

# ANNUAL REPORT

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**2007 - 2008**

**MANGALAM INDUSTRIAL FINANCE LIMITED**

3, Synagogue Street, 2nd Floor, Room No. 17, Kolkata - 700 001

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## MANGALAM INDUSTRIAL FINANCE LIMITED

<b>DIRECTORS</b>	:	SHRI ARUN CHAKRABORTY SMT. KAKOLI MONDAL SHRI SUDARSON KAYORI SHRI TAPAS MONDAL SHRI RATHINDRA NATH GHOSH SMT. KABITA GHOSH
<b>AUDITORS</b>	:	M/s. MAROTI & ASSOCIATES CHARTERED ACCOUNTANTS 9/12, LAL BAZAR STREET, BLOCK-'E', 3 <sup>RD</sup> FLOOR, ROOM NO.2, KOLKATA - 700 001
<b>BANKER</b>	:	AXIS BANK LTD KOTAK MAHINDRA BANK LTD.
<b>REGISTERED OFFICE</b>	:	3, SYNAGOGUE STREET, 2 <sup>nd</sup> FLOOR, ROOM NO. 17 KOLKATA-700001 WEST BENGAL (INDIA)

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## 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 **Saturday, 12<sup>th</sup> July, 2008** 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, 2008** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mr. Tapas Mondal & Mr. Rathindra Nath Ghosh** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

#### Registered Office:

3, Synagogue Street,  
2<sup>nd</sup> Floor, Room No. 17  
Kolkata-700001 (W.B)  
Dated 9<sup>th</sup> June, 2008

#### By Order of the Board

Sd/- **ARUN CHAKRABORTY**  
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 **5<sup>th</sup> July, 2008 to 12<sup>th</sup> July, 2008** (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.

**ANNUAL REPORT 2007-2008****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, 2008**.

(Fig. in RS)

<b>1. FINANCIAL RESULTS :</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>	<b>1,97,357</b>	<b>(23,426 )</b>
<b>PROVISION FOR TAXES</b>		
Current tax	(19,356)	0
MAT Tax Credit Receivable	19,556	0
Deferred Tax	(56,957)	(27,987 )
<b>PROFIT AFTER TAX</b>	<b>1,40,400</b>	<b>( 51,413 )</b>
<b>Deferred Tax for earlier years</b>	<b>208,741</b>	<b>0</b>
Brought forward from earlier years	(79,770)	(28,357 )
Balance Carried To Balance Sheet	2,69,371	( 79, 770 )

In the year under review, the Company has made a profit of **Rs. 1,40,400/-** after Tax as against Loss in the previous **Rs. 51,413/-** after tax. Further Tax provision has been made under MAT being higher of the book profit and normal Computation. Your Directors have also recognized deferred tax asset of **Rs. 2,08,741/-** in the account in respect of unabsorbed brought forward losses and allowances for earlier years and are hopeful that the Company will make income under the respective heads that will square of the said asset .

Further Your Directors draw attention to Note No – 3, Notes on accounts regarding Non provisioning of Deferred Tax in respect of assessed Unabsorbed Long Term Capital Loss on Shares of Rs 27,63,250/-.

**2. FUTURE PERFORMANCE :**

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. DIVIDEND :**

Your Directors do not recommend any dividend for the year.

**4. AUDITORS :**

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

**5. DIRECTORS :**

**Mr. TAPAS MONDAL & Mr. RATHINDRA NATH GHOSH** retires by rotation and being eligible, offers Themselves for re-appointment.

## MANGALAM INDUSTRIAL FINANCE LIMITED

### 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  
**Arun Chakraborty**  
**Kakoli Mondal**  
 Directors

Place: Kolkata

Date : 9<sup>th</sup> day of June, 2008

**ANNUAL REPORT 2007-2008****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:

Name of the Director	Designation	Category of Directorship	No Of Other Directorship	No Of other committee Membership
Mr. Arun Chakraborty	Director	Non Executive	_____	_____
Mr. Sudarson Kayori	Director	Non Executive	_____	_____
Mrs. Kakoli Mondal	Director	Non Executive	_____	_____
Mr. Tapas Mondal	Director	Non-Executive Independent	_____	_____
Mr. Rathindra Nath Ghosh	Director	Non-Executive Independent	_____	_____
Mrs. Kabita Ghosh	Director	Non-Executive Independent	_____	_____

b) Appointment/Reappointment of Directors

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

**3) AUDIT COMMITTEE**

The Composition procedure, role/function of the Audit Committee comply with the requirements of the Listing Agreement. The brief terms of reference of the Audit Committee includes the following:  
Overseeing the Company's financial report process and disclosure of its financial information.  
Review of quarterly and annual financial results before submission to the Board.  
Disclosure with Statutory and Internal auditors about the nature and scope of audit and their observations.  
Investigate any matter referred to by the Board.

The Composition of the Audit Committee:

MEMBERS	CATEGORY
Mr. Arun Chakraborty	Non Executive
Mr. Sudarson Kayori	Non Executive
Mrs. Kakoli Mondal	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:

MEMBERS	CATEGORY
Mr. Arun Chakraborty	Non Executive
Mr. Sudarson Kayori	Non Executive
Mrs. Kakoli Mondal	Non Executive

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

## MANGALAM INDUSTRIAL FINANCE LIMITED

### 5) BOARD PROCEDURE

#### Composition:

At present the strength of the Board is 6 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	6	YES
Mr. Sudarson Kayori	Non Executive Director	6	YES
Mrs.Kakoli Mondal	Non Executive Director	6	YES
Mr. Tapas Mondal	Non-Executive Independent	5	YES
Mr. Rathindra Nath Ghosh	Non-Executive Independent	5	YES
Mrs.Kabita Ghosh	Non-Executive Independent	5	YES

During the financial year ending 31.03.2008 6 ( SIX ) meeting of the Board of Directors were held on 30.04.2007, 31.07.2007, 27.08.2007, 31.10.2007, 31.01.2008 & 26.02.2008.

#### 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:

Financial Year	Date	Time	Venue
2004-2005	30.09.2005	12.30 PM	195/1/1, M. G. Road, Kolkata-700007
2005-2006	29.06.2006	1.30PM	3,Synagogue Street, 2 <sup>nd</sup> Floor, Kolkata-700001
2006-2007	28.09.2007	3.30PM	3,Synagogue Street, 2 <sup>nd</sup> 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.

### 7) DISCLOSURES

During the financial year ended March 31, 2008 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 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	:	12 <sup>th</sup> July, 2008
Day	:	Saturday
Time	:	2.30 P.M
Venue	:	3, Synagogue Street, 2 <sup>nd</sup> Floor, Kolkata-700001.