

**MANGALAM**

**INDUSTRIAL**

**FINANCE**

**LIMITED**

***ANNUAL REPORT***

***2008 – 2009***

# **MANGALAM INDUSTRIAL FINANCE LIMITED**

---

- BOARD OF DIRECTORS** : **SHRI RAMESH CHANDRA DAGA  
SHRI ARUN CHAKRABORTY  
SMT. KAKOLI MONDAL  
SHRI SUDARSON KAYORI  
SHRI TAPAS MONDAL  
SHRI RATHINDRA NATH GHOSH  
SHRI KABITA GHOSH**
- 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**
- 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 : mifl\_1983@yahoo.co.in**
- 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**

---

## **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 **Tuesday, 29<sup>th</sup> Day of September, 2009** at **2.30 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, 2009** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mrs. Kakoli Mondal & Mrs. Kabita Ghosh** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

### **Special Business:**

To consider and if thought fit to pass, with or without modification the following resolutions as ordinary resolution

4. To consider and if thought fit to pass the following resolution with or without modification the following resolution as ordinary resolution:  
**RESOLVED THAT Mr. Ramesh Chandra Daga** be and is hereby appointed a director of the Company liable to retire by rotation.
5. **"RESOLVED THAT** subject to approval of members in General Meeting, pursuant to section 198, 269, 309 & 311 read with Schedule XIII and other applicable provisions of The Companies Act, 1956, **Mr. Ramesh Chandra Daga** be and is hereby appointed as Managing Director of the Company with effect from **1<sup>st</sup> day of October, 2009** for a period of 5 years with monthly remuneration of Rs. 8,000/-"

### **Registered Office:**

**3, Synagogue Street,  
2<sup>nd</sup> Floor, Room No. 17  
Kolkata -700 001 (W.B)**

**Dated : 20<sup>th</sup> day of August, 2009**

### **By Order of the Board**

*Tapas Mondal*

**Tapas Mondal  
Director**

---

### **Notes:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the Meeting Hall.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **23<sup>rd</sup> day of September, 2009 to 29<sup>th</sup> day of September, 2009** (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.

## EXPLANATORY STATEMENT

### UNDER SEC 173 OF THE COMPANIES ACT

#### Item No – 4

**Mr. Ramesh Chandra Daga** was appointed as an additional director of the company on 31.07.2009 and pursuant to the provisions of Section 260 of the Companies Act, 1956 and of the Articles of Associations of the Company he holds office as Director only up to the date of ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956 a Notice has been received from a member together with the requisite deposit proposing appointment of **Mr. Ramesh Chandra Daga** as Director liable to retire by rotation.

The Board considered it desirable in the interest of the Company to appoint **Mr. Ramesh Chandra Daga** as Director and hence, recommends resolution for approval of the Shareholders.

Except **Mr. Ramesh Chandra Daga** none other Directors of the Company is concerned or interested in the proposed resolution.

#### Item No – 5

**Mr. Ramesh Chandra Daga** was appointed as an additional director of the company on 31.07.2009. The Board of Directors recommends to appoint **Mr. Ramesh Chandra Daga** as Managing Director of the Company w.e.f 01<sup>st</sup> October, 2009. **Mr. Ramesh Chandra Daga** has given his consent for the same subject to confirmation by the shareholders. It is considered that it would be in the interest of the company to appoint **Mr. Ramesh Chandra Daga** as a Managing Director of the Company.

None of the Director except **Mr. Ramesh Chandra Daga** is interested or concerned in the said resolution.

**Registered Office:**  
**3, Synagogue Street,**  
**2<sup>nd</sup> Floor, Room No. 17**  
**Kolkata -700 001 (W.B)**  
**Dated : 20<sup>th</sup> day of August, 2009**

By Order of the Board  
*Tapas Mondal,*  
**Tapas Mondal**  
**Director**

# **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, 2009**.

### **1. FINANCIAL RESULTS :**

(Fig. in RS)

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	<b>(850,327)</b>	<b>1,97,357</b>
<b>PROVISION FOR TAXES</b>		
Current tax	-	<b>(19,556)</b>
MAT Tax Credit Receivable	-	<b>19,556</b>
Deferred Tax	<b>(17,404)</b>	<b>(56,957)</b>
<b>PROFIT AFTER TAX</b>	<b>(850,327)</b>	<b>1,40,400</b>
<b>Deferred Tax for earlier years</b>	-	<b>2,08,741</b>
Brought forward from earlier years	<b>269,371</b>	<b>(79,770)</b>
Brought forward from earlier years of erst while transferor companies	<b>(74,311)</b>	-
Balance Carried To Balance Sheet	<b>(672,671)</b>	<b>2,69,371</b>

### **2. FUTURE PERFORMANCE :**

In the year under review, the Company has incurred Loss of **Rs. 8,50,327/-**. Your Directors are identifying prospective areas and will make appropriate investments that will maximise the revenue of the company in the current Financial Year.

### **3. AMALGAMATION :**

During the financial year "**ACTION DEALCOMM PVT. LTD.**" and "**AMRIT COMMOTRADE PVT. LTD.**" have been amalgamated with the company upon sanctioning of the scheme of amalgamation by the Hon'ble High Court Calcutta.

### **4. DIVIDEND :**

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

### **5. AUDITORS :**

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

### **6. DIRECTORS :**

**Mrs. Kakoli Mondal** and **Mrs. Kabita Ghosh** retires by rotation and being eligible, offers Themselves for re-appointment.

**Mr. Ramesh Chandra Daga** was appointed as an additional director of the company on 31.07.2009 and will hold office until the conclusion of the ensuing Annual General Meeting of the Company and is eligible for reappointment.

Further The Board of Directors recommends to appoint Mr. Ramesh Chandra Daga as Managing Director of the Company w.e.f:1<sup>st</sup> October, 2009. Mr. Ramesh Chandra Daga has given his consent for the same subject to confirmation by the shareholders. It is considered that it would be in the interest of the company to appoint Mr. Ramesh Chandra Daga as a Managing Director of the Company

#### **7. 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.

#### **8. 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

#### **9. 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.

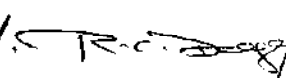
#### **10. CORPORATE GOVERNANCE :**

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.

#### **11. 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

*Topas Mandal* 

Date : 20<sup>th</sup> day of August, 2009  
Place: Kolkata

Directors

Directors

## 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. 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>Mrs. Kabita Ghosh</b>	Director	Non-Executive Independent	-----	-----
<b>Mr. Ramesh Chandra Daga</b>	Director	Executive	-----	-----

b) Appointment/Reappointment of Directors

**Mrs. Kakoli Mondal and Mrs. Kabita Ghosh** who retires by rotation during the ensuing Annual General Meeting and is eligible for reappointment.

**Mr. Ramesh Chandra Daga** who was appointed as Addition Director of the Company on 31<sup>st</sup> July, 2009.



### 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. Sudarson Kayori</b>	Non Executive
<b>Mrs. Kakoli Mondal</b>	Non Executive

During the year under review 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. Sudarson Kayori</b>	Non Executive
<b>Mrs. Kakoli Mondal</b>	Non Executive

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





## 5) BOARD PROCEDURE

### Composition:

At present the strength of the Board is 7 (Seven) 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. Arun Chakraborty	Non Executive Director	12	YES
Mr. Suderson Kayori	Non Executive Director	12	YES
Mrs.Kakoli Mondal	Non Executive Director	12	YES
Mr. Tapas Mondal	Non-Executive Independent	10	YES
Mr. Rathindra Nath Ghosh	Non-Executive Independent	8	YES
Mrs.Kabita Ghosh	Non-Executive Independent	8	YES
Mr. Ramesh Chandra Daga (appointed on 31.07.2009)	Executive Director	-----	-----

During the financial year ending 31.03.2009 :- 12 (Twelve) meeting of the Board of Directors were held on 30.04.2008, 09.06.2008, 11.06.2008, 01.07.2008, 12.07.2008, 31.07.2008, 19.08.2008, 31.10.2008, 31.01.2008, 05.02.2009, 02.03.2009 & 13.03.2009.

Apart from the above 2 (Two) Extra Ordinary General Meeting of the Company was held on 14.11.2008 and 04.03.2009

### 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.

#### **6) 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>2005-2006</b>	<b>29.06.2006</b>	<b>1.30PM</b>	<b>3,Synagogue Street, 2<sup>nd</sup> Floor, Kolkata-700001</b>
<b>2006-2007</b>	<b>28.09.2007</b>	<b>3.30PM</b>	<b>3,Synagogue Street, 2<sup>nd</sup> Floor, Kolkata-700001</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>

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.

#### **7) DISCLOSURES**

During the financial year ended **March 31, 2009** 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.

#### **8) 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 the investors and to the public at large by faxing the information to the Stock Exchanges as and when happened.

#### **9) GENERAL SHAREHOLDER INFORMATION**

##### **ANNUAL GENERAL MEETING :**

**Date : 29<sup>th</sup> Day of September, 2009**

**Day : Tuesday**

**Time : 2.30 p.m.**

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

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



From 23<sup>rd</sup> day of September, 2009 to 29<sup>th</sup> day of September, 2009 (both days inclusive)

**LISTING OF SECURITIES:**

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

Code No. 023098  
Code No. M00023

**LISTING FEES**

The Company has paid listing fees for the financial year 2008-2009 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, 2009:**

<u>Slab</u>	<u>No. of Shareholders</u>		<u>No. of Ordinary Shares</u>	
	<u>Total</u>	<u>% of Shareholders</u>	<u>Total</u>	<u>% to Share Capital</u>
1-500	373	80.5616	37,930	0.0394
501-1000	13	2.8078	10,100	0.0105
1001-5000	10	2.1598	23,585	0.0245
5001-10000	14	3.0238	92,670	0.0964
10001-50000	7	1.5119	248,850	0.2588
50001-100000	5	1.0799	450,230	0.4682
100001 and above	41	8.8553	95,300,985	99.1022
<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, 2009:**

<u>Category</u>	<u>No. of Shares</u>	<u>%</u>
Public	1,027,030	1.068
Domestic Bodies Corporate	69,618,120	72.395
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 LTD.  
3, Synagogue Street, 2<sup>nd</sup> Floor,  
Kolkata - 700001

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, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

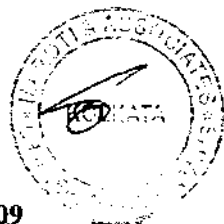
The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit 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.

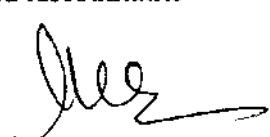
As required by the Guidance note issued by the institute of Chartered Accountants of India, we have to state that based on the report given by the Registrar of Company to the investor's Grievance Committee, there was no Investors' Grievance matter remaining unattended for more than 30 days as on 31st March, 2009, 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



Date : 20<sup>th</sup> Day of August, 2009  
Place : Kolkata

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

**AUDITORS' REPORT**

To

**The Members,**

**MANGALAM INDUSTRIAL FINANCE LIMITED**

We have audited the attached Balance Sheet of **MANGALAM INDUSTRIAL FINANCE LIMITED**, as at **31st March 2009** 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 these books ;

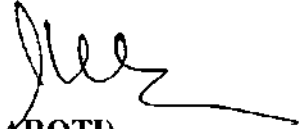


3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 ;
5. On the basis of written representations received from the Directors, as on **31st March, 2009**, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March, 2009** 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, 2009** ; 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.

Place : **Kolkata**  
Date : **20<sup>Th</sup> day of August, 2009**



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

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

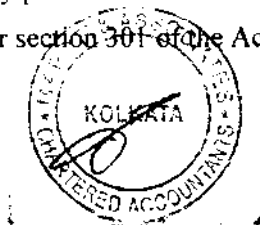
**ANNEXURES TO THE AUDITORS' REPORT**

Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on **31st March 2009**.

1. The Company had No fixed assets during the year .Hence Clause 4 ( I ) ( a ) ( b ) and ( c ) are not applicable .
2. a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of our examination of the record of inventories, we are of the opinion that the Company is maintaining proper records of inventories. No material discrepancies have been noticed on physical verification of inventories with book records and the same have been properly dealt with in the books of accounts.
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 with regard to purchase and sale of shares and mutual funds. 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 there are no contracts or arrangements that need to be entered into the Register maintained under Sec 301 of the Companies Act 1956 b) In our opinion and according to the information and explanations given to us as there are No Contracts or arrangements that need to be entered in to the Register maintained under Sec 301 of the Companies Act 1956, 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 statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other statutory dues applicable to it.  
b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, 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
10. The Company has accumulated loss at the end of the financial year and it has not incurred cash losses in the current and 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 and mutual funds 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 units 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.

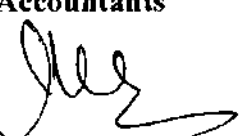
Further to our comments above, we report in terms of Non Banking Financial Companies Auditor's Report ( Reserve Bank ) Directions , 2008

1. 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**.
2. The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Reserve Bank of India
3. On the basis of our examination of current years 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, 2009**.
4. According to the information and explanations given to us the Board of Directors has passed a resolution for Non Acceptance of any Public Deposits
5. 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 accepted any deposit from the public during the year ended **31<sup>ST</sup> March, 2009**
6. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet and profit and loss account of the Company , we report that 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

For **MAROTI & ASSOCIATES**  
Chartered Accountants



Place : **Kolkata**  
Date : **20<sup>Th</sup> day of August, 2009**

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

# MANGALAM INDUSTRIAL FINANCE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	Current Year RS.	Previous Year RS.
<b><u>SOURCES OF FUNDS</u></b>			
Share Capital	1	961,643,500	112,493,500
Reserves & Surplus	2	1,530,083	749,454
		963,173,583	113,242,954
<b><u>APPLICATION OF FUNDS</u></b>			
Investments	3	951,013,000	105,287,505
<b><u>Current Assets, Loans &amp; Advance</u></b>			
Cash & Bank Balance	4	1,116,001	1,008,590
Sundry Debtors	5	-	249,205
Loans & Advances	6	6,666,997	6,396,283
		7,782,998	7,654,078
Less :			
Current Liabilities & Provisions	7	84,017	99,264
		84,017	99,264
Net Current Assets		7,698,981	7,554,814
Deferred Tax Assets		283,231	300,635
<b><u>MISCELLANEOUS EXPENDITURE</u></b>			
(To the extent not W/O or adjusted)			
Preliminary Expenses		3,505,700	100,000
Profit & Loss Account		672,671	-
		963,173,583	113,242,954
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	9		

In terms of our report of even date

**For MAROTI & ASSOCIATES  
(CHARTERED ACCOUNTANTS)**

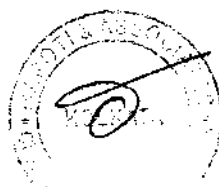
*Topas Mandal*      *R. C. Das*

**Director**

**Director**

**Place : Kolkata**

**Dated : 20th day of August, 2009**



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

## MANGALAM INDUSTRIAL FINANCE LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009

<u>PARTICULARS</u>	<u>Schedule</u>	<u>CURRENT YEAR</u> Rs.	<u>PREVIOUS YEAR</u> Rs.
<b><u>INCOMES</u></b>			
Interest (Gross) (T.D.S.Rs.129,780/- P.Y.Rs.1,18,588/-)		631,878	577,786
Dividend received		10,000	7,500
		<b>641,878</b>	<b>585,286</b>
<b><u>EXPENDITURES</u></b>			
Administrative and Other Expenses	8	499,555	287,929
Preliminary Expenses W/Off.		992,650	100,000
		<b>1,492,205</b>	<b>387,929</b>
Profit / (Loss) before Tax		(850,327)	197,357
Less :Provision for Tax Current Year		-	(19,556)
Mat Tax Credit Receivable		-	19,556
Adjustment for Deferred Tax		(17,404)	(56,957)
Profit / (Loss) after Tax		(867,731)	140,400
Deffred Tax for earlier year		-	208,741
Profit / (Loss) B/F from last year		269,371	(79,770)
Profit / (Loss) of erstwhile Transferor Companies		(74,311)	-
<b>Balance Carried Over to Balance Sheet</b>		<b>(672,671)</b>	<b>269,371</b>
Earning per Share (EPS) (on nominal value of shares of Rs. 10/- each)			
Basic (Rs.)		(0.0090)	0.0125
Diluted (Rs.)		(0.0554)	0.0125
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	9		

In terms of our report of even date

**For MAROTI & ASSOCIATES**  
(CHARTERED ACCOUNTANTS)

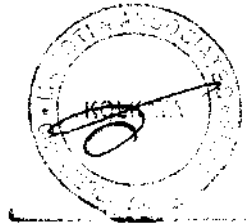
*Topal Mansel.*      *R. C. Dasg*

**Director**

**Director**

Place : Kolkata

Dated : 20th day of August, 2009



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

**MANGALAM INDUSTRIAL FINANCE LIMITED**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH, 2009**

	Current Year	Previous Year
	Rs.	Rs.
<b>Schedule - 1</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
9,61,17,000 ( P.Y. 11,250,000 ) Equity Shares of Rs.10/- each	961,700,000	112,500,000
<b>Issued, Subscribed &amp; Paid up</b>		
9,61,64,350 (P.Y. 11,249,350) Equity Share of Rs.10/- each	961,643,500	112,493,500
Fully Paid-up. ( refer to note :10 of notes on accounts )	961,643,500	112,493,500
<b>Schedule - 2</b>		
<b>Reserves &amp; Surplus</b>		
Capital Reserve	370,630	370,630
Amalgamation Reserve	1,050,000	-
Reserve Fund	108,749	108,749
Special Reserve (As Per Requirement of RBI)	704	704
Profit & Loss Account	-	269,371
	<b>1,530,083</b>	<b>749,454</b>
<b>Schedule - 3</b>		
<b>Investments (Long Term, Non Trade, valued at Cost)</b>		
Quoted Equity Shares	42,613,000	5,505
Quoted Debentures	-	2,000
Unquoted Equity Shares	908,400,000	105,280,000
	<b>951,013,000</b>	<b>105,287,505</b>
Market Value of Quoted Investments	42,613,000	7,505
<b>Schedule - 4</b>		
<b>Cash &amp; Bank Balances :</b>		
Cash in hand (As certified)	572,418	740,762
Bank Balance with Schedule Banks in Current Accounts	543,583	267,827
	<b>1,116,001</b>	<b>1,008,590</b>
<b>Schedule - 5</b>		
<b>Sundry Debtors (Unsecured, Considered Good)</b>		
Due for a period of more than six months	-	249,205
Others	-	-
	-	<b>249,205</b>
<b>Schedule - 6</b>		
<b>Loans &amp; Advances ( unsecured considered good )</b>		
Loans	6,328,477	6,160,744
<b>Advances</b> (Recoverable in Cash or in kind or for value to be received and or to be adjusted)	56,180	60,837
Mat Tax Credit Receivable	19,556	19,556
Tax Deducted at Source	261,832	154,194
Income Tax Refund Receivable	952	952
	<b>6,666,997</b>	<b>6,396,283</b>



<u>Schedule - 7</u>		
<u>Current Liabilities &amp; Provisions</u>		
<u>Sundry Creditors</u>		
Due to Micro Small and Medium Enterprises	-	-
Other than Micro Small and Medium Enterprises	50,000	50,000
Liabilities for Expenses	13,236	28,483
Provision for Taxation	20,781	20,781
	<b>84,017</b>	<b>99,264</b>
<u>Schedule - 8</u>		
<u>Administrative &amp; Other Expenses:</u>		
Advertisement Expenses	34,601	10,128
Audit Fees	13,236	13,483
Bank Charges	469	2,247
Certification Fees	5,000	5,000
Data entry charges	24,000	12,000
Demat Expenses	1,236	337
Depository Expenses	89,888	44,944
Filing Fees	7,200	1,500
Legal Expenses	36,900	31,501
Listing Fees	117,250	49,750
Miscellaneous Expenses	8,061	8,166
Postage & Telegram	6,606	8,873
Printing & Stationery	34,207	13,663
Rates & Taxes	8,250	3,750
Salaries & Bonus	84,500	72,475
Transfer Agent Fees	28,151	10,112
	<b>499,555</b>	<b>287,929</b>

In terms of our report of even date

**For MAROTI & ASSOCIATES  
(CHARTERED ACCOUNTANTS)**

*Tapas Mandal*

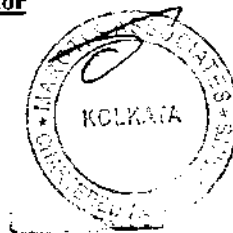
*[Signature]*

Director

Director

Place : Kolkata

Dated : 20th day of August, 2009



*[Signature]*  
M. K. Maroti  
(Proprietor)  
M.No.057073

**Schedule-9**

**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 Amalgamation of Amrit & Action**

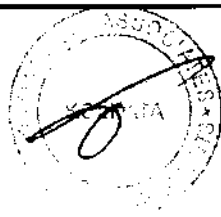
During the Year under a scheme of Amalgamation duly sanctioned by the Hon'ble High Court, Calcutta, Amrit commotrade Private Limited and Action Dealcom Private Limited were amalgated with the Company vide order dated 02.03.2009.

02 As per the Scheme of Amalgamation duly approved by the Hon'ble High Court Calcutta the Authorised Capital of both the transferor Companies ( Amrit Commotrade Private Limited and Action Dealcom Private Limited is added up to the Authorised Capital of the Company .

03 The Company has allotted 8,49,15,000 equity shares of Rs.10/- each as fully paid up to the shareholders of erstwhile transferor Companies as consideration under the Scheme of Amalgamation on 13.03.2009.

04 The accounting enteries for amalgamation is recorded in the books under pooling of interest method in terms of AS - 14 issued by the Institute of Chartered Accountants of India .

05 The Excess of Net value of assets over the value of shares allotted to the respective transferor Companies is adjusted by crediting the Amalgamation Reserve Account in the books.



06 **AMALGAMATION RESERVE :**

	ACTION	AMRIT	TOTAL
Share Capital	12,600,000	8,850,000	21,450,000
Share Premium Account	487,500,000	341,250,000	828,750,000
Net Worth	500,100,000	350,100,000	850,200,000
Cross Holding	-	-	-
No.of share allotted	50,400,000	34,515,000	84,915,000
Cost of Shares allotted	504,000,000	345,150,000	849,150,000
Excess of Consideration	(3,900,000)	4,950,000	1,050,000

07 The preliminary expenses of the respective transferor company has been added up to the preliminary expenses of the Company.

08 The Company is taking steps for transfer of Assets held in the name of erstwhile transferer Companies in its name.

09 No provision for Taxation on profits for the year has been made on account of unabsorbed brought forward losses as per IT Act  
No provision for Taxation has been made under Sec 115JB being Minimum Alternate Tax as there is no income computed accordance with the said provision .

10 **Deferred Taxation :**

The Principal components of Deferred Tax Assets :

	<u>As on 01.04.2009</u>	<u>As on 31.03.2008</u>
Accumulated Losses	300,635	148,851
Generated	22,293	208,741
Reversed during the year	(39,697)	(56,957)
Deferred Tax Assets	283,231	300,635

On Account of unabsorbed losses of erstwhile Transferer Companies.

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.

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

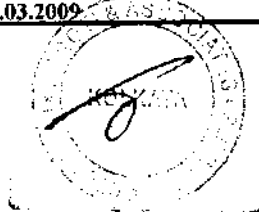
for Cash -12,19,350 equity shares of Rs.10/- each fully paid up

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

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

	<u>2008 - 2009</u>	<u>2007 - 2008</u>
(a) amount used as numerator in calculating basic/diluted EPS :		
Profit after Tax	(867,731)	140,400
(b) weighted average no. of shares used as denominator in calculating Basic EPS (Nos.)	96,164,350	11,249,350
Basic EPS	(0.0090)	0.0125
(c) weighted average no. of shares used as denominator in calculating Basic EPS (Nos.)	96,164,350	11,249,350
Less: Adjustment for Share Capital allotted	80,494,767	-
weighted average no. of shares used as denominator in calculating Diluted EPS (Nos.)	15,669,583	11,249,350
Diluted EPS	(0.0554)	0.0125

NOTE : 8,49,15,000 equity shares allotted under the Scheme of Amalgamation has not been considered in arriving at the EPS as the same was allotted on 13.03.2009.



- 13 **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.
- 14 **Related Party Disclosure :**  
As the Company has not paid anything to the Related Parties as required as per Accounting Standard 18 issued by the Institute of Chartered Accountants of India, there is no need of any disclosure.
- 15 Cash Flow Statement as per requirement of AS-3 issued by the Institute of Chartered Accountants of India is annexed herewith.
- 16 The Company has Complied this information based on the current information in its possession as at 31.03.2009 . 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 Enterises as on 31.03.2009 RS NIL ( PY RS NIL )
- 17 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.
- 18 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 .
- 19 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.
- 20 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 9

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

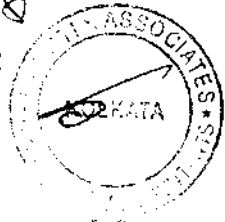
*Topas Mandal.*

**Director**

Place : Kolkata

Dated : 20th day of August, 2009

**Director**



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



# MANGALAM INDUSTRIAL FINANCE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

		<u>31.03.2009</u>	<u>31.03.2008</u>
<b>1.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) before Tax (a)	(850,327)	197,357
	Add :		
	Preliminary Expenses W/O.	992,650	100,000
	Depreciation	-	-
	Loss on Sale of Fixed Assets	-	-
	Less:-		
	Dividend Income	(10,000)	(7,500)
	Sub Total - (b)	982,650	92,500
	<b>Operating Profit before Working Capital Changes</b>	<b>(a)+(b) 132,323</b>	<b>289,857</b>
	Adjustments		
	Decrease in Inventories	-	-
	Decrease in Loans & Advances	(270,714)	(4,185,812)
	Decrease in Trade Receivables	249,205	-
	Increase in Current Liabilities	(15,247)	15,000
	Dividend Income	10,000	7,500
	Adjustments for I.T & Provisions	-	-
	Sub Total - (c)	(26,756)	(4,163,312)
	<b>Net Cash from Operating Activities</b>	<b>A 105,567</b>	<b>(3,873,455)</b>
<b>2.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Increase / (Decrease ) in Investments	(845,725,495)	3,600,000
	Sale of Fixed Assets	-	-
	<b>Net Cash from Investing Activities</b>	<b>B (845,725,495)</b>	<b>3,600,000</b>
<b>3.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Capital raised during the year	849,150,000	-
	Profit/(Loss) of Transferor Companies	(74,311)	-
	Amalgamation Reserve	1,050,000	-
	Preliminary Expenses	(4,398,350)	-
	Loan Raised during the year	-	-
	<b>Net Cash from Financing Activities</b>	<b>C 845,727,339</b>	<b>-</b>
	Net Increase in Cash/Cash Equivalent	A+B+C 107,411	(273,455)
	<b>Cash/Cash Equivalents (Opening)</b>	<b>1,008,590</b>	<b>1,282,045</b>
	<b>Cash/Cash Equivalents (Closing)</b>	<b>1,116,001</b>	<b>1,008,590</b>

For & on behalf of the Board

**For MAROTI & ASSOCIATES  
CHARTERED ACCOUNTANTS**

*Topas Mandal.*

**Director**

Place : Kolkata

Dated : 20th day of August, 2009

**Director**



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

## 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	:	31.03.2009
<b>II</b>	<b>Capital Raised During the Year :</b>		
	Public Issue	:	NIL
	Right Issue	:	NIL
	Bonus Issue	:	NIL
	Private Placement	:	84,91,50,000
<b>III</b>	<b>Position of Mobilisation &amp; Deployment of Fund : ( Rs '000)</b>		
	Total Liabilities	:	963,258
	Total Assets	:	963,258
	<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	:	951,013
	Net Current Assets	:	7,699
	Misc. Expenses	:	3,506
	Accumulated Losses	:	673
	Deferred Tax Assets	:	283
<b>IV</b>	<b>Performance of the Company : ( Rs'000 )</b>		
	Turnover	:	642
	Total Expenditure	:	1,492
	Profit/(Loss) Before Tax	:	(850)
	Profit/(Loss) After Tax	:	(868)
	Earning per Share (Rs.)	:	(0.0090)
	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

In terms of our report of even date

**For MAROTI & ASSOCIATES  
(CHARTERED ACCOUNTANTS)**

*Tapas Mandal*      *RC*  
**Director**                      **Director**



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

**Place : Kolkata  
Dated : 20th day of August, 2009**

**ANNEXURE REFERRED TO IN NOTE NO:-“ 20 ” OF NOTES OF ACCOUNTS OF SCHEDULE “ 9 ” ANNEXED AS PER RESERVE BANK OF INDIA PRUDENTIAL NORMS SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS ON 31.03.2009 AS REQUIRED IN TERMS OF PARAGRAPH 13 OF A NON BANKING FINANCIAL (NON DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007**

**PARTICULARS**

**(RS IN LACS)**

**LIABILITIES SIDE**

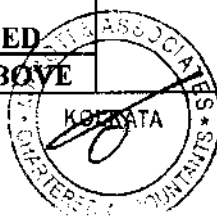
**1**

<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
	• please see note -1 below		

**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	66.67
	<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>HYPOTECATION 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

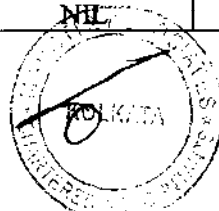
	• CURRENT INVESTMENTS (STOCK IN TRADE)		
1	QUOTED		
	• SHARES		
	EQUITY		NIL
	PREFERENCE		NIL
	• DEBENTURES AND BONDS		NIL
	• UNITS OF MUTUAL FUNDS		NIL
	• GOVERNMENT SECURITIES		NIL
	• OTHERS		NIL
2	UNQUOTED		
	• SHARES		NIL
	EQUITY		NIL
	PREFERENCE		NIL
	• DEBENTURES AND BONDS		NIL
	• UNITS OF MUTUAL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

	• LONG TERM INVESTMENTS		
1	QUOTED		
	• SHARES		
	EQUITY		426.13
	PREFERENCE		NIL
	• DEBENTURES AND BONDS		NIL
	• UNITS OF MUTUAL FUNDS		NIL
	• GOVERNMENT SECURITIES		NIL
	• OTHERS		NIL
2	UNQUOTED		
	• SHARES		
	EQUITY		9084.00
	PREFERENCE		NIL
	• DEBENTURES AND BONDS		NIL
	• UNITS OF MUTUAL FUNDS		NIL
	• GOVERNMENT SECURITIES		NIL
	• OTHERS		NIL

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

4

CATEGORY		AMOUNT NET OF PROVISIONS			
1		RELATED PARTIES	SECURED	UNSECURED	TOTAL
	a	SUBSIDIARIES	NIL	NIL	NIL
	b	COMPANIES IN THE SAME GROUP	NIL	NIL	NIL
	c	OTHER RELATED PARTIES	NIL	NIL	NIL
2		OTHER THAN RELATED PARTIES	NIL	66.67	66.67
		TOTAL	NIL	66.67	66.67



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

( please see note 3 below ) \*\*\*

<u>CATEGORY</u>		<u>MARKET VALUE /BREAK UP OF FAIR VALUE OR NAV</u>	<u>BOOK VALUE ( NET OF PROVISION )</u>
<b>1</b>	<b>RELATED PARTIES</b>		
	<b>a</b> SUBSIDIARIES	NIL	NIL
	<b>b</b> COMPANIES IN THE SAME GROUP	NIL	NIL
	<b>c</b> OTHER RELATED PARTIES	NIL	NIL
<b>2</b>	<b>OTHER THAN RELATED PARTIES</b>	9146.77	9510.13
	<b>TOTAL</b>	<b>9146.77</b>	<b>9510.13</b>

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

**NOTES :**

- As defined in paragraph 2 (1) (xii) of the **Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.**
- Provisioning Norms shall be applicable as prescribed in **Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve bank) Direction, 2007**
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of Investments and other assets as also assets acquired in satisfaction of debts. However, Market value in respect of quoted investment and break – up / fair value / NAV in respect on unquoted investment should be disclosed irrespective of whether they are classified as long term or current in ( 4 ) above.



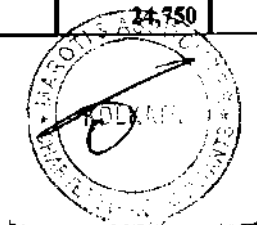
# MANGALAM INDUSTRIAL FINANCE LIMITED

## DETAILS OF SHARE INVESTEMNTS AS ON 31.03.2009

<u>QUOTED</u> (Long Term other than Trade)	<u>Current Year</u>		<u>Previous year</u>	
	<u>Qty.</u>	<u>Rs.</u>	<u>Qty.</u>	<u>Rs.</u>
14% HDC LTD. (DEBENTURE)	-	-	50	2,000
CELL TAC LABORATORIES LTD.	-	-	100	1,005
LYNX INDIA LTD.	-	-	450	4,500
SHREE SECURITIES LTD.	215,000	42,613,000	-	-
<b>TOTAL : A</b>	<b>215,000</b>	<b>42,613,000</b>	<b>600</b>	<b>7,505</b>
<u>UNQUOTED</u>				
ADVIN FISCAL SERVICES PVT. LTD.	-	-	25,000	10,000,000
AARPEE COMMERCIAL CO. PVT. LTD.	37,000	14,800,000	-	-
AGARWAL TREXIM PVT. LTD.	33,750	13,500,000	-	-
AKOLA COMMERCIAL PVT. LTD.	20,000	1,000,000	-	-
ALBRIGHT AGENCIES PVT. LTD.	62,500	25,000,000	-	-
ALLIED TREXIM PVT. LTD.	30,000	12,000,000	-	-
ALTOP COMMODITIES PVT. LTD.	48,750	19,500,000	-	-
AMCO AGENTS PVT. LTD.	97,750	39,100,000	-	-
APURVA DISTRIBUTORS PVT. LTD.	21,250	8,500,000	-	-
ASPOLIGHT VANIJYA PVT. LTD.	54,000	10,800,000	-	-
BAJORIA DISTRIBUTORS PVT. LTD.	21,500	8,600,000	-	-
BIVOLTINE MERCANTILES PVT. LTD.	25,000	10,000,000	-	-
BLACK DIAMOND MERCANTILES PVT.LTD.	12,500	5,000,000	-	-
BLISS DEALCOMM PVT. LTD.	23,000	9,200,000	-	-
BORAX MERCANTILES PVT. LTD.	84,000	33,600,000	-	-
BRENTWOOD MERCHANDISE PVT. LTD.	72,250	28,900,000	-	-
BRG IRON & STEEL CO. PVT. LTD.	30,000	300,000	-	-
BULLPOWER SUPPLIERS PVT. LTD.	8,750	3,500,000	-	-
CAMPUS IMPEX PVT. LTD.	48,250	19,300,000	-	-
CAPLIN VINIYOG P.LTD	80,000	800,000	-	-
CARNEX VINIMAY PVT. LTD.	22,500	9,000,000	22,500	9,000,000
CINDRELLA COMMODITIES PVT. LTD.	44,000	17,600,000	-	-
CREATIVE COMMODEAL PVT. LTD.	10,500	4,200,000	-	-
CYGNUS TREXIM PRIVATE LIMITED	23,250	9,300,000	-	-
CYNOSURE TRACON PVT.LTD.	40,000	16,000,000	-	-
DAGA BUSINESS & CREDIT PVT. LTD.	34,625	13,850,000	-	-
DEW POINT CREDIT PVT.LTD.	10,000	500,000	-	-
DHOOT DEVELOPERS PVT.LTD.	140,000	14,000,000	-	-
DHOOT INFRASTRUCTURE PROJECTS LTD.	50,000	5,000,000	-	-
DAGA MERCANTILE & FINANCE P. LTD.	21,250	8,500,000	21,250	8,500,000
EVIKA VINCOM PVT. LTD.	37,500	3,750,000	-	-
FORTUNE TRADE & VYAPAAR PVT LTD.	7,500	3,000,000	-	-



QUOTED	Current Year		Previous year	
	Qty.	Rs.	Qty.	Rs.
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	45,000	18,000,000
GAGANBASE SALES PVT. LTD.	18,750	7,500,000	18,750	7,500,000
GAJESHWAR ADVISORY LIMITED.	27,500	5,500,000	-	-
GANGOTRI SYNTEX PVT.LTD.	25,000	10,000,000	-	-
HERITAGE TREXIM PVT. LTD.	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	-	-
LALANAND VYAPAAR PVT. LTD.	146,000	14,600,000	-	-
LOTUS TRADE & VYAPAAR PVT. LTD.	11,000	4,400,000	-	-
MUGMA COKE EVEN PVT. LTD.	-	-	50,000	500,000
MAARS ADVISORY SERVICES PVT. LTD.	8,000	3,200,000	-	-
MOONCLUB MERCHANTS PVT.LTD.	15,000	1,500,000	-	-
NEXCARE AGENCY PVT. LTD.	8,000	3,200,000	-	-
NILKANTH INVESTMENTS PVT.LTD.	8,000	800,000	-	-
NOBLECARE AGENCIES PVT. LTD.	61,500	24,600,000	-	-
NOVAGOLD ADVISORY SERVICES PVT.LTD.	8,250	3,300,000	-	-
OSCO TRADING & INVESTMENT PVT. LTD.	-	-	50,000	500,000
OCEAN TREXIM PVT. LTD.	109,750	43,900,000	-	-
ODYSEE VANIJYA PVT. LTD.	56,000	22,400,000	-	-
ORIENTAL COMMOTRADE PVT. LTD.	8,750	3,500,000	-	-
PAFCO LABORATORIES LIMITED.	35,000	14,000,000	-	-
PANCHAM VANIJYA PVT. LTD.	12,500	5,000,000	-	-
PEEKAY ESS TRADERS PVT. LTD.	60,000	3,000,000	-	-
PERCY COMMERCIAL PVT. LTD.	46,000	18,400,000	-	-
PICCADILY SALES & SERVICES P. LTD.	10,000	4,000,000	-	-
PLENTY NIRYAT PVT.LTD.	7,750	3,100,000	-	-
PRAJIN BARTER PVT. LTD.	55,000	22,000,000	-	-
PRIME IMPEX LIMITED.	60,000	3,000,000	-	-
PRIYANKA TREXIM & COMMERCE PVT. LTD.	22,500	9,000,000	-	-
RAINBOW VANIJYA PVT.LTD.	10,000	1,000,000	-	-
RIGHT COMMODITIES PVT. LTD.	42,500	17,000,000	-	-
RIKZEN CONTRA PVT. LTD.	50,000	20,000,000	-	-
S.G.DISTRIBUTORS PVT.LTD	10,000	500,000	-	-
SHYAM FERRO ALLOYS LTD.	-	-	275,600	3,780,000
SARTHAK MARKET PVT.LTD	37,000	3,700,000	37,000	3,700,000
SAS HOLDINGS PVT.LTD.	50,000	1,000,000	-	-
SHULTON VYAPAAR PVT. LTD.	44,750	17,900,000	44,750	17,900,000
SMS COMMERCIAL P.LTD	85,000	850,000	-	-
SNOWFALL AGENCIES PVT.LTD.	24,750	9,900,000	-	-



<b>QUOTED</b>	<b>Current Year</b>		<b>Previous year</b>	
	<b>Qty.</b>	<b>Rs.</b>	<b>Qty.</b>	<b>Rs.</b>
SREE GANESH FINCO & CREDIT PVT. LTD	12,750	5,100,000	-	-
SUMANGAL FINANCIAL SERVICES PVT. LTD	16,000	800,000	-	-
SUNRISE MERCHANDISE P. LTD	4,375	700,000	-	-
SURANA COMMODITY HOUSE PVT. LTD	50,000	500,000	-	-
SIDDHI VINAYAK ESTATE PVT. LTD	-	-	1,000	400,000
TABASSUM DEALERS P. LTD.	18,750	4,500,000	-	-
TABASSUM SUPPLIERS PVT. LTD.	22,250	8,900,000	-	-
UMANG VINCOM PVT. LTD.	35,500	3,550,000	-	-
VIRAL COMMERCIAL COMPANY PVT. LTD	25,000	10,000,000	-	-
YES GOLD JEWELLERY (INDIA) PVT. LTD.	1,000	1,000,000	-	-
YUKEN MERCHANDISE PVT. LTD.	89,750	35,900,000	-	-
ZED DEALCOMM PVT. LTD.	20,500	8,200,000	-	-
ZEN MERCHANTS PVT. LTD.	105,250	42,100,000	-	-
ZENSTAR MARKETING PVT. LTD.	113,250	45,300,000	-	-
<b>TOTAL : B</b>	<b>3,120,000</b>	<b>908,400,000</b>	<b>654,600</b>	<b>105,280,000</b>
<b>TOTAL : A+B</b>	<b>3,335,000</b>	<b>951,013,000</b>	<b>655,200</b>	<b>105,287,505</b>

