

# ***Mangalam Industrial Finance Limited***

Annual Report  
**2015-16**



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## Corporate Information's

### BOARD OF DIRECTORS

::

**Mr. Pradeep Kumar Daga**  
(Chairman, Managing Director & CEO)  
**Mr. Arun Chakraborty**  
**Mr. Rathindra Nath Ghosh**  
**Mr. Sudarson Kayori**  
**Mr. Anand Kumar Jain** (w.e.f. 17.08.2015)  
(Chief Financial Officer)

**Mr. Utpal Dey** (w.e.f. 08.07.2015)  
(Non-Executive Director)  
**Mrs. Vinita Daga** (Resigned 06.02.2016)  
(Non-Executive Director)  
**Ms. Kirti Sharma** (w.e.f. 16.02.2016)  
(Whole Time Director and Woman Director)  
**Mr. Tapas Mondal** (Resigned 08.07.2015)  
(Executive Director & CFO)

### REGISTERED OFFICE

::

**SUBOL DUTT BUILDING,**  
**13, Brabourne Road, Mezzanine Floor,**  
**Kolkata-700001. (West Bengal)**  
**Tel.: +91 33 2210 1328**  
**E-mail : mifl\_1983@yahoo.co.in**  
**: info@miflindia.com**  
**Website : www.miflindia.com**

### 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@gmail.com**

### BANKERS

::

**Central Bank of India**  
**HDFC Bank Ltd.**

### REGISTRARS AND SHARE TRANSFER AGENTS

::

**Niche Technologies Pvt. Ltd.**  
**D-511, Bagree Market,**  
**71, B. B. 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

::

**Ms. Kirti Sharma** (w.e.f. 07.02.2016)  
**Mr. Sanjaya Kumar Rout** (Resigned 06.02.2016)  
**E-mail : info@miflindia.com**

### CIN

::

**L65993WB1983PLC035815**



## 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, 2016**.

### 1. FINANCIAL RESULTS :

(Rs. in Lakh)

Particulars	Standalone	
	Current Year	Previous Year
Sales & Other Income	206.77	20.24
Profit Before Depreciation & Taxation	34.18	6.02
Less : Depreciation	0.09	0.25
Less : Current Tax	8.53	(1.10)
Less : Mat Tax Credit	1.10	1.10
Less : Deferred Tax	0.91	(0.10)
Profit / ( Loss ) After Taxation	23.55	5.87
Add: Balance Brought Forward from Previous Year	(32.32)	(36.71)
Surplus Available for Appropriation	(20.60)	(32.32)
Appropriations		
Provision for Standard Assets (As per RBI Act)	(7.12)	(0.29)
Depreciation Adjusted as per Companies Act, 2013	-	(0.02)
Transferred to Reserve Fund	(4.71)	(1.17)
Balance Carried To Balance Sheet	(20.60)	(32.32)

### 2. REVIEW OF OPERATIONS & PERFORMANCE & FUTURE OUTLOOK:

In the year under review, the revenue from operations has been increased by 921.64% in accordance with the previous year. However, during the year the operating profit of the Company stands at Rs. 34.18 Lakh as against operating profit of Rs. 6.02 Lakh for the previous year and the total profit of Rs. 23.55 Lakh as against profit of Rs. 5.87 Lakh in the previous year. Further, Your Directors are identifying prospective investments mix strategies that will maximize the revenue of the company during the current Financial Year.

### 3. DIVIDEND :

Your Directors regrets its inability to recommend any dividend to the equity shareholders for the year in the current financial year.

#### **4. AUDITORS :**

##### ***Statutory Audit:-***

At the Annual General Meeting, Members will be required to appoint Auditors for the current financial year 2016-17. M/s. Maroti & Associates, Chartered Accountants, (Firm Registration Number 322770E) the existing Statutory Auditors have furnished a certificate, confirming that if re-appointed for the financial year 2016-17, their re-appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. The Members are requested to consider their re-appointment as Auditors of the Company for the current year and authorize the Board of Directors to fix their remuneration.

##### ***Secretarial Audit:-***

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. P. Doleswar Rao, of company Secretaries in practice (C.P. No. 14385) to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year ended 31st March, 2016 is annexed herewith as "Annexure A" to this report. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.

#### **5. EXTRACT OF ANNUAL RETURN :**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure-B"

#### **6. DIRECTORS :**

Your Director wish to place on record their kind appreciation of valuable guidance, support and advice rendered by Mr. Tapas Mondal (DIN 00087387), whose terms of appointment as Chief Financial Officer and Whole Time Director completes on 30.09.2017, resign from the directorship before the expiry of the term due to unavoidable personal reasons. His resignation shall be effective from 8th day of July, 2015. Further, keeping in view the legal requirements as per the provisions and all other applicable provisions of the Companies Act, 2013 and in the interest of stakeholder Mr. Anand Kumar Jain (DIN 06867391) be & is hereby appointed as Chief Financial Officer of the Company with effect from 17th August, 2015 and Ms. Kirti Sharma (DIN 07434779) be and is hereby appointed as Whole Time Director of the company with effect from 16.02.2016.

Mrs. Vinita Daga had submitted her resignation to the Board and the same was accepted by the Board at its meeting held on 06th February, 2016. The Board hereby places on record its sincerest thanks and gratitude for the invaluable contribution made by Mrs. Vinita Daga towards the growth and development of the company during her tenure as a Director. The Board also on behalf of the members wishes to Mrs. Vinita Daga a long and healthy life.

Mr. Pradheep Kumar Daga (DIN 00080515) is doyen in security market with more than 25 years' experience in the Capital & Financial Market and one of the most respected business personalities in India. He possesses vast expertise and knowledge in Accounts, Finance and Corporate Restructuring. He is a leader to care, to adopt strategic decision and to build a team for the interest of its stakeholder. In the opinion of the Board it will be in the interest of the Company that Mr. Pradeep Kumar Daga (DIN 00080515) plays the role of Managing Director.

Your Director wishes to place on record their kind appreciation to Mr. Utpal Dey (DIN: 06931935) who retires by rotation and being eligible, offers himself for re-appointment.

An Independent director shall be appointed as per the provisions of Section 149 of the Act, and is not liable to retire by rotation. In compliance with the provisions of Section 149 read with Schedule IV of the Act, The company may propose name of requisite numbers of Independent Directors in compliance with the provision of section 149 of The Companies Act, 2013 (The Act) . Who in the opinion of the Board, if fulfill the conditions specified in The Act and the Rules made there under for appointment of Independent Directors and are independent of the management.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement of clause c of sub-section 1 and sub section 5 of section 134 of the Companies Act, 2013 ('the Act') and based on the representations received from the operating management, the Directors hereby confirm that:

- 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 and Profit & Loss of the company for that period.
- 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.

#### **8. PERSONNEL :**

Human Capital is an important asset for the Company and the Company has taken and shall continue to take adequate steps towards education and enrichment of the human capital. 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. None of the employees of the company are in receipt of remuneration in excess of the limit prescribed under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (appointment and Remuneration of Managerial Personnel) Rules 2014.



## 9. STATUTORY INFORMATION :

Particulars required to be furnished by the companies (Accounts) Rules, 2014:

- |                                     |       |
|-------------------------------------|-------|
| 1. Conservation of Energy           | : Nil |
| 2. Technology Absorption & Adoption | : Nil |
| 3. Foreign Exchange Earning & Outgo | : Nil |

## 10. CORPORATE GOVERNANCE :

As required under clause 49 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

All new Independent Directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the Corporate Governance and is also available on our website (<http://www.miflindia.com/investor.html>). Further at the time of appointment of independent director, the company issues a formal letter of appointment outlining his / her role, functions, duties and responsibilities.

## 12. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulation were effective December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited and The Calcutta Stock Exchange Limited during December, 2015.

## 13. POLICIES:

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website(<http://www.miflindia.com/investor.html>). The policies are reviewed periodically by the board and updated based on need and new compliance requirement.

**14. RELATED PARTY TRANSACTION POLICY:**

The policy regulates all transactions between the company and its related parties. The policy is available on the website of the company (<http://www.miflindia.com/cc/prt.pdf>).

**15. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

The board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

**16. POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES:**

In terms of Regulation 30 (4) (ii) of the Listing Regulations, the Board of Directors of the Company, is required to formulate and adopt a Policy for Determination of Materiality of Events / Information, and upload the same on the website of the Company. Further, SEBI had vide Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015, prescribed the details that need to be provided by Listed

Companies while disclosing such material events/ information.

This policy applies to disclosure of material events affecting the company. In terms of Regulation 30 of the Listing Regulations, listed entities are required to disclose details of events / information which in the opinion of the Board, are material.

**17. REMUNERATION POLICY :**

The Board has, on the recommendation of the Appointment & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration Policy is stated in the Corporate Governance Report.

**18. 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*

Place: Kolkata  
Date : 19<sup>th</sup> Day of May, 2016

**Pradeep Kumar Daga**  
(DIN 00080515)  
*Managing Director*

**Kirti Sharma**  
(DIN 07434779)  
*Whole Time Director*