

MANGALAM INDUSTRIAL FINANCE LIMITED

Annual Report
2012-2013

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

BANKER :

Central Bank of India
 HDFC Bank Ltd.

COMPANY SECRETARY :

SANJAYA KUMAR ROUT

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 9391 / 9392,
 FAX: +91 33 2243 8371
 E-mail : mkmaroti@sify.com

**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

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NOTICE

TO THE SHAREHOLDERS

NOTICE is hereby given that the **Annual General Meeting** of the Members of **M/s. MANGALAM INDUSTRIAL FINANCE LIMITED** will be held at its Registered Office at **3, Synagogue Street, 2nd Floor, Kolkata - 700 001**, on **Thursday, 29th Day of August, 2013** 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, 2013** and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint Director in place of **Mr. Arun Chakraborty and Mr. Sudarson Kayori** 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 : 22nd Day of July, 2013

By Order of the Board

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 **22ND day of August, 2013 to 29th day of August, 2013** (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.

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, 2013**.

1. FINANCIAL RESULTS :

(Fig. in RS)

	CURRENT YEAR	PREVIOUS YEAR
PROFIT/(LOSS) BEFORE TAXATION	13,11,487	(4,70,726)
Current Tax	(7,00,940)	(52,416)
Mat Tax Credit	(19,556)	—
Deferred Tax	(74,791)	(1,24,897)
PROFIT / (LOSS) AFTER TAX	5,16,200	(6,48,039)
Provision for Standard Assets (As per RBI Act)	99,062	(2,62,973)
Assessed Tax for earlier years	—	(8,841)
Brought forward from earlier years	(35,27,760)	(26,07,907)
Balance Carried To Balance Sheet	(29,12,498)	(35,27,760)

2. FUTURE PERFORMANCE :

In the year under review, the Company has Profit of **Rs. 13,11,487/-**. 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 Inadequate Profit, 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. Arun Chakraborty and Mr. Sudarson Kayori 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.

Place : Kolkata

Date : 24th day of May, 2013

For and on behalf of the Board
Tapas Mondal **Ramesh Chandra Daga**
Director **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 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	26	—
Mr. Tapas Mondal	Director	Executive	14	—
Mr. Arun Chakraborty	Director	Non Executive Independent	1	—
Mr. Suderson Kayori	Director	Non Executive Independent	1	—
Mrs. Kakoli Mondal	Director	Non Executive Independent	8	—
Mr. Rathindra Nath Ghosh	Director	Non-Executive Independent	—	—

- b) Appointment/Reappointment of Directors

Mr. Arun Chakraborty and Mr. Sudarson Kayori 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.

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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 31.03.2013	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	6	YES
Mr. Tapas Mondal	Executive	6	YES
Mr. Arun Chakraborty	Non-Executive Independent	6	YES
Mr. Suderson Kayori	Non-Executive Independent	6	YES
Mrs.Kakoli Mondal	Non-Executive Independent	4	YES
Mr. Rathindra Nath Ghosh	Non-Executive Independent	4	YES

During the financial year ending **31.03.2013** : **6 (Six)** meeting of the Board of Directors were held on **14.05.2012, 25.06.2012, 13.08.2012, 12.11.2012, 11.02.2013 & 22.03.2013.**

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
2009-2010	03.08.2010	2.30PM	3, Synagogue Street, 2 nd Floor, Kolkata-700001
2010-2011	09.09.2011	3.30PM	3, Synagogue Street, 2 nd Floor, Kolkata-700001
2011-2012	27.08.2012	3.30PM	3, Synagogue Street, 2 nd 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, 2013** 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 : **29th Day of August, 2013**

Day : **Monday**

Time : **3.30 p.m.**

Venue : **3, Synagogue Street, 2nd Floor, Kolkata – 700 001.**

DATE OF BOOK CLOSURE:

From : **22nd day of August, 2013 to 29th day of August, 2013 (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 **2012-2013** 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. B. Road, 5th Floor

Kolkata-700001

Distribution of Shareholding as on 31st March, 2013:

Slab	No. of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Shareholders
001-500	374	78.4067	38,230	0.0398
501-1000	13	2.7254	10,100	0.0105
1001-5000	9	1.8868	19,965	0.0208
5001-10000	16	3.3543	1,12,040	0.1165
10001-50000	15	3.1447	3,83,950	0.3993
50001-100000	8	1.6771	7,11,880	0.7403
100001 and above	42	8.8050	9,48,88,185	98.6729
Total	477	100.0000	9,61,64,350	100.0000

Category of Shareholders as on 31st March, 2013:

Category	No. of Shares	%
Public	8,16,745	0.849
Domestic Bodies Corporate	6,98,28,105	72.613
Clearing Member & Clearing Corpo.	300	0.000
Promoters & Associates	2,55,19,200	26.537
TOTAL	9,61,64,350	100.000