</b>		
	<b>EQUITY</b>		426.13
	<b>PREFERENCE</b>		NIL
	<b>• DEBENTURES AND BONDS</b>		NIL
	<b>• UNITS OF MUTUAL FUNDS</b>		NIL
	<b>• GOVERNMENT SECURITIES</b>		NIL
	<b>• OTHERS</b>		NIL
2	<b>UNQUOTED</b>		
	<b>• SHARES</b>		
	<b>EQUITY</b>		9096.00
	<b>PREFERENCE</b>		NIL
	<b>• DEBENTURES AND BONDS</b>		NIL
	<b>• UNITS OF MUTUAL FUNDS</b>		NIL
	<b>• GOVERNMENT SECURITIES</b>		NIL
	<b>• OTHERS</b>		NIL



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

4

<b>CATEGORY</b>			<b>AMOUNT NET OF PROVISIONS</b>		
<b>1</b>		<b>RELATED PARTIES</b>	<b>SECURED</b>	<b>UNSECURED</b>	<b>TOTAL</b>
	<b>a</b>	<b>SUBSIDIARIES</b>	NIL	NIL	NIL
	<b>b</b>	<b>COMPANIES IN THE SAME GROUP</b>	NIL	NIL	NIL
	<b>c</b>	<b>OTHER RELATED PARTIES</b>	NIL	NIL	NIL
<b>2</b>		<b>OTHER THAN RELATED PARTIES</b>	NIL	57.00	57.00
		<b>TOTAL</b>	NIL	57.00	57.00

**INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED)**

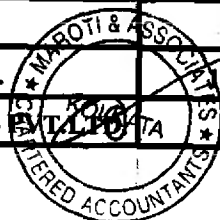
<b>CATEGORY</b>			<b>MARKET VALUE /BREAK UP OF FAIR VALUE OR NAV</b>	<b>BOOK VALUE (NET OF PROVISION)</b>
<b>1</b>		<b>RELATED PARTIES</b>		
	<b>a</b>	<b>SUBSIDIARIES</b>	NIL	NIL
	<b>b</b>	<b>COMPANIES IN THE SAME GROUP</b>	NIL	NIL
	<b>c</b>	<b>OTHER RELATED PARTIES</b>	NIL	NIL
<b>2</b>		<b>OTHER THAN RELATED PARTIES</b>	9687.25	9522.13
		<b>TOTAL</b>	<b>9687.25</b>	<b>9522.13</b>

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



**MANGALAM INDUSTRIAL FINANCE LIMITED**  
**SCHEDULE OF SHARE INVESTMENTS AS ON 31.03.2011**

<b><u>QUOTED</u></b> <b><u>(Long Term other than Trade)</u></b>	<b><u>Current Year</u></b>		<b><u>Previous Year</u></b>	
	<b><u>Qty.</u></b>	<b><u>Rs.</u></b>	<b><u>Qty.</u></b>	<b><u>Rs.</u></b>
SHREE SECURITIES LTD.	215,000	42,613,000	215,000	42,613,000
<b>TOTAL : A</b>	<b>215,000</b>	<b>42,613,000</b>	<b>215,000</b>	<b>42,613,000</b>
<b><u>UNQUOTED</u></b>				
AARPEE COMMERCIAL CO. PVT. LTD.	37,000	14,800,000	37,000	14,800,000
AGARWAL TREXIM PVT. LTD.	33,750	13,500,000	33,750	13,500,000
ALBRIGHT AGENCIES PVT. LTD.	62,500	25,000,000	62,500	25,000,000
ALLIED TREXIM PVT. LTD.	30,000	12,000,000	30,000	12,000,000
AMCO AGENTS PVT. LTD.	97,750	39,100,000	97,750	39,100,000
APURVA DISTRIBUTORS PVT. LTD.	21,250	8,500,000	21,250	8,500,000
BAJORIA DISTRIBUTORS PVT. LTD.	21,500	8,600,000	21,500	8,600,000
BIVOLTINE MERCANTILES PVT. LTD.	25,000	10,000,000	25,000	10,000,000
BLACK DIAMOND MERCANTILES PVT.LTD.	12,500	5,000,000	12,500	5,000,000
BLISS DEALCOMM PVT. LTD.	23,000	9,200,000	23,000	9,200,000
BRENTWOOD MERCHANDISE PVT. LTD.	72,250	28,900,000	72,250	28,900,000
BRIGHTSTAR MERCANTILES PVT. LTD	40,625	16,250,000	40,625	16,250,000
BULLPOWER SUPPLIERS PVT. LTD.	8,750	3,500,000	8,750	3,500,000
CAMPUS IMPEX PVT. LTD.	48,250	19,300,000	48,250	19,300,000
CARNEX VINIMAY PVT. LTD.	22,500	9,000,000	22,500	9,000,000
CINDRELLA COMMODITIES PVT. LTD.	44,000	17,600,000	44,000	17,600,000
CREATIVE COMMDEAL PVT. LTD.	10,500	4,200,000	10,500	4,200,000
CYGNUS TREXIM PRIVATE LIMITED	23,250	9,300,000	23,250	9,300,000
DAGA BUSINESS & CREDIT PVT. LTD.	34,625	13,850,000	34,625	13,850,000
DHOOMKETU MARKETING PVT.LTD	100,000	40,000,000	100,000	40,000,000
DAGA MERCANTILE & FINANCE P. LTD.	21,250	8,500,000	21,250	8,500,000
FORTUNE TRADE & VYAPAAR PVT LTD.	7,500	3,000,000	7,500	3,000,000
FRONTIER VANIJYA PVT. LTD	21,250	8,500,000	21,250	8,500,000
GOLDEN ERA MERCHANTS ERA PVT. LTD.	53,000	21,200,000	53,000	21,200,000
GAGANBASE SALES PVT. LTD.	18,750	7,500,000	18,750	7,500,000
GANGOTRI SYNTEX PVT.LTD.	25,000	10,000,000	25,000	10,000,000
HERITAGE TREXIM PVT. LTD.	42,000	16,800,000	42,000	16,800,000
JANITOR DISTRIBUTORS PVT. LTD.	42,500	17,000,000	42,500	17,000,000
KASHYAP COMMDEAL PVT.LTD.	21,250	8,500,000	21,250	8,500,000
LOTUS TRADE & VYAPAAR PVT. LTD.	11,000	4,400,000	11,000	4,400,000
MAXXON TRADING & FINVEST PVT LTD	75,000	30,000,000	75,000	30,000,000
MAARS ADVISORY SERVICES PVT. LTD.	8,000	3,200,000	8,000	3,200,000
NEXCARE AGENCY PVT. LTD.	8,000	3,200,000	8,000	3,200,000
NOBLECARE AGENCIES PVT. LTD.	161,500	64,600,000	161,500	64,600,000
NOVAGOLD ADVISORY SERVICES PVT.LTD	8,250	3,300,000	8,250	3,300,000



**MANGALAM INDUSTRIAL FINANCE LIMITED**  
**SCHEDULE OF SHARE INVESTMENTS AS ON 31.03.2011**

<b>QUOTED</b> <b>(Long Term other than Trade)</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Qty.</b>	<b>Rs.</b>	<b>Qty.</b>	<b>Rs.</b>
ODYSEE VANIJYA PVT. LTD.	56,000	22,400,000	56,000	22,400,000
ORIENTAL COMMOTRADE PVT. LTD.	8,750	3,500,000	8,750	3,500,000
PICCADILY SALES & SERVICES P. LTD.	10,000	4,000,000	10,000	4,000,000
PLENTY NIRYAT PVT.LTD.	7,750	3,100,000	7,750	3,100,000
PRIYANKA TREXIM & COMMERCE P. LTD	22,500	9,000,000	22,500	9,000,000
ROPLAS COMMOTRADE PVT LTD	50,000	20,000,000	50,000	20,000,000
RIGHT COMMODITIES PVT. LTD.	42,500	17,000,000	42,500	17,000,000
RIKZEN CONTRA PVT. LTD.	50,000	20,000,000	50,000	20,000,000
SHULTON VYAPAAR PVT. LTD.	44,750	17,900,000	44,750	17,900,000
SNOWFALL AGENCIES PVT.LTD.	24,750	9,900,000	24,750	9,900,000
SREE GANESH FINCO & CREDIT PVT. LTD	12,750	5,100,000	12,750	5,100,000
TABASSUM SUPPLIERS PVT. LTD.	22,250	8,900,000	22,250	8,900,000
VIRAL COMMERCIAL COMPANY PVT. LTD	100,000	40,000,000	100,000	40,000,000
YUKEN MERCHANDISE PVT. LTD.	289,750	115,900,000	289,750	115,900,000
ZED DEALCOMM PVT. LTD.	20,500	8,200,000	20,500	8,200,000
ZEN MERCHANTS PVT. LTD.	105,250	42,100,000	105,250	42,100,000
ZENSTAR MARKETING PVT. LTD.	113,250	45,300,000	113,250	45,300,000
<b>TOTAL : B</b>	<b>2,274,000</b>	<b>909,600,000</b>	<b>2,274,000</b>	<b>909,600,000</b>
<b>TOTAL : A+B</b>	<b>2,489,000</b>	<b>952,213,000</b>	<b>2,489,000</b>	<b>952,213,000</b>

<b>MARKET VALUE OF QUOTED SHARES</b>		<b>59,125,000</b>		<b>42,613,000</b>
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For and behalf of the Board

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

968,725,000

*Tapas Mondal.*

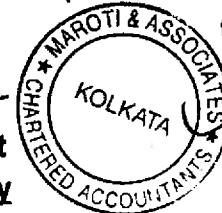
**Tapas Mondal**  
**Director**

Place : Kolkata

Dated : 24th Day of June, 2011

*Ramesh Chandra Daga*  
**Ramesh Chandra Daga**  
**Director**

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



*M. K. Maroti*  
**M. K. Maroti**  
**(Proprietor)**

M. No. 057073

FIRM REG NO : 322770E