

MANGALAM

INDUSTRIAL

FINANCE

LIMITED

ANNUAL REPORT

2011 – 2012

MANGALAM INDUSTRIAL FINANCE LIMITED

- 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,
2nd FLOOR, ROOM NO. 17
KOLKATA - 700 001
WEST BENGAL (INDIA)
TEL.: +91 33 2210 1328
E-mail : mifl_1983@yahoo.co.in**
- AUDITORS** : **M/s. MAROTI & ASSOCIATES
CHARTERED ACCOUNTANTS
9/12, LAL BAZAR STREET, BLOCK-'E',
3RD 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.
HDFC Bank Ltd.
Central Bank of India**
- REGISTRARS AND
SHARE TRANSFER AGENTS** : **NICHE TECHNOLOGIES PVT. LTD.
D-511, BAGREE MARKET,
71, B. R. B. ROAD, 5TH 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, 2nd Floor, Kolkata - 700 001, on Monday, 27th Day of August, 2012 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 **31st March, 2012** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mr. Ramesh Chandra Daga and Mrs. Kakoli Mondal** 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,
2nd Floor, Room No. 17
Kolkata -700 001 (W.B)
Dated : 25th Day of June, 2012

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 **20th day of August, 2012 to 27th day of August, 2012** (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,
2ND 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, 2012**.

1. FINANCIAL RESULTS :

(Fig. in RS)

	CURRENT YEAR	PREVIOUS YEAR
PROFIT/(LOSS) BEFORE TAXATION	(4,70,726)	(10,24,735)
Deferred Tax	(1,27,588)	43,376
PROFIT / (LOSS) AFTER TAX	(5,98,314)	(9,81,359)
Provision for Standard Assets (As per RBI Act)	(1,38,113)	(14,340)
Assessed Tax for earlier years	(8,841)	-----
Brought forward from earlier years	(26,07,907)	(16,12,208)
Balance Carried To Balance Sheet	(33,53,175)	(26,07,907)

2. FUTURE PERFORMANCE :

In the year under review, the Company has incurred Loss of Rs. 4,70,726/-. 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. Ramesh Chandra Daga and **Mrs. Kakoli Mondal** 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.


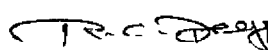
9. CORPORATE GOVERNANCE :

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

Date : 25th day of June, 2012
Place: Kolkata

Tapas Mondal
Director

Ramesh Chandra Daga
Managing Director

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 four are independent directors.

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

Name of the Director	Designation	Category of Directorship	No of other Directorship	No of other Committee Membership
Mr. Ramesh Chandra Daga	Managing Director	Executive	23	-----
Mr. Tapas Mondal	Director	Executive	15	-----
Mr. Arun Chakraborty	Director	Non Executive Independent	-----	-----
Mr. Suderson Kayori	Director	Non Executive Independent	-----	-----
Mrs. Kakoli Mondal	Director	Non Executive Independent	8	-----
Mr. Rathindra Nath Ghosh	Director	Non-Executive Independent	-----	-----

b) Appointment/Reappointment of Directors

Mr. Ramesh Chandra Daga and Mrs. Kakoli Mondal 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:

MEMBERS	CATEGORY
Mr. Ramesh Chandra Daga	Executive
Mr. Arun Chakraborty	Non Executive
Mrs. Kakoli Mondal	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:

MEMBERS	CATEGORY
Mr. Ramesh Chandra Daga	Executive
Mr. Arun Chakraborty	Non Executive
Mrs. Kakoli Mondal	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 31.03.2012	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	8	YES
Mr. Tapas Mondal	Executive	8	YES
Mr. Arun Chakraborty	Non-Executive Independent	8	YES
Mr. Suderson Kayori	Non-Executive Independent	4	YES
Mrs.Kakoli Mondal	Non-Executive Independent	4	YES
Mr. Rathindra Nath Ghosh	Non-Executive Independent	4	YES

During the financial year ending 31.03.2012 : 8 (Eight) meeting of the Board of Directors were held on 04.04.2011, 30.04.2011, 24.06.2011, 30.07.2011, 20.09.2011, 28.10.2011, 30.01.2012 & 05.03.2012.

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:

Financial Year	Date	Time	Venue
2008-2009	29.09.2009	2.30PM	3, Synagogue Street, 2nd Floor, Kolkata-700001
2009-2010	03.08.2010	2.30PM	3, Synagogue Street, 2nd Floor, Kolkata-700001
2010-2011	09.09.2011	3.30PM	3, Synagogue Street, 2nd Floor, Kolkata-700001

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, 2012** 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 : 27th Day of August, 2012
Day : Monday
Time : 3.30 p.m.
Venue : 3, Synagogue Street, 2nd Floor, Kolkata – 700 001.

DATE OF BOOK CLOSURE:

From : 20th day of August, 2012 to 27th day of August, 2012 (both days inclusive)

LISTING OF SECURITIES:

The 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 2011-2012 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, 5th Floor
Kolkata-700001

Distribution of Shareholding as on 31st March, 2012:

Slab	No. of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Shareholders
001-500	374	80.0857	38,230	0.0398
501-1000	13	2.7837	10,100	0.0105
1001-5000	8	1.7131	16,565	0.0172
5001-10000	14	2.9979	93,670	0.0974
10001-50000	7	1.4989	2,10,750	0.2192
50001-100000	6	1.2848	5,61,880	0.5843
100001 and above	45	9.6360	9,52,33,155	99.0317
Total	467	100.0000	96,164,350	100.0000

Category of Shareholders as on 31st March, 2012:

Category	No. of Shares	%
Public	5,31,745	0.555
Domestic Bodies Corporate	70,113,105	72.910
Clearing Member & Clearing Corpo.	300	0.000
Promoters & Associates	2,55,19,200	26.537
TOTAL	96,164,350	100.000

MAROTI & ASSOCIATES
Chartered Accountants

MERCANTILE BUILDING
9/12, Lal Bazar Street, "E" Block
3rd Floor, Room No – 2
Kolkata – 700 001
Ph.: +91 33 2231 9392, 2231 9391
Fax : +9133 2243 8371
E-mail: 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, 2012 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, 2012, 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




sd/-
(M.K.MAROTI)
Proprietor
M. No.057073
Firm Reg. No : 322770E

Place : Kolkata
Date : 25th Day of June, 2012

MAROTI & ASSOCIATES
Chartered Accountants

MERCANTILE BUILDING
9/12, Lal Bazar Street, "E" Block
3rd Floor, Room No – 2
Kolkata – 700 001
Ph.: +91 33 2231 9392, 2231 9391
Fax : +9133 2243 8371
E-mail: 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 2012** and also the Statement of Profit & Loss 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 , Statement of Profit & Loss and cash flow statement dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet , Statement of Profit & Loss 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, 2012** and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March, 2012** 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, 2012**; and
 - 2) In the case of the Statement of Profit & Loss, 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



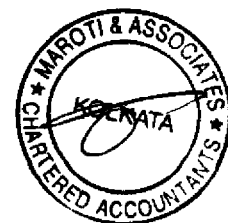

(M.K.MAROTI)
Proprietor
M. No.057073
Firm Reg. No: 322770E

Place : **Kolkata**
Date : **25th Day of June, 2012**

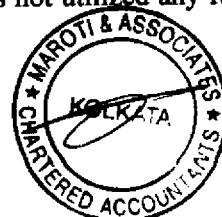
ANNEXURES TO THE AUDITORS' REPORT

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 and 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



(Handwritten Signature)

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

Firm Reg.No : 322770E

Place : Kolkata
Date : 25th Day of June, 2012

MAROTI & ASSOCIATES
Chartered Accountants

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(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

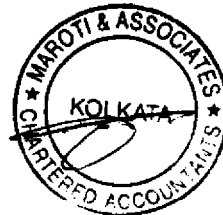
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1. The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Bank
2. On the basis of our examination of current year Balance Sheet and profit and loss account we hereby report that Company is entitled to continue to hold such certificate of Registration in terms of its asset / income pattern as on 31ST March, 2012.
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 31ST March, 2012
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)
Proprietor
M. No.057073
Firm Reg. No : 322770E

Place : Kolkata
Date : 25th Day of June, 2012

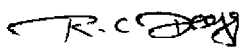
MANGALAM INDUSTRIAL FINANCE LIMITED


BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No	31ST MARCH , 2012	31ST MARCH , 2011
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	961,643,500	961,643,500
(b) Reserves and Surplus	3	(1,997,677)	(1,077,824)
(2) Current Liabilities			
(a) Other current liabilities	4	1,016,854	13,236
(b) Short-term provisions	5	330,954	15,565
TOTAL		960,993,631	960,594,477
II.Assets			
(1) Non-current assets			
(a) Non-current investments	6	848,160,000	952,213,000
(b) Deferred tax assets (net)	7	74,791	199,688
(c) Long term loans and advances	8	19,556	19,556
(2) Current assets			
(a) Cash and cash equivalents	9	892,893	585,319
(b) Short-term loans and advances	10	110,925,007	5,736,149
(c) Other current assets	11	921,384	1,840,765
TOTAL		960,993,631	960,594,477

SIGNIFICANT ACCOUNTING POLICIES	1
OTHER NOTES ON ACCOUNTS	18

In terms of our report of even date
FOR MAROTI & ASSOCIATES
(Chartered Accountants)


R. C. Daga
Managing Director

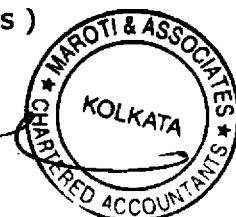

T. Mondal
Director


S.K. Rout
Company
Secretary


(M.K. MAROTI)
(Propreitor)

M.No : 057073

Firm Reg No : 322770E



Date : 25th Day of JUNE, 2012

Place : Kolkata

MANGALAM INDUSTRIAL FINANCE LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2012

		PARTICULARS	Note No	31ST MARCH , 2012 Rs.	31ST MARCH , 2011 Rs.
I		REVENUE FROM OPERATIONS	12	1,075,948	473,802
II		OTHER INCOME	13	5,601	13,620
		III TOTAL REVENUE (I + II)		1,081,549	487,422
IV		EXPENSES			
		Employee Benefit Expenses	14	206,500	200,000
		Depreciation and Amortization Expense	15	892,650	892,650
		Other Expenses	16	453,125	419,507
		TOTAL EXPENSES		1,552,275	1,512,157
V		Profit Before Tax		(470,726)	(1,024,735)
VI		TAX EXPENSES			
	a	Current Tax		(52,416)	-
	b	Deferred Tax		(124,897)	43,376
XV		PROFIT / (LOSS) FOR THE PERIOD		(648,039)	(981,359)
XVI		Earning Per Equity Share			
	a	Basic	17	(0.007)	(0.010)
	b	Diluted	17	(0.007)	(0.010)

SIGNIFICANT ACCOUNTING POLICIES

1

OTHER NOTES ON ACCOUNTS


18

In terms of our report of even date

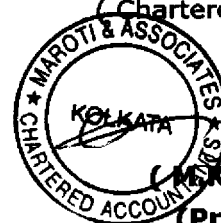
FOR MAROTI & ASSOCIATES

(Chartered Accountants)


R. C. Daga
Managing Director


T. Mondal
Director


S.K. Rout
Company
Secretary




(M.K. MAROTI)
(Proprietor)

M.No : 057073

Firm Reg No : 322770E

Date : 25th Day of JUNE, 2012

Place : Kolkata

MANGALAM INDUSTRIAL FINANCE LIMITED

**NOTE FORMING PART OF THE BALANCE SHEET AS AT
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

	31ST MARCH , 2012	31ST MARCH , 2011
	Rs.	Rs.
NOTE - 2		
SHARE CAPITAL		
Authorised 9,61,70,000 Equity Shares of Rs.10/- each	961,700,000	961,700,000
Issued, Subscribed & Paid up 9,61,64,350 Equity Share of Rs.10/- each	961,643,500	961,643,500
	961,643,500	961,643,500

A.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	31ST MARCH , 2012		31ST MARCH , 2011	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	96,164,350	961,643,500	96,164,350	961,643,500
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	96,164,350	961,643,500	96,164,350	961,643,500

B

TERMS/ RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity share having par value of Rs 10 / per share . Each holder of Equity share is entitled to one vote per share
In the event of liquidation of the company , the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts . The Distribution will be in proportion to the number of equity share held by the shareholders

C

Details of shareholders holding more than 5% shares of the Company

NAME OF THE SHAREHOLDER	31ST MARCH , 2012		31ST MARCH , 2011	
	Nos	%	Nos	%
(EQUITY SHARES OF RS 10/ EACH FULLY PAID UP)				
ROSEMOUNT MARKETING PVT. LTD.	9,985,750	10.38	9,985,750	10.38
APURVA DISTRIBUTORS PVT. LTD.	7,833,250	8.15	7,833,250	8.15
REALITY COMMODEAL PVT. LTD.	6,910,000	7.19	6,910,000	7.19
GUIDE DEALCOM PVT. LTD.	6,376,500	6.63	6,376,500	6.63
KIRTI COMMOTRADE PVT. LTD.	6,295,250	6.65	6,295,250	6.65
NILLANCHAL DEALCOMM PVT. LTD.	5,910,000	6.15	5,910,000	6.15
GOODVIEW OVERSEAS PVT. LTD.	5,872,000	6.11	5,872,000	6.11
SUPARAS IMPEX PVT. LTD.	4,951,250	5.15	4,951,250	5.15
ALERT COMMODEAL PVT. LTD.	4,950,000	5.15	4,950,000	5.15

As per the records of the Company , including its Register of Members and other declarations received from the shareholders regarding beneficial interest , the above shareholders represents legal ownership of shares

D.

SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Out of the above 94945000 (PY:94945000) eqity shares have been issued for consideration other than cash.



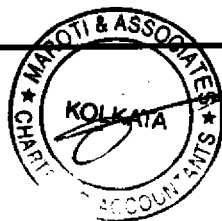
MANGALAM INDUSTRIAL FINANCE LIMITED

**NOTE FORMING PART OF THE BALANCE SHEET AS AT
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

	31ST MARCH , 2012 Rs.	31ST MARCH , 2011 Rs.
NOTE - 3		
<u>RESERVES & SURPLUS</u>		
Capital Reseve		
OP. Balance	370,630	370,630
A	370,630	370,630
Amalgamation Reserve		
OP. Balance	1,050,000	1,050,000
B	1,050,000	1,050,000
Reserve Fund		
OP. Balance	108,749	108,749
C	108,749	108,749
Special Reserve		
OP. Balance	704	704
D	704	704
Profit & Loss Account		
OP. Balance	(2,607,907)	(1,612,208)
Add: Loss for the year	(648,039)	(981,359)
Add: Contingency provision for standard Assets	(262,973)	(14,340)
Add : Assessed Tax for earlier years	(8,841)	-
E	(3,527,760)	(2,607,907)
TOTAL (A+B+C+D+E)	(1,997,677)	(1,077,824)
NOTE - 4		
<u>OTHER CURRENT LIABILITIES</u>		
Advances	1,000,000	-
Liabilities For Expenses	16,854	13,236
	1,016,854	13,236
NOTE - 5		
<u>SHORT TERM PROVISION</u>		
Provision for Taxation	53,641	1,225
Contingency Provision for Standard Assets	277,313	14,340
	330,954	15,565



NOTE - 7 DEFERRED TAX ASSETS		
Op. Balance	199,688	156,312
Add : Generated	-	43,376
Less: Reversed	124,897	-
Cl . Balance	74,791	199,688
NOTE - 8 LONG TERM LOANS & ADVANCES (Unsecured , Considered good)		
MAT Tax Credit Receivable	19,556	19,556
	19,556	19,556
NOTE - 9 CASH & CASH EQUIVALENTS		
Cash in hand (As certified)	139,042	224,991
Balances with Schedule Bank in Current Account	753,851	360,328
	892,893	585,319
NOTE - 10 SHORT TERM LOANS & ADVANCES (Unsecured , Considered good)		
Loans	60,925,007	5,679,969
Other Advances	50,000,000	56,180
	110,925,007	5,736,149
NOTE - 11 OTHER CURRENT ASSETS		
T.D.S.	92,682	119,413
Income Tax Refund Receivable	952	952
Miscellaneous Expenditure	827,750	1,720,400
	921,384	1,840,765
NOTE - 12 REVENUE FROM OPERATIONS		
Interest (TDS Rs.79218/- (PY Rs.46130 /-)	1,055,948	461,302
Dividend	20,000	12,500
	1,075,948	473,802
NOTE - 13 OTHER INCOME		
Interest on I.T. Refund	5,601	13,620
	5,601	13,620
NOTE - 14 EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	110,500	104,000
Directors Remuneration	96,000	96,000
	206,500	200,000
NOTE - 15 DEPRECIATION & AMORTIASATION		
Preliminary Expenses W/Off	892,650	892,650
	892,650	892,650



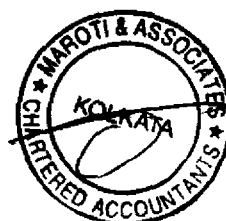
NOTE - 16		
<u>OTHER EXPENSES</u>		
Advertisement Expenses	14,854	12,243
Audit Fees	17,957	15,442
Bank Charges	331	238
Certification Fees	10,000	10,000
Data entry charges	15,000	15,000
Demat Expenses	1,179	662
Depository Expenses	110,300	110,300
Filing Fees	1,000	2,500
General Expenses	22,299	10,033
Legal Expenses	52,429	33,400
Listing Fees	150,908	150,908
Postage & Telegram	10,781	9,125
Printing & Stationery	31,438	29,485
Rates & Taxes	4,400	4,400
Transfer Agent Fees	10,249	15,772
	453,125	419,507
NOTE - 17		
<u>EARNING PER SHARE</u>		
Net Profit after tax as per Statement of Profit and Loss (A)	(648,039)	(981,359)
weighted Average number of equity shares outstanding (B)	96,164,350	96,164,350
Basic and Diluted Earnings per share (`)	(0.007)	(0.010)
Face value per equity share (`)	10	10



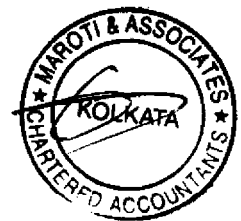
MANGALAM INDUSTRIAL FINANCE LIMITED

NOTE - 6
**NON CURRENT INVESTMENTS
(Long Term, Non Trade, Valued at Cost)**

	FACE VALUE	2011-12		FACE VALUE	2010-11	
		NO. OF SHARES	AMOUNT		NO. OF SHARES	AMOUNT
QUOTED SHARES						
SHREE SECURITIES LTD.		-	-		215,000	42,613,000
SUB TOTAL :		-	-		215,000	42,613,000
UNQUOTED SHARES						
AARPEE COMMERCIAL CO. PVT. LTD.		-	-		37,000	14,800,000
AGARWAL TREXIM PVT. LTD.	10	201,900	80,760,000	10	33,750	13,500,000
ALBRIGHT AGENCIES PVT. LTD.	10	62,500	25,000,000	10	62,500	25,000,000
ALLIED TREXIM PVT. LTD.	10	30,000	12,000,000	10	30,000	12,000,000
AMCO AGENTS PVT. LTD.	10	-	-	10	97,750	39,100,000
APURVA DISTRIBUTORS PVT. LTD.	10	-	-	10	21,250	8,500,000
BAJORIA DISTRIBUTORS PVT. LTD.	10	-	-	10	21,500	8,600,000
BIVOLTJINE MERCANTILES PVT. LTD.	10	-	-	10	25,000	10,000,000
BLACK DIAMOND MERCANTILES PVT.LTD.	10	-	-	10	12,500	5,000,000
BLISS DEALCOMM PVT. LTD.	10	23,000	9,200,000	10	23,000	9,200,000
BRENTWOOD MERCHANDISE PVT. LTD.	10	72,250	28,900,000	10	72,250	28,900,000
BRIGHTSTAR MERCANTILES PVT. LTD	10	-	-	10	40,625	16,250,000
BULLPOWER SUPPLIERS PVT. LTD.	10	8,750	3,500,000	10	8,750	3,500,000
CAMPUS IMPEX PVT. LTD.	10	48,250	19,300,000	10	48,250	19,300,000
CARNEX VINIMAY PVT. LTD.	10	-	-	10	22,500	9,000,000
CINDRELLA COMMODITIES PVT. LTD.	10	44,000	17,600,000	10	44,000	17,600,000
CREATIVE COMMDEAL PVT. LTD.	10	10,500	4,200,000	10	10,500	4,200,000
CYGNUS TREXIM PRIVATE LIMITED	10	23,250	9,300,000	10	23,250	9,300,000
CHETANI VINEEYOG PVT LTD	10	250,700	100,280,000	10	-	-
DAGA BUSINESS & CREDIT PVT. LTD.	10	-	-	10	34,625	13,850,000
DHOOMKETU MARKETING PVT.LTD	10	-	-	10	100,000	40,000,000
DAGA MERCANTILE & FINANCE P. LTD.	10	-	-	10	21,250	8,500,000
FORTUNE TRADE & VYAPAAR PVT LTD.	10	7,500	3,000,000	10	7,500	3,000,000
FRONTIER VANIJYA PVT. LTD	10	-	-	10	21,250	8,500,000
FUNIDEA REALTORS LTD	10	70,000	10,500,000	10	-	-
GYANESHWAR NIKETAN LTD	10	50,000	500,000	10	-	-
GOLDEN ERA MERCHANTS ERA PVT. LTD.	10	-	-	10	53,000	21,200,000
GOPAL PRIYA VINIMAY LTD	10	50,000	500,000	10	-	-
GAGANBASE SALES PVT. LTD.	10	-	-	10	18,750	7,500,000
GANGOTRI SYNTEX PVT.LTD.	10	-	-	10	25,000	10,000,000
GANAPATI RIVERSIDE PVT LTD	10	241,500	96,600,000	10	-	-
HERITAGE TREXIM PVT. LTD.	10	42,000	16,800,000	10	42,000	16,800,000
JANITOR DISTRIBUTORS PVT. LTD.	10	-	-	10	42,500	17,000,000
KASHYAP COMMDEAL PVT.LTD.	10	21,250	8,500,000	10	21,250	8,500,000
LOTUS TRADE & VYAPAAR PVT. LTD.	10	11,000	4,400,000	10	11,000	4,400,000
MAXXON TRADING & FINVEST PVT LTD	10	-	-	10	75,000	30,000,000
MAARS ADVISORY SERVICES PVT. LTD.	10	8,000	3,200,000	10	8,000	3,200,000
MEGAPIX CONCLAVE LTD	10	70,000	10,500,000	10	-	-
MOON LOVE VYAPAAR LTD	10	70,000	10,500,000	10	-	-
MARUBHUMI IMPEX LTD	10	70,000	10,500,000	10	-	-
NEXCARE AGENCY PVT. LTD.	10	8,000	3,200,000	10	8,000	3,200,000



RESPONCE RENEWABLE ENERGY LTD (FORMERLY: NOBLECARE AGENCIES P.LTD.)	10	-	-	10	161,500	64,600,000
NOVAGOLD ADVISORY SERVICES PVT.LTD	10	8,250	3,300,000	10	8,250	3,300,000
ODYSEE VANIJYA PVT. LTD.	10	-	-	10	56,000	22,400,000
ORIENTAL COMMOTRADE PVT. LTD.	10	8,750	3,500,000	10	8,750	3,500,000
PICCADILY SALES & SERVICES P. LTD.	10	-	-	10	10,000	4,000,000
PLENTY NIRYAT PVT.LTD.	10	-	-	10	7,750	3,100,000
PRIYANKA TREXIM & COMMERCE P. LTD	10	151,800	60,720,000	10	22,500	9,000,000
ROPLAS COMMOTRADE PVT LTD	10	-	-	10	50,000	20,000,000
RIGHT COMMODITIES PVT. LTD.	10	42,500	17,000,000	10	42,500	17,000,000
RIKZEN CONTRA PVT. LTD.	10	298,000	119,200,000	10	50,000	20,000,000
SHULTON VYAPAAR PVT. LTD.	10	-	-	10	44,750	17,900,000
SNOWFALL AGENCIES PVT.LTD.	10	24,750	9,900,000	10	24,750	9,900,000
SREE GANESH FINCO & CREDIT PVT. LTD	10	-	-	10	12,750	5,100,000
SUVRIDHI VANIJYA LTD	10	70,000	10,500,000	10	-	-
SUTLAJ SALES PVT LTD	10	186,250	74,500,000	10	-	-
TABASSUM SUPPLIERS PVT. LTD.	10	-	-	10	22,250	8,900,000
VIRAL COMMERCIAL COMPANY PVT. LTD	10	-	-	10	100,000	40,000,000
WATERLINK SUPPLIERS LTD	10	70,000	10,500,000	10	-	-
YUKEN MERCHANDISE PVT. LTD.	10	-	-	10	289,750	115,900,000
ZED DEALCOMM PVT. LTD.	10	20,500	8,200,000	10	20,500	8,200,000
ZEN MERCHANTS PVT. LTD.	10	105,250	42,100,000	10	105,250	42,100,000
ZENSTAR MARKETING PVT. LTD.	10	-	-	10	113,250	45,300,000
SUB TOTAL :	270	2,480,400	848,160,000		1,540,750	909,600,000
GRAND TOTAL :		2,480,400	848,160,000		1,755,750	952,213,000
MARKET VALUE QUOTED SHARE :						59,125,000
BOOK VALUE QUOTED SHARE :						42,613,000



NOTE - 1

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 CONTINGENCIES :

These are disclosed by way of notes on the Balance sheet . Provisions is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end , till the finalization of accounts and material effect on the position stated in the Balance Sheet

07 PROVISIONING FOR STANDARD ASSETS :

The Reserve Bank Of India vide Notification No DNBS 223 / CGM (US) 2011 DATED 17 JANUARY , 2011 has issued direction to all NBFCs to make provision of 0.25% on STANDARD ASSETS with immediate effect . Accordingly the Company has made provision @ 0.25% on Standard Assets in accordance therewith .

08 PROVISIONING FOR DEFERRED TAXES :

The Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Deferred Tax resulting from " timings difference " between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date . The Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future .

09 EARNING PER SHARE

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares



NOTE 18 OTHER NOTES ON ACCOUNTS

1 Based on the information / documents available with the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/payments have been made by the Company to such creditors, if any, and no disclosures thereof are made in these accounts.

2 Loans , advances and sundry debtors and sundry creditors balances are subject to confirmation by the respective parties

3 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.

4 Related Party Disclosure :

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

Name of the related parties**ASSOCIATES****SUBSIDIARIES**

1. FUNIDEA REALTORS LTD
2. GYANESHWAR NIKETAN LTD
3. GOPAL PRIYA VINIMAY LTD
4. MEGAPIX CONCLAVE LTD
5. MOONLOVE VYAPAAR LTD
6. MARBUMI IMPEX LTD
7. SUVRIDHI VANIYA LTD
8. WATERLINK SUPPLIERS LTD

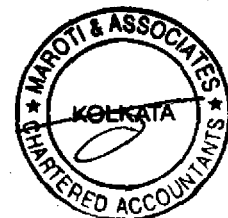
KEY MANAGEMENT PERSONNEL (KMP)

1. Ramesh Chandra Daga

RELATIVES OF (K M P)**RELATED PARTY TRANSACTION**

Sl. No.	Nature Of Transaction	Relation	31/03/2012 (Rs)	31/03/2011 (Rs)
	Directors Remuneration			
1	Ramesh Chandra Daga	Managing Director	Rs. 96,000/-	Rs. 96,000/-
2	Share Capital Allotment (Paid)			
	1. FUNIDEA REALTORS LTD	Subsidiary	10,500,000	-
	2. GYANESHWAR NIKETAN LTD	Subsidiary	500,000	-
	3. GOPAL PRIYA VINIMAY LTD	Subsidiary	500,000	-
	4. MEGAPIX CONCLAVE LTD	Subsidiary	10,500,000	-
	5. MOONLOVE VYAPAAR LTD	Subsidiary	10,500,000	-
	6. MARBUMI IMPEX LTD	Subsidiary	10,500,000	-
	7. SUVRIDHI VANIYA LTD	Subsidiary	10,500,000	-
	8. WATERLINK SUPPLIERS LTD	Subsidiary	10,500,000	-

5 The Company has Complied this information based on the current information in its possession as at 31.03.2012 , No Amount due to Micro Small and Medium Enterprises as on 31.03.2012 RS NIL (PY RS NIL)



6 During the year the following companies have become Wholly Owned Subsidiaries of the company:

<u>Name of the Company</u>	<u>Date of becoming WOS</u>
1. FUNIDEA REALTORS LTD	02.01.2012
2. GYANESHWAR NIKETAN LTD	29.03.2012
3. GOPAL PRIYA VINIMAY LTD	29.03.2012
4. MEGAPIX CONCLAVE LTD	02.01.2012
5. MOON LOVE VYAPAAR LTD	02.01.2012
6. MARBUMI IMPEX LTD	04.01.2012
7. SUVRIDHI VANIJYA LTD	02.01.2012
8. WATERLINK SUPPLIERS LTD	02.01.2012

7 **Deferred Taxation :**

The Principal components of Deferred Tax Assets :

	<u>31.03.2012</u>	<u>31.03.2011</u>
Op. Balance for Accumulated Losses	199,688	156,312
Generated	-	43,376
Reversed during the year	124,897	-
Deferred Tax Assets	74,791	199,688

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.

8 **Provisioning as per AS 29**

	<u>Amount</u>
TAXATION	
Opening	1,225
Add: Additions	52,416
Less: Adjustments	-
Closing	<u>53,641</u>

9 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

10 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.

11 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 .

12 Previous Year figures have been regrouped, rearranged or recasted wherever considered necessary.

13 Informations required to be furnished under paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is given in Annexure - "B".

14 Till 31st March, 2011 the Company was using pre revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31st March, 2012 the Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company. The Company has re classified previous year figures as well as those in the bracket to confirm to this year's classification as per revised Schedule VI. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However its significantly impacts presentation and disclosure made in the financial statements, particularly presentation of Balance Sheet.

For and behalf of the Board

Tapas Mondal

Tapas Mondal
Director

Place : Kolkata

Date : 25th Day of JUNE, 2012

R. C. Daga

Ramesh Chandra Daga
M. Director

Sanjay Kumar Rout
Sanjay Kumar Rout
Company Secretary

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

(CHARTERED ACCOUNTANTS)



M. Maroti
(Proprietor)

M. No. 057073

FIRM REG NO : 322770E

MANGALAM INDUSTRIAL FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

		31.03.2012	31.03.2011
1.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Tax (a)	(470,726)	(1,024,735)
	Add :		
	Preliminary Expenses W/O.	892,650	892,650
	Less:-		
	Dividend Income	(20,000)	(12,500)
	Sub Total - (b)	872,650	880,150
	Operating Profit before Working Capital Changes	(a)+(b) 401,924	(144,585)
	Adjustments		
	Decrease/(Increase) in Loans & Advances	(105,188,858)	(1,228,206)
	Increase in Current Liabilities	1,003,618	(50,000)
	Dividend Income	20,000	12,500
	Adjustments for I.T & Provisions	17,890	83,650
	Sub Total - (c)	(104,147,350)	(1,182,056)
	Net Cash from Operating Activities	A (103,745,426)	(1,326,641)
2.	CASH FLOW FROM INVESTING ACTIVITIES		
	Increase / (Decrease) in Investments	104,053,000	-
	Net Cash from Investing Activities	B 104,053,000	-
3.	CASH FLOW FROM FINANCING ACTIVITIES		
	Capital raised during the year		-
	Profit/(Loss) of Transferor Companies		-
	Amalgamation Reserve		-
	Preliminary Expenses		-
	Loan Raised during the year		-
	Net Cash from Financing Activities	C	-
	Net Increase in Cash/Cash Equivalent	A+B+C 307,574	(1,326,641)
	Cash/Cash Equivalents (Opening)	585,319	1,911,960
	Cash/Cash Equivalents (Closing)	892,893	585,319

Note :

1 The above cash flow statement has been prepared under the indirect Method as set out in the Accounting Standard - 3 on Cash Flow

2 Cash & Cash Equivalents Comprise

Cash on Hand
Balance With Schedule Banks in current Account

31/03/2012 31/03/2011

139,042	224,991
753,851	360,328
<u>892,893</u>	<u>585,319</u>

For and behalf of the Board

Tapas Mondal

Tapas Mondal
Director

Ramesh Chandra Daga

Ramesh Chandra Daga
M. Director

Sanjay Kumar Rout

Sanjay Kumar Rout
Company Secretary

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



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

FIRM REG NO : 322770E

Place : Kolkata

Date : 25th Day of JUNE, 2012

**ANNEXURE REFERRED TO NOTES OF ACCOUNTS OF
SCHEDULE "B" ANNEXED AS PER RESERVE BANK OF INDIA PRUDENTIAL NORMS**

**SCHEDULE TO THE BALANCE SHEET OF A NON BANKING FINANCIAL COMPANY AS ON
31.03.2012 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

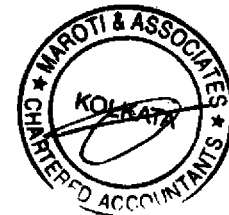
(RS IN LACS)

LIABILITIES SIDE

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

ASSET SIDE

	BREAK UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES OTHER THAN THOSE INCLUDED IN (4) BELOW		<u>AMOUNT OUTSTANDING</u>
	• SECURED	NIL	NIL
	• UNSECURED	1109.25	1109.25
	BREAK UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES	NIL	NIL
1	LEASE ASSETS INCLUDING LEASE RENTALS UNDER SUNDRY DEBTORS		
	• FINANCIAL LEASE	NIL	NIL
	• OPERATING LEASE		NIL
2	STOCK ON HIRE INCLUDING HIRE CHARGES UNDER SUNDRY DEBTORS	NIL	
	• ASSETS ON HIRE	NIL	NIL
	• REPOSSESSED ASSETS	NIL	NIL
3	HYPOTHECATION LOANS COUNTING TOWARDS EL / HP ACTIVITIES	NIL	NIL
	• LOANS WHERE ASSETS HAVE BEEN REPOSSESSED	NIL	NIL
	• LOANS OTHER THAN ABOVE	NIL	NIL

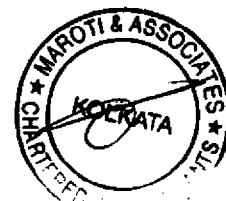


BREAK UP OF INVESTMENTS

	• CURRENT INVESTMENTS (STOCK IN TRADE)		
1	QUOTED		
	• SHARES		
	EQUITY	NIL	NIL
	PREFERENCE	NIL	NIL
	• DEBENTURES AND BONDS	NIL	NIL
	• UNITS OF MUTUAL FUNDS	NIL	NIL
	• GOVERNMENT SECURITIES	NIL	NIL
	• OTHERS	NIL	NIL
2	UNQUOTED		
	• SHARES		
	EQUITY	NIL	NIL
	PREFERENCE	NIL	NIL
	• DEBENTURES AND BONDS	NIL	NIL
	• UNITS OF MUTUAL FUNDS	NIL	NIL
	• GOVERNMENT SECURITIES	NIL	NIL
	• OTHERS	NIL	NIL
	• LONG TERM INVESTMENTS		
1	QUOTED		
	• SHARES		
	EQUITY	NIL	NIL
	PREFERENCE	NIL	NIL
	• DEBENTURES AND BONDS	NIL	NIL
	• UNITS OF MUTUAL FUNDS	NIL	NIL
	• GOVERNMENT SECURITIES	NIL	NIL
	• OTHERS	NIL	NIL
2	UNQUOTED		
	• SHARES		
	EQUITY	8481.60	8481.60
	PREFERENCE	NIL	NIL
	• DEBENTURES AND BONDS	NIL	NIL
	• UNITS OF MUTUAL FUNDS	NIL	NIL
	• GOVERNMENT SECURITIES	NIL	NIL
	• OTHERS	NIL	NIL

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

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	1109.25	1109.25
		TOTAL	NIL	1109.25	1109.25



INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED			
CATEGORY		MARKET VALUE /BREAK UP OF FAIR VALUE OR NAV	BOOK VALUE (NET OF PROVISION)
1	RELATED PARTIES		
	a SUBSIDIARIES	640.00	640.00
	b COMPANIES IN THE SAME GROUP	NIL	NIL
	c OTHER RELATED PARTIES	NIL	NIL
2	OTHER THAN RELATED PARTIES	7841.60	7841.60
	TOTAL	8481.60	8481.60

7.

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

