



Date: 04<sup>th</sup> September, 2024

REF: MIFL/BSE/ANNUAL REPORT/2023-2024

To,  
Department of Corporate Services,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001.

**Kind Attn.: Corporate Relationship Department**

**Scrip Code: 537800**

**Script ID: MANGIND**

**Sub: Submission of Annual Report for Financial Year 2023-2024 of the Mangalam Industrial Finance Limited ("The Company")**

**Listing Regulation: Regulation 34 and all other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.**

Dear Sir / Madam,

Pursuant to Regulation 34(1)(a) and all other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), as amended from time to time, we are submitting herewith the Annual Report of the Company for the Financial Year ended March 31, 2024 (2023-2024) comprising of inter-alia, 41<sup>st</sup> Notice of Annual General Meeting (AGM) of the Company, Directors' Report along with its Annexures, Management Discussion & Analysis, Report on Corporate Governance and its Annexures, Independent Auditors' Reports on Standalone Financial Statements, Audited Financial Statements including Cash Flow Statements on Standalone basis and relevant notes attached thereto etc.

Further, the 41<sup>st</sup> Annual General Meeting ('AGM') of the Shareholders of the Company is scheduled to be held on **Saturday, 28<sup>th</sup> September, 2024 at 01.00 P.M. (IST)** through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM').

The Annual Report of the Company for FY 2023 - 2024 will be also available on the website of the Company at [www.miflindia.com](http://www.miflindia.com).

Kindly take on record the above information.

Thanking You.

Yours Faithfully

**For Mangalam Industrial Finance Limited**

**Samoil Lokhandwala**  
**Company Secretary and Compliance Officer**

**MANGALAM INDUSTRIAL FINANCE LIMITED**

**CIN No. : L65993WB1983PLC035815**

**Reg. Office :** Old Nimta Road, Nandan Nagar, Belghoria, Kolkata West Bengal- 700083, India.

**Corporate Office :** Hall No.1, Mr Icon, Next To Milestone Vasna Bhayli, Road, Vadodra 391410. Gujarat, India

**MO :** +91 7203948909 | **Email:** [compliance@miflindia.com](mailto:compliance@miflindia.com) | **Website :** [www.miflindia.com](http://www.miflindia.com)

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# **MANGALAM INDUSTRIAL FINANCE LIMITED**

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**CIN: L65993WB1983PLC035815**

**41<sup>st</sup> ANNUAL REPORT 2023-24**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Name of the Director	Designation
Mr. Venkata Ramana Revuru	Managing Director
Mr. Yatin Sanjay Gupte	Non-Executive Non-Independent Director
Mr. Vettukallel Avirachan Sojan	Non-Executive Non-Independent Director
Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director
Mrs. Mansi Jayendra Bhatt (Appointed on 25 <sup>th</sup> May, 2023)	Non-Executive Independent Woman Director
Mr. Paresh Prakashbhai Thakkar (Appointed on 01 <sup>st</sup> March, 2024)	Non-Executive Independent Director
Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	Non-Executive Independent Director

### DIRECTORS RESIGNED

Name of the Director	Designation
Mrs. Neelambari Harshal Bhujbal ( Resigned on 28 <sup>th</sup> June, 2023)	Non-Executive Independent Woman Director
Mr. Bhargav Govindprasad Pandya (Resigned on 25 <sup>th</sup> September, 2023)	Non-Executive Independent Director
Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023 and Resigned on 08 <sup>th</sup> February, 2024)	Non-Executive Independent Director

### DETAILS OF KEY MANAGERIAL PERSONNEL

Name of Key Managerial Personnel	Designation
Mr. Samoil Akilbhai Lokhandwala (Appointed on 01 <sup>st</sup> April, 2024)	Company Secretary and Compliance Officer
Ms. Kashish Purohit (Appointed on 17 <sup>th</sup> January, 2024 and resigned on 30 <sup>th</sup> March, 2024)	Company Secretary and Compliance Officer
Ms. Sakina Lokhandwala (Resigned on 22 <sup>nd</sup> November, 2023)	Company Secretary and Compliance Officer
Mr. Arun Pillai (Appointed on 24 <sup>th</sup> April, 2024)	Chief Financial Officer (CFO)
Mr. Akhtar Khatri (Appointed on 29 <sup>th</sup> June, 2023 and resigned on 10 <sup>th</sup> April, 2024)	Chief Financial Officer (CFO)
Mr. Sohinderpal Singh Teja (Resigned on 28 <sup>th</sup> June, 2023)	Chief Financial Officer (CFO)

<p><b><u>REGISTERED OFFICE ADDRESS</u></b></p> <p>Old Nimta Road, Nandan Nagar, Belghoria, Kolkata, West Bengal – 700 083, India</p>	<p><b><u>CORPORATE OFFICE ADDRESS</u></b></p> <p>Hall No-1, M R Icon, Next to Milestone, Vasna Bhayli Road, Vadodara, Gujarat – 391 410, India</p> <p>CIN: L65993WB1983PLC035815 Email: <a href="mailto:compliance@miflindia.com">compliance@miflindia.com</a> Website: <a href="http://www.miflindia.com">www.miflindia.com</a></p>
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<p><b><u>STATUTORY AUDITORS</u></b></p> <p>M/s. Mahesh Udhwani &amp; Associates (Chartered Accountants)</p>	<p><b><u>INTERNAL AUDITOR</u></b></p> <p>M/s. Upadhyay &amp; Company LLP</p>	<p><b><u>SECRETARIAL AUDITOR</u></b></p> <p>Mrs. Pooja Amit Gala (up to 21<sup>st</sup> June, 2024)</p> <p>Mr. Kamal A Lalani (w.e.f. 21<sup>st</sup> June, 2024)</p>	<p><b><u>GST CONSULTANT</u></b></p> <p>K.D. Ruparel &amp; Co. Chartered Accountants, Vadodara</p>
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<p><b><u>REGISTRAR AND SHARE TRANSFER AGENT</u></b></p> <p><b>Purva Share Registry (India) Private Limited</b></p> <p>Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai, Maharashtra 400 011 Phone: 022- 3199 8810 / 4961 4132 <b>Email id:</b> support@purvashare.com <b>Website:</b> www.purvashare.com</p>
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<p><b><u>PRINCIPAL BANKERS</u></b></p> <p>HDFC Bank Limited Union Bank of India ICICI Bank</p>
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<p><b><u>LISTED ON</u></b></p> <p><b>BSE Limited</b> Phiroze JeeJeebhoy Towers, Dalal street, Mumbai - 400 001, Maharashtra, India. <b>Scrip code:</b> 537800 <b>Scrip ID :</b> MANGIND <b>ISIN No:</b> INE717C01025</p>
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## COMPOSITION OF COMMITTEES

### 1. AUDIT COMMITTEE

DIN	NAME	DESIGNATION	POSITION IN COMMITTEE
10177722	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	Chairperson
06770916	Mr. Miteshkumar Ghanshyambhai Rana	Non-Executive Independent Director	Member
08865234	Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director	Member
08265981	Mr. Paresh Prakashbhai Thakkar	Non-Executive Independent Director	Member
07261150	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	Member

### 2. NOMINATION AND REMUNERATION COMMITTEE

DIN	NAME	DESIGNATION	POSITION IN COMMITTEE
06770916	Mr. Miteshkumar Ghanshyambhai Rana	Non-Executive Independent Director	Chairperson
10177722	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	Member
08865234	Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director	Member
08265981	Mr. Paresh Prakashbhai Thakkar	Non-Executive Independent Director	Member
07261150	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	Member

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

DIN	NAME	DESIGNATION	POSITION IN COMMITTEE
10177722	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	Chairperson
06770916	Mr. Miteshkumar Ghanshyambhai Rana	Non-Executive Independent Director	Member
08865234	Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director	Member
07261150	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	Member

### 4. RIGHTS ISSUE COMMITTEE

DIN	NAME	DESIGNATION	POSITION IN COMMITTEE
02809108	Mr. Venkata Ramana Revuru	Chairman and Managing Director	Chairperson
10177722	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	Member
06770916	Mr. Miteshkumar Ghanshyambhai Rana	Non-Executive Independent Director	Member
08265981	Mr. Paresh Prakashbhai Thakkar	Non-Executive Independent Director	Member
07261150	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	Member



## MANGALAM INDUSTRIAL FINANCE LIMITED

Corporate Identification Number (CIN): L65993WB1983PLC035815;

Registered Office: Old Nimta Road, Nandan Nagar, Belghoria, Kolkata, West Bengal – 700 083, India

Corporate Office: Hall No-1, M R Icon, Next to Milestone Vasna Bhayli Road, Vadodara 391 410,  
Gujarat, India

Tel: +91 7203948909 Website: [www.miflindia.com](http://www.miflindia.com) | Email ID: [compliance@miflindia.com](mailto:compliance@miflindia.com).

### NOTICE

NOTICE IS HEREBY GIVEN THAT THE 41<sup>st</sup> (FORTY-FIRST) ANNUAL GENERAL MEETING (“AGM”) OF THE EQUITY SHAREHOLDERS OF MANGALAM INDUSTRIAL FINANCE LIMITED (“THE COMPANY”) WILL BE HELD ON SATURDAY, 28<sup>TH</sup> SEPTEMBER, 2024 AT 01:00 P.M.(IST) THROUGH VIDEO CONFERENCING (“VC”)/OTHER AUDIO-VISUAL MEANS (‘OAVM’) FACILITY, TO TRANSACT THE FOLLOWING BUSINESSES:

#### ORDINARY BUSINESS:

**ITEM NO. 1: TO RECEIVE, CONSIDER AND ADOPT THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024 TOGETHER WITH THE REPORTS OF BOARD OF DIRECTORS AND THE AUDITORS THEREON AND IN THIS REGARD, TO:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT the Audited Standalone Financial Statements including Balance Sheet of the Company for the Financial Year ended 31<sup>st</sup> March, 2024, the Statement of Profit and loss, the Statement of Changes in Equity and cash flows for the year ended on that date together with the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

**ITEM NO. 2: TO APPOINT MR. SOJAN VETTUKALLEL AVIRACHAN (DIN: 07593791), WHO RETIRES BY ROTATION AND, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT AS A DIRECTOR OF THE COMPANY AND IN THIS REGARD:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of The Companies Act, 2013; **Mr. Sojan Vettukallel Avirachan (DIN: 07593791)**, who retires by rotation at this meeting, and being eligible, has offered himself for reappointment, be and is hereby re-appointed as a Non-Executive Non- Independent Director of the Company.”

#### SPECIAL BUSINESS:

**ITEM NO. 3: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH WARDWIZARD PROPERTIES HOLDING PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**



**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (**“the Act”**) read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended from time to time, the Company’s policy on Related Party Transactions, and subject to such other approvals, consent(s), permission(s) and sanctions of other authorities as may be necessary from time to time basis the approval and based on the recommendation of Audit Committee and the Board of Directors of the Company (hereinafter referred to as **“Board”** which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded to the Board for entering into and / or carrying out Material Related Transaction(s)/ contracts / arrangements or modification(s), alteration or amendments of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Wardwizard Properties Holding Private Limited**, a related party falling within the definition of **“Related Party”** under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during the financial year 2024-2025 and shall be valid up to the date of next AGM on such material terms and conditions as detailed in the explanatory statement annexed to this notice and as may be mutually agreed between related party and the Company, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), does not exceed value as detailed in the explanatory statement provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out in the ordinary course of business and at arm’s length basis;

**RESOLVED FURTHER THAT** the Board of Directors (Including any committee thereof) or Chief Financial Officer or officials (powers conferred by authority letter or Power of Attorney) of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT**, a certified true copy of the said resolution furnished to all concerned under the signature of any one of the Directors or Company Secretary of the Company.”

**ITEM NO. 4: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH LCL AVIATION PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (**“the Act”**) read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended from time to time, the Company’s policy on Related Party Transactions, and subject to such other approvals, consent(s), permission(s) and sanctions of other authorities as may be necessary from time to time basis the approval and based on the recommendation of Audit Committee and the Board of Directors of the Company (hereinafter referred to as **“Board”** which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent of

the Members of the Company be and is hereby accorded to the Board for entering into and / or carrying out Material Related Transaction(s)/ contracts / arrangements or modification(s), alteration or amendments of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **LCL Aviation Private Limited**, a related party falling within the definition of “Related Party” under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during the financial year 2024-2025 and shall be valid up to the date of next AGM on such material terms and conditions as detailed in the explanatory statement annexed to this notice and as may be mutually agreed between related party and the Company, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), does not exceed value as detailed in the explanatory statement provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out in the ordinary course of business and at arm’s length basis;

**RESOLVED FURTHER THAT** the Board of Directors (Including any committee thereof) or Chief Financial Officer or officials (powers conferred by authority letter or Power of Attorney) of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT**, a certified true copy of the said resolution furnished to all concerned under the signature of any one of the Directors or Company Secretary of the Company.”

**ITEM NO. 5: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH WARDWIZARD ENTERTAINMENT PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (**“the Act”**) read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended from time to time, the Company’s policy on Related Party Transactions, and subject to such other approvals, consent(s), permission(s) and sanctions of other authorities as may be necessary from time to time basis the approval and based on the recommendation of Audit Committee and the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded to the Board for entering into and / or carrying out Material Related Transaction(s)/ contracts / arrangements or modification(s), alteration or amendments of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Wardwizard Entertainment Private Limited**, a related party falling within the definition of “Related Party” under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during the financial year 2024-2025 and shall be valid up to the date of next AGM on such material terms and conditions as detailed in the explanatory statement annexed to this notice and as may be mutually agreed between related party and the Company, notwithstanding the fact that the aggregate value of all these transaction(s), whether

undertaken directly by the Company or along with its subsidiary(ies), does not exceed value as detailed in the explanatory statement provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out in the ordinary course of business and at arm's length basis;

**RESOLVED FURTHER THAT** the Board of Directors (Including any committee thereof) or Chief Financial Officer or officials (powers conferred by authority letter or Power of Attorney) of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT**, a certified true copy of the said resolution furnished to all concerned under the signature of any one of the Directors or Company Secretary of the Company."

**ITEM NO. 6: POWER TO CREATE CHARGE ON THE ASSETS OF THE COMPANY TO SECURE BORROWINGS UP TO 150 CRORES PURSUANT TO SECTION 180(1)(A) OF THE COMPANIES ACT, 2013:**

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Special Resolution**:

**"RESOLVED THAT** in pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, if any, for the time being in force) ('Act'), as per the RBI Rules and regulations from time to time and pursuant to the Memorandum of Association and Articles of Association of the Company, as per the approval of the Board of directors of the Company, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which term shall include any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution) to create such charges, mortgages and hypothecations, in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner, at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties/assets of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company for securing the borrowings of facilities/loan in any form excluding temporary loans and cash credits, the aggregate value of which shall not exceed at any time Rs 150,00,00,000/- Crores (Rupees One Hundred Fifty Crores Only), from any one or more Banks and/or Financial Institutions and/ or any other lending institutions in India or abroad and/or Bodies Corporate from time to time, together with interest, additional interest, commitment charges, repayment or redemption and all other costs, charges and expenses including any increase as a result of devaluation/revaluation and all other monies payable by the Company in terms of loan agreement(s)/debenture trust deed(s) or any other document, entered into/to be entered into between the Company and the lender(s)/ Agent(s) and Trustee(s) of lender(s) in respect of the said loans/borrowings/ debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lender(s)/agent(s) of lender(s)/trustee(s) of lender(s).

**RESOLVED FURTHER THAT** the Board of Directors of the company, be and is hereby authorized to delegate all or any of the powers conferred on it by or under the foregoing Special Resolution to any Directors of the company and/or Company Secretary and/or Chief Financial Officer of the company as it may consider appropriate in order to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board and such persons authorized by the Board, be and are hereby authorized, to negotiate, finalize and execute all deeds and documents, and to take all such steps and to do all such acts, deeds and things as may be deemed proper, necessary, desirable or expedient for the purpose of giving effect to this resolution

and for matters connected therewith or incidental thereto including but not limited to settle any questions or resolve difficulties that may arise in this regard.”

**ITEM NO. 7: ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 5, 14, 15 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), the Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other necessary statutory approvals and modifications if any, the new set of Articles of Association (“AOA”), be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company and for adoption of new set of Articles of Association.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the Board, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution), be and is hereby authorized to take all such actions as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things that may be incidental or pertinent to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** Executive Director, Chief Financial Officer or Company Secretary of the Company, be and is hereby authorized severally on behalf of the Company to sign and execute all such applications, forms and documents as required, and to do all such acts, deeds, matters and things as may be necessary and to settle any questions, difficulties, or doubts that may arise in this regard, and to accede to such modification to the aforementioned resolution a may be suggested by the Registrar of Companies or such other authorities arising from or incidental to the said amendment without requiring any further approval of the Board.”

**For Mangalam Industrial Finance Limited**

**SD/-  
Venkata Ramana Revuru  
Managing Director  
DIN: 02809108**

**SD/-  
Yatin Sanjay Gupte  
Non-Executive Non- Independent Director  
DIN: 07261150**

**Place: Vadodara  
Date: 31<sup>st</sup> August, 2024**

## NOTES:

- 1) The Explanatory Statement pursuant to Section 102(1) of The Companies Act, 2013 of the Companies Act, 2013 (“Act”) together with the rules made thereunder relating to the Special businesses to be transacted at the AGM is annexed thereto.
- 2) Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Secretarial Standard 2 (“SS-2”) issued by Institute of Company Secretaries of India (“ICSI”) notified by the Ministry of Corporate Affairs (“MCA”), the details of Director seeking re-appointment due to retirement by rotation, are provided in the “Annexure-I” to the Notice. Director have also furnished requisite declaration/ disclosure under section 164/184 and other applicable provisions of the Act, including rules framed there under and the SEBI Listing Regulations.
- 3) The MCA vide its, Circular No. 20/2020 dated May 05, 2020, read with General Circular 14/2020, dated April 08,2020, General Circular No. 17/2020 dated April 13,2020, General Circular No. 20/2020, dated May 5,2020, General Circular No.20/2020 dated June 15,2020, General Circular no.33/2020 dated September 28, 2020, General Circular no. 39/2020 dated December 31,2020, General Circular No.02/2021 dated December 14,2021, General Circular No.10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with SEBI circular no. SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated 05 January 2023, circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13 May 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 any other relevant circulars issued by MCA or SEBI (hereinafter collectively referred as “Applicable Circulars”) have permitted companies to hold their AGM through VC/OAVM without physical presence of Members till September 30, 2024 and prescribed the procedures and manner of conducting the AGM through VC/OAVM.
- 4) In compliance with applicable provisions of the Act read with aforesaid applicable Circulars, the 41<sup>st</sup> AGM of the Company being conducted through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
- 5) In accordance with the SS-2 read with Clarification/ Guidance on applicability of Secretarial Standards – 1 and 2 and amendments thereof dated April 1, 2024 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
- 6) The Company has appointed Purva Share Registry India Private Limited, Registrar & Share Transfer Agent (“RTA”) of the Company, to provide facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting at the e-AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 31 below.
- 7) All the documents referred to in the Notice and explanatory statement will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. **Saturday, 28<sup>th</sup> September, 2024**. Members seeking to inspect such documents can send an e-mail to [compliance@miflindia.com](mailto:compliance@miflindia.com). The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the Members during the AGM.
- 8) Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of The Companies Act, 2013. Shareholders can attend and participate in the AGM through VC/OAVM only.
- 9) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **Saturday, 21<sup>st</sup> September, 2024 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the

Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.

**10) Pursuant to the circulars issued by MCA on conducting the AGM through VC/OAVM:**

- a) Members can attend the meeting through log in credentials provided to them to connect to VC. Physical attendance of the Members at the Meeting venue has been dispensed with.
  - b) Appointment of proxy to attend and cast vote on behalf of the member is not available for this e-AGM and hence, the Route map, Proxy Form and Attendance Slip are not annexed to this Notice.
  - c) Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
- 11) The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors.
- 12) **Mr. Kamal A Lalani**, a Practicing Company Secretary (Membership No. 37774), has been appointed as “Scrutinizer” at Meeting of Board of Directors held on 31<sup>st</sup> August, 2024 to scrutinize the e-voting process and voting at the AGM in a fair and transparent manner and he has communicated her willingness to be appointed.
- 13) In pursuance of Section 112 and Section 113 of The Companies Act, 2013 (“the Act”), representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting. Institutional / Corporate Members intending to appoint an Authorized Representative to attend and vote on their behalf at the AGM are required to send a scanned copy (PDF/JPG format) of its Board or Governing body resolution/ authorization letter etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting at least 48 hours before the AGM. The said resolution/authorization shall be sent to the scrutinizer by e-mail through its registered e-mail address to cskamal2014@gmail.com or upload on the VC portal/e-voting portal i.e., <https://evoting.purvashare.com/>.
- 14) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of **Saturday, 21<sup>st</sup> September, 2024**. Members shall have one vote for every one fully paid share of the Company held by them as on the cut-off date. Members can vote for their entire voting rights as per their discretion.
- 15) Pursuant to the MCA Circulars, the Notice of the AGM is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company /Depositories and whose names appears in the Register of Members as on **Friday, 30<sup>th</sup> August, 2024**. Copy of the Notice of the AGM is also available for download on the website of the Company at <https://www.miflindia.com> , the e-voting portal i.e. <https://evoting.purvashare.com/>. and on the websites of the Stock Exchanges, i.e. BSE at <https://www.bseindia.com>
- 16) Members who have not registered their email addresses with the Company/ RTA or their Depositories for receiving all communication (including Notice and Annual Report) from the Company electronically can get the same registered as follows:
- i. Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company/ RTA are requested to registered by visiting <https://purvashare.com/email-and-phone-updation/>
  - ii. Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depositories.
- 17) In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form

are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the web link at <https://www.miflindia.com/investor-relations/info-for-shareholders/documents-for-shareholders>. It may be noted that any service request can be processed only after the folio is KYC compliant.

18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

a. For shares held in electronic form :	To their Depository Participants (DPs)
b. For shares held in physical form :	To the Company/ Registrar and Transfer Agent of the Company in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company/ RTA are requested to register by visiting <a href="https://www.purvashare.com/email-andphone-updation/">https://www.purvashare.com/email-andphone-updation/</a> .

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to aforesaid SEBI Circulars in Form ISR-1 and other Forms. These Forms are also available on the website of the Company at <https://www.miflindia.com/investor-relations/info-for-shareholders/documents-for-shareholders>.

Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1 and such other Forms, as may be applicable to them.

- 19) Members are requested to notify immediately:

- Any change in their residential address, Email ID, Contact Number, etc.
- Income-tax Permanent Account Number (PAN).

- 20) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH - 13 with Registrar. In respect of shares held in Demat form, the nomination form may be filed with the respective DP. As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nominations with various forms are made available at the Company's website at <https://www.miflindia.com/investor-relations/info-for-shareholders/documents-for-shareholders>. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested

to submit the said form to their DP in case the shares are held in Demat Form and to the RTA in case the shares are held in physical form.

- 21) Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request in advance at least seven days before the AGM. Members who do not wish to speak during the AGM but have queries may send their queries, mentioning the name, securities demat account number/folio number, email id, mobile number to [compliance@miflindia.com](mailto:compliance@miflindia.com) can send their queries in advance 7 days prior to meeting.
- 22) Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM for a maximum time of 2 (Two) minutes each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
- 23) Members who are present in the meeting through VC / OAVM and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.
- 24) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- 25) Members desirous of obtaining information/ details about the Financial Statements, are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting. The Members desirous of inspection of documents may write to the Company through E-mail and the same shall be sent to them electronically.
- 26) Members are requested to note that the Company's equity shares are under compulsory demat trading for all class of investors, as per the provisions of the SEBI Circular dated May 29, 2000. Members are therefore advised in their own interest to dematerialise their physical shareholding to avoid inconvenience and for better servicing by the Company.
- 27) Pursuant to Section 91 & other applicable provisions of the Companies Act, 2013 and in accordance with the Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Book of the Company shall remain closed from **Friday, 20<sup>th</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive)** for taking record of the Members of the Company for the purpose of ensuing 41<sup>st</sup> Annual General Meeting.
- 28) Members may kindly note that in accordance with SEBI Master Circular for Online Resolution of Disputes in the Indian Securities Market bearing no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated 31st July, 2023 (as amended from time to time), the Company has registered on the SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). SEBI has specified that a shareholder shall first take up his/ her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity or its RTA and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the SMART ODR Portal. This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution Institutions for addressing complaints. Members may feel free to utilize this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between Members and the Company (including RTA). Members can access the SMART ODR Portal via the following link: <https://smartodr.in/login>. and the same can be accessed through Company's Website at <https://miflindia.com/contact>.
- 29) **Investor Grievance Redressal:-** The Company has designated an E-mail Id [compliance@miflindia.com.in](mailto:compliance@miflindia.com.in) to enable investors to register their complaints, if any.



30) **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 41<sup>st</sup> AGM. For this purpose, the Company has appointed Purva Share registry RTA of the company to facilitate voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system on the date of the AGM will be provided by Purva Share registry.

**31) THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

- a) The remote e-voting period begins on **Wednesday, 25<sup>th</sup> September, 2024 at 09:00 A.M.** and ends on **Friday, 27<sup>th</sup> September, 2024 at 05:00 P.M.** The remote e-voting module shall be disabled by Purva Share Registry thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Saturday, 21<sup>st</sup> September, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Saturday, 21<sup>st</sup> September, 2024**.
- b) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- c) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.

	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME/PURVA, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be</li> </ol>

	redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL.**

Login type	Helpdesk details
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
<b>Individual Shareholders holding securities in Demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**d) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.****

- 1) The shareholders should log on to the e-voting website <https://evoting.purvashare.com>.
- 2) Click on “Shareholder/Member” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter EVENT Number followed by Folio Number registered with the company. For example if folio number is 001\*\*\* and EVENT is 8 then user ID is 8001\*\*\*
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) or [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	<ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- g) After entering these details appropriately, click on “SUBMIT” tab.
- h) Shareholders holding shares in physical form will then directly reach the Company selection screen.
- i) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVENT NO. for the relevant <Company Name> on which you choose to vote.
- k) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO/ABSTAIN” for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.
- l) Click on the “NOTICE FILE LINK” if you wish to view the Notice.
- m) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o) Facility for Non – Individual Shareholders and Custodians – Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://evoting.purvashare.com> and register themselves in the “Custodians / Mutual Fund” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [evoting@purvashare.com](mailto:evoting@purvashare.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [compliance@miflindia.com](mailto:compliance@miflindia.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the Purva e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVENT NO. of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **Seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@miflindia.com](mailto:compliance@miflindia.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@miflindia.com](mailto:compliance@miflindia.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository

If you have any queries or issues regarding attending AGM & e-Voting from the Purva e-Voting System, you can write an email to [evoting@purvashare.com](mailto:evoting@purvashare.com) or contact at 022-49614132 and 022-49700138.

All grievances connected with the facility for voting by electronic means may be addressed to Ms. Deepali Dhuri, Compliance Officer, Purva Sharegistry (India) Private Limited, Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011 or send an email to [evoting@purvashare.com](mailto:evoting@purvashare.com) or contact at 022- 022-49614132 and 022-35220056.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of The Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following explanatory statements sets out all material facts relating to the businesses mentioned under Item Nos. 3 to 7 of the accompanying notice dated 31<sup>st</sup> August, 2024:

#### **ITEM NO.3: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH WARDWIZARD PROPERTIES HOLDING PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

Based on current applicable threshold for determining the related party transactions that require prior Shareholders approval and to facilitate seamless contracting and rendering/availing of product and services between the Company and "related parties", the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution.

Further pursuant to the provisions of Section 188 of The Companies Act, 2013 ("the Act"), read with The Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules"), the Company is required to obtain consent of the Audit Committee, Board of Directors and also prior approval of the Shareholders by way of Ordinary Resolution, in case certain transactions with related parties exceeds such sum as specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and also on arm's length basis

The Audit Committee and Board of Directors at its meeting on the basis of relevant details provided by the management, as required by the law, at its meeting held on 31<sup>st</sup> August, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Moreover, the estimated value of the transaction(s) with **Wardwizard Properties Holding Private Limited** relating to sale, purchase or supply of any good(s) or material(s), selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any service(s), appointment of agent for purchase or sale of good(s), material(s), service(s) or property or otherwise disposing of any goods, materials or property or availing or rendering of any services, borrowings/lending of loans and advances, to give premises on rent, to give donation, to give inter corporate deposits, transfer of any resources, services or obligations on such term(s) and condition(s) as the Board of Directors may deem fit or appointment of such related party to any office or place of profit in the Company for an amount during the financial year 2024-25 are likely to exceed the threshold prescribed under Section 188 of The Companies Act, 2013, read with the rules made there and under Regulation 2 (zc) & 23 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standard (IND AS) 24 and will be considered material and therefore would require the approval of shareholders of the Company by an Ordinary Resolution.

The definition of related party is in pursuance with section 2(76), 2(77) of The Companies Act, 2013 read with rules made thereunder and Regulation 2(zb), 2 (zd) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Shareholders’ approval sought for the Material Related Party Transactions to be enter during FY 2024-25 as given in Item No. 3 shall be valid up to the date of next AGM.

The Shareholders may note that as per the provisions of the SEBI Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolution set out at Item No. 3.

None of the Directors or Key Managerial Personnel / Promoter except Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; Wardwizard Solutions India Private Limited and Garuda Mart India Private Limited, Promoters of the Company are deemed to be concerned or interested in resolution no. 3 of this Notice to the extent of their shareholding in the Company, if any.

As per the SEBI Listing Regulations, all related parties of the Company, whether a party to the proposed transaction(s) or not, shall abstain from voting on the said resolution. Further In accordance with the Section 188 of the Companies Act, 2013, no members of the company shall vote on such resolutions, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The consent of the Shareholders is sought for passing a Ordinary Resolution as set out at Item No. 3 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as a Ordinary Resolution.

**Information required to be disclosed in the Explanatory Statement for Item Nos. 3 pursuant to the SEBI Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:**

**Material Related Party Transactions by the Company**

Particular of Material related party transactions between Mangalam industrial Finance Limited and Wardwizard Properties Holdings Private Limited

SR NO.	DESCRIPTION	PARTICULARS
1.	<b>Name of the related party</b>	Wardwizard Properties Holding Private Limited (“hereinafter referred as WPHPL”)
2.	<b>Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)</b>	Mr. Yatin Sanjay Gupte, Non-Executive Non Independent Director of the Company is Common Director
3.	<b>Type of the proposed transaction</b>	<ul style="list-style-type: none"> <li>• Leasing of property</li> <li>• Any transfer of resources, services or obligations to meet its objectives/requirements.</li> <li>• Any other transactions as specified in the Explanatory Statement</li> </ul>
4.	<b>Nature, duration/tenure, material terms, monetary value particulars of contract/arrangement</b>	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in.



		Monetary value of transactions subject to a maximum of Rs. 10,00,00,000/- (Rupees Ten Crores) through contracts/arrangements/Memorandum of Understanding and shall be valid up to the date of next AGM.
5.	<b>Particulars of the proposed transaction</b>	As provided in Serial Number 3 above
6.	<b>Value of the proposed transaction</b>	As provided in Serial Number 4 above
7.	<b>Name of Director(s) or Key Managerial Personnel who is related, if any.</b>	Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; along with their relatives are related to company
8.	<b>The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)</b>	Value of the proposed transaction represents 26.13% of the consolidated turnover of the Company for FY 2023-24.
<b>Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given</b>		
9.	<p>i. details of the source of funds in connection with the proposed transaction,</p> <p>ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness.</li> <li>• cost of funds; and</li> <li>• tenure.</li> </ul> <p>iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and</p> <p>iv. the purpose for which the funds will be utilized by the</p>	<p>The financial assistance is provided/ would be provided from the internal accruals/own funds/funds raised through issue of equity shares/debt Instruments or inter corporate loans of the Company</p> <p>Yes</p> <p>Unsecured working capital loan/ inter corporate deposit, investment in debt securities, investment in securities where coupon rate is fixed/Short term lending for the tenure as mutually agreed between the parties. Interest rate will be in line with prevailing bank lending rates.</p>

	<b>ultimate beneficiary of such funds pursuant to the RPT.</b>	Funds shall be utilized towards meeting the operational cash-flows and/or business objectives/ working capital requirements requirements/exigencies of the Related Party
<b>10.</b>	Justification as to why the RPT is in the interest of the listed entity.	The Board considers that the proposed related party transactions are in the ordinary course of business and at arm's length basis and play a vital role in the growth of business operations of the listed entity.
<b>11.</b>	<b>A copy of the valuation or other external party report, if any such report has been relied upon.</b>	--
<b>12.</b>	<b>Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.</b>	NIL
<b>13.</b>	<b>Any other information that may be relevant.</b>	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

**ITEM NO.4: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH LCL AVIATION PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore(Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

Based on current applicable threshold for determining the related party transactions that require prior Shareholders approval and to facilitate seamless contracting and rendering/availing of product and services between the Company and "related parties", the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution.

Further pursuant to the provisions of Section 188 of The Companies Act, 2013 ("the Act"), read with The Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules"), the Company is required to obtain consent of the Audit Committee, Board of Directors and also prior approval of the Shareholders by way of Ordinary Resolution, in case certain transactions with related parties exceeds such sum as specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and also on arm's length basis

The Audit Committee and Board of Directors at its meeting on the basis of relevant details provided by the management, as required by the law, at its meeting held on 31<sup>st</sup> August, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Moreover, the estimated value of the transaction(s) with **LCL Aviation Private Limited** relating to sale, purchase or supply of any good(s) or material(s), selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any service(s), appointment of agent for purchase or sale of good(s), material(s), service(s) or property or otherwise disposing of any goods, materials or property or availing or rendering of any services, borrowings/lending of loans and advances, to give premises on rent, to give donation, to give inter corporate deposits, transfer of any resources, services or obligations on such term(s) and condition(s) as the Board of Directors may deem fit or appointment of such related party to any office or place of profit in the Company for an amount during the financial year 2024-25 are likely to exceed the threshold prescribed under Section 188 of The Companies Act, 2013, read with the rules made there and under Regulation 2 (zc) & 23 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standard (IND AS) 24 and will be considered material and therefore would require the approval of shareholders of the Company by an Ordinary Resolution.

The definition of related party is in pursuance with section 2(76), 2(77) of The Companies Act, 2013 read with rules made thereunder and Regulation 2(zb), 2 (zd) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Shareholders' approval sought for the Material Related Party Transactions to be entered during FY 2024-25 as given in Item No. 4 shall be valid up to the date of next AGM.

The Shareholders may note that as per the provisions of the SEBI Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolution set out at Item No. 4.

None of the Directors or Key Managerial Personnel / Promoter except Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; Wardwizard Solutions India Private Limited and Garuda Mart India Private Limited, Promoters of the Company are deemed to be concerned or interested in resolution no. 4 of this Notice to the extent of their shareholding in the Company, if any.

As per the SEBI Listing Regulations, all related parties of the Company, whether a party to the proposed transaction(s) or not, shall abstain from voting on the said resolution. Further In accordance with the Section 188 of the Companies Act, 2013, no members of the company shall vote on such resolutions, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The consent of the Shareholders is sought for passing a Ordinary Resolution as set out at Item No. 4 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as a Ordinary Resolution.

**Information required to be disclosed in the Explanatory Statement for Item Nos. 4 pursuant to the SEBI Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:**

#### **Material Related Party Transactions by the Company**

Particular of Material related party transactions between Mangalam industrial Finance Limited and LCL Aviation Private Limited

SR NO.	DESCRIPTION	PARTICULARS
1.	Name of the related party	LCL Aviation Private Limited
2.	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mr. Yatin Sanjay Gupte, Non-Executive Non Independent Director of the Company is Common Director
3.	Type of the proposed transaction	<ul style="list-style-type: none"> <li>Any transfer of resources, services or obligations to meet its objectives/requirements.</li> <li>Any other transactions as specified in the Explanatory Statement</li> </ul>
4.	Nature, duration/tenure, material terms, monetary value particulars of contract/arrangement	<p>Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in.</p> <p>Monetary value of transactions subject to a maximum of Rs. 10,00,00,000/- (Rupees Ten Crores) through contracts/arrangements/Memorandum of Understanding and shall be valid up to the date of next AGM.</p>
5.	Particulars of the proposed transaction	As provided in Serial Number 3 above
6.	Value of the proposed transaction	As provided in Serial Number 4 above
7.	Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; along with their relatives are related to company
8.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Value of the proposed transaction represents 26.13% of the consolidated turnover of the Company for FY 2023-24.
<b>Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given</b>		
9.	<p>i. details of the source of funds in connection with the proposed transaction,</p> <p>ii. where any financial indebtedness</p>	<p>The financial assistance is provided/ would be provided from the internal accruals/own funds/funds raised through issue of equity shares/debt Instruments or inter corporate loans of the Company</p> <p>Yes</p>

	<p>is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness.</li> <li>• cost of funds; and</li> <li>• tenure.</li> </ul> <p>iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and</p> <p>iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>Unsecured working capital loan/ inter corporate deposit, investment in debt securities, investment in securities where coupon rate is fixed/Short term lending for the tenure as mutually agreed between the parties. Interest rate will be in line with prevailing bank lending rates.</p> <p>Funds shall be utilized towards meeting the operational cash-flows and/or business objectives/ working capital requirements requirements/exigencies of the Related Party</p>
10.	Justification as to why the RPT is in the interest of the listed entity.	The Board considers that the proposed related party transactions are in the ordinary course of business and at arm's length basis and play a vital role in the growth of business operations of the listed entity.
11.	A copy of the valuation or other external party report, if any such report has been relied upon.	--
12.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	NIL
13.	Any other information that may be relevant.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

**ITEM NO.5: APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) WITH WARDWIZARD ENTERTAINMENT PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015 AND IND AS 24:**

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000

crore(Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

Based on current applicable threshold for determining the related party transactions that require prior Shareholders approval and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution.

Further pursuant to the provisions of Section 188 of The Companies Act, 2013 (“the Act”), read with The Companies (Meetings of Board and its Powers) Rules, 2014 (“Rules”), the Company is required to obtain consent of the Audit Committee, Board of Directors and also prior approval of the Shareholders by way of Ordinary Resolution, in case certain transactions with related parties exceeds such sum as specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and also on arm's length basis

The Audit Committee and Board of Directors at its meeting on the basis of relevant details provided by the management, as required by the law, at its meeting held on 31<sup>st</sup> August, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Moreover, the estimated value of the transaction(s) with **Wardwizard Entertainment Private Limited** relating to sale, purchase or supply of any good(s) or material(s), selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any service(s), appointment of agent for purchase or sale of good(s), material(s), service(s) or property or otherwise disposing of any goods, materials or property or availing or rendering of any services, borrowings/lending of loans and advances, to give premises on rent, to give donation, to give inter corporate deposits, transfer of any resources, services or obligations on such term(s) and condition(s) as the Board of Directors may deem fit or appointment of such related party to any office or place of profit in the Company for an amount during the financial year 2024-25 are likely to exceed the threshold prescribed under Section 188 of The Companies Act, 2013, read with the rules made there and under Regulation 2 (zc) & 23 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standard (IND AS) 24 and will be considered material and therefore would require the approval of shareholders of the Company by an Ordinary Resolution.

The definition of related party is in pursuance with section 2(76), 2(77) of The Companies Act, 2013 read with rules made thereunder and Regulation 2(zb), 2 (zd) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Shareholders' approval sought for the Material Related Party Transactions to be enter during FY 2024-25 as given in Item No. 5 shall be valid up to the date of next AGM.

The Shareholders may note that as per the provisions of the SEBI Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolution set out at Item No. 5.

None of the Directors or Key Managerial Personnel / Promoter except Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; Wardwizard Solutions India Private Limited and Garuda Mart India Private Limited, Promoters of the Company are deemed to be concerned or interested in resolution no. 5 of this Notice to the extent of their shareholding in the Company, if any

As per the SEBI Listing Regulations, all related parties of the Company, whether a party to the proposed transaction(s) or not, shall abstain from voting on the said resolution. Further In accordance with the Section 188 of the Companies Act, 2013, no members of the company shall vote on such resolutions, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The consent of the Shareholders is sought for passing a Ordinary Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as a Ordinary Resolution.

**Information required to be disclosed in the Explanatory Statement for Item Nos. 5 pursuant to the SEBI Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:**

**Material Related Party Transactions by the Company**

Particular of Material related party transactions between Mangalam industrial Finance Limited and Wardwizard Entertainment Private Limited

SR NO.	DESCRIPTION	PARTICULARS
1.	Name of the related party	Wardwizard Entertainment Private Limited
2.	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Yatin S Gupte HUF is a shareholder of Wardwizard Entertainment Private Limited. Mr. Yatin Sanjay Gupte Promoter & Director of Company is a Karta of HUF
3.	Type of the proposed transaction	<ul style="list-style-type: none"> <li>Any transfer of resources, services or obligations to meet its objectives/requirements.</li> <li>Any other transactions as specified in the Explanatory Statement</li> </ul>
4.	Nature, duration/tenure, material terms, monetary value particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions subject to a maximum of Rs. 10,00,00,000/- (Rupees Ten Crores) through contracts/arrangements/Memorandum of Understanding and shall be valid up to the date of next AGM.
5.	Particulars of the proposed transaction	As provided in Serial Number 3 above
6.	Value of the proposed transaction	As provided in Serial Number 4 above
7.	Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Venkata Ramana, Chairman and Managing Director; Mr. Yatin Sanjay Gupte, Promoter and Non-Executive Non-Independent Director; Mr. Vettukallel Avirachan Sojan, Promoter and Non-Executive Non Independent Director; along with their relatives are related to company
8.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated	Value of the proposed transaction represents 26.13% of the consolidated turnover of the Company for FY 2023-24.

	on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	
<b>Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given</b>		
9.	<p>i. details of the source of funds in connection with the proposed transaction,</p> <p>ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness.</li> <li>• cost of funds; and</li> <li>• tenure.</li> </ul> </p> <p>iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and</p> <p>iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>The financial assistance is provided/ would be provided from the internal accruals/own funds/funds raised through issue of equity shares/debt Instruments or inter corporate loans of the Company</p> <p>Yes</p> <p>Unsecured working capital loan/ inter corporate deposit, investment in debt securities, investment in securities where coupon rate is fixed/Short term lending for the tenure as mutually agreed between the parties. Interest rate will be in line with prevailing bank lending rates.</p> <p>Funds shall be utilized towards meeting the operational cash-flows and/or business objectives/ working capital requirements requirements/exigencies of the Related Party</p>
10.	Justification as to why the RPT is in the interest of the listed entity.	The Board considers that the proposed related party transactions are in the ordinary course of business and at arm's length basis and play a vital role in the growth of business operations of the listed entity.
11.	A copy of the valuation or other external party report, if any such report has been relied upon.	--
12.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	NIL
13.	Any other information that may be relevant.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.



**ITEM NO. 6 : POWER TO CREATE CHARGE ON THE ASSETS OF THE COMPANY TO SECURE BORROWINGS UP TO 150 CRORES PURSUANT TO SECTION 180(1)(A) OF THE COMPANIES ACT, 2013**

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors have the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company with the consent of the Shareholders of the Company by way of a Special Resolution.

In order to secure the borrowings, the Company may be required to create security by way of mortgage/ charge/ hypothecation on its assets and properties both present and future. The terms of such security may include a right in certain events of default, to take over control of the said assets and properties of the Company. Since creation of charge on properties and assets of the Company with the right of taking over the control in certain events of default may be considered to be a sale/ lease/ disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013, it is proposed to seek approval of the shareholders of the Company Create Charge on the Assets of the Company to Secure Borrowings to Rs. Rs 150,00,00,000/- Crores (Rupees One Hundred Fifty Crores Only) which was approved by Shareholders at 40<sup>th</sup> Annual General Meeting of the Company held on 02<sup>nd</sup> September, 2023. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out on Item No.6 for approval by the members of the Company.

Accordingly, The Approval of the members of the Company is sought for creation of charge on assets/properties of the Company upto Rs. 150,00,00,000/- Crores (Rupees One Hundred Fifty Crores Only) as stated in the resolutions. The Board of Directors therefore recommends the resolutions as set out in Item No. 6 of the Notice for approval of members of the Company by way of Special Resolutions.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolutions.

**ITEM NO. 7 : ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

As the Members of the Company are aware that the Company was incorporated in the year 1982 under the provisions of the Companies Act, 1956 and hence, the existing Articles of Association ("existing AOA") of the Company are based on the provisions of the Companies Act, 1956 and further amendments were adopted, from time to time, over the past years.

In order to bring existing AOA of the Company in line with the provisions of the Act, the Company is required to carry-out numerous changes in the existing AOA and hence it is considered desirable to adopt a comprehensive new set of Articles of Association of the Company ("New Articles") in substitution of and to the exclusion of the existing AOA.

Accordingly, The Board at its meeting held on Saturday, 31<sup>st</sup> August, 2024 approved and recommended, subject to approval of the Members of the Company, the adoption of new set of Articles of Association of the Company in substitution of existing AOA to make it consistent and align it with the provisions of the Act and the Rules made thereunder, as set out in the Special Resolution at item no. 7 of this Notice.

As per the provisions of Section 14 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of a Special Resolution is required for adoption of new AOA by adoption of new AOA in substitution of existing AOA.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Corporate Office of the Company during the office hours on any working day, except Sundays, between 10.00 a.m. to 5.00 p.m. till the conclusion of the Annual General Meeting.

The Board recommends passing of the resolution set out at Item No. 7 for the approval of the members of the Company by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, financially or otherwise, either directly or indirectly in passing of the said Special Resolution, save and except to the extent of their respective interest as shareholders of the Company.

In the opinion of the Board, the proposed special resolution is in the interest of the Company and its shareholders and therefore, recommend passing of the special resolution as set out in item no. 7 of this Notice

**For Mangalam Industrial Finance Limited**

**SD/-**  
**Venkata Ramana Revuru**  
**Managing Director**  
**DIN: 02809108**

**SD/-**  
**Yatin Sanjay Gupte**  
**Non-Executive Non- Independent Director**  
**DIN: 07261150**

**Place: Vadodara**  
**Date: 31<sup>st</sup> August, 2024**

**‘Annexure-I’ to the Notice**

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards-2 issued by Institute of Company Secretaries of India (“ICSI”)

<b>Particulars</b>	<b>Details</b>
<b>Name of Director</b>	Mr. Sojan Vettukallel Avirachan
<b>Fathers' Name</b>	Mr. Vettukallel Avirachan
<b>DIN</b>	07593791
<b>Date of Birth/ Age</b>	13 <sup>th</sup> February, 1978 & Age : 46
<b>Nationality</b>	Indian
<b>Qualification</b>	MBA in Finance HR from Anna University Chennai–2000. Honorary Doctorate from International Tamil University -2008
<b>Years of Experience</b>	More than 16+ years
<b>Expertise in specific functional areas/ Experience</b>	Mr. Sojan Vettukallel Avirachan has more than 16 years’ of experience working with various financial firm, handled loan portfolio, Managing various branch office of the company, retail/consumer finance .  He has expertise in the field of investment in quoted/unquoted securities/mutual funds/ government securities, lending activities, micro finance activities.
<b>Date of First Appointment on the Board of the Company</b>	03 <sup>rd</sup> June, 2021
<b>Shareholding in the company as on date of this report (including shareholding as a beneficial Owner)</b>	25,00,27,310
<b>Terms and conditions of reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable</b>	Re-appointment pursuant to Section 152 of the Companies Act, 2013. Please refer Corporate Governance Report section for remuneration.
<b>Name of public limited Companies, where he is Director including this listed entity</b>	1. Mangalam Industrial Finance Limited 2. I Secure Credit & Capital Services Limited
<b>Directorship in other companies (excluding this Company, foreign companies and Section 8 companies)</b>	<ul style="list-style-type: none"> <li>• I Secure Credit &amp; Capital Services Limited</li> <li>• Aevas Business Solutions Private Limited</li> <li>• Aevas Visual Magic Private Limited</li> <li>• Aevas Ayurveda Private Limited</li> <li>• Dhanwanthari Health And Wellness Solutions Private Limited</li> <li>• Aevas Biotech And Farming Private Limited</li> </ul>

	<ul style="list-style-type: none"> <li>• Aevas Sopanam Ayurveda Multispeciality Hospital Private Limited</li> <li>• Aevas Hoteleera Private Limited</li> <li>• Trawells 4 Health Private Limited</li> <li>• Nexkare Hospitality Private Limited</li> <li>• Sopanam Ayurvedic Resorts Private Limited</li> </ul>
<b>Number of Meetings of the Board attended during the year(FY 2023-24)</b>	11 Board Meetings
<b>Relationship with other directorship and KMP</b>	Mr. Sojan Avirachan, Mr. Venkata Ramana Revuru and Mr. Yatin Sanjay Gupte and are Business Partners.
<b>Memberships / Chairmanships of committee including this listed entity</b>	<b>I Secure Credit and Capital Service Limited</b> Audit Committee - Member
<b>Listed entities from which he has resigned in the past three years</b>	NIL

## DIRECTORS' REPORT

To  
The Shareholders,  
**MANGALAM INDUSTRIAL FINANCE LIMITED**

Your Directors are delightfully presenting the 41<sup>st</sup> (Forty-First) Report of the Board of Directors (“Board”) of Mangalam Industrial Finance Limited (“Company” or “MIFL”), together with the Audited Standalone Financial Statements for the Financial Year (“FY”) ended 31<sup>st</sup> March, 2024 prepared as per Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (‘the Act’).

### 1. COMPANY OVERVIEW:

Mangalam Industrial Finance Limited, a public limited company established in 1983, operates as a non-deposit taking non-banking finance company. The company is registered with the Reserve Bank of India under registration number B.05.02961. Its registered office is located at Old Nimta Road, Nandan Nagar, Belghoria, Kolkata, West Bengal – 700 083, India while its corporate office is situated at Hall No-1, M R Icon, Next to Milestone, Vasna Bhayli Road, Vadodara, Gujarat – 391 410, India.

### 2. FINANCIAL HIGHLIGHTS:

The financial performance of your Company for the FY ended March 31, 2024, is summarized below:

(Amount ₹ in Lakhs)

Particulars	Standalone	
	Current Year 2023-24	Previous Year 2022-23
Interest & Other Income	261.45	133.12
Profit Before Depreciation & Taxation & Exceptional Items	29.04	(487.43)
Exceptional Items	0.00	0.00
Profit Before Depreciation & Taxation	29.04	(487.43)
Less: Depreciation	3.40	1.58
Less: Current Tax	6.66	11.20
Less: Deferred Tax	0.21	0.73
Profit / (Loss) After Taxation	18.77	(500.94)
Add: Balance Brought Forward from Previous Year	(735.46)	(231.10)
Less: Transferred to Statutory Reserve	3.75	0.00
Less: Fair Valuation of Equity Instrument	0.00	0.00
Add: Other Adjustment	9.26	(3.42)
Add: Contingent Provision For Standard Assets	0.00	0.00
Balance Carried to Balance Sheet	(729.70)	(735.46)

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 and other relevant provisions of the Companies Act, 2013.

### **3. OPERATIONS/STATE OF COMPANY'S AFFAIRS:**

The Profit before tax during the year is ₹ 25.64 Lakhs against loss before tax ₹ (489.01) Lakhs in previous year. The Profit after tax is ₹ 18.77 Lakhs against loss of ₹ (500.94) Lakhs in previous year. In assessing the recoverability of loans, receivables and investments, the Company has considered internal and external sources of information, economic forecast and industry reports upto the date of approval of these financial results. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the Company in the current Financial Year.

#### **❖ BRIEF DESCRIPTION OF THE STATE OF COMPANY'S AFFAIRS**

The Company is a Non-Banking Finance Company and is presently engaged in the business of investing and financing.

### **4. TRANSFER TO RESERVES:**

The Company during the year under review, in accordance with Section 45-IC (1) of The Reserve Bank of India Act, 1934 has transferred an amount of ₹ 3.75 Lakhs to Statutory Reserve. As on 31<sup>st</sup> March, 2024, the balance in the Statutory Reserve is ₹ 36.80 Lakhs.

### **5. CHANGES IN THE NATURE OF BUSINESS:**

During the year under review, the nature of business of the Company remained unchanged.

### **6. DIVIDEND:**

The company has not declared a dividend for the financial year 2023-24 in order to strengthen its financial position and increase its reserves.

### **7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

As the company has not declared or paid any unpaid or unclaimed dividends in previous years, it is not subject to the provisions of Section 125 of the Companies Act, 2013.

### **8. RIGHTS ISSUE:**

- ❖ The Board of Directors at its Meeting held on 25<sup>th</sup> May, 2023 approved raising of funds for an amount not exceeding Rs. 49,00,00,000/- (Rupees Forty-nine crores only), through a Right Issue to the eligible equity shareholders of the Company in accordance with applicable laws, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, SEBI Listing Regulations, along with relevant circulars issued by the Securities and Exchange Board of India, The Companies Act, 2013 ("Right Issue").
- ❖ Further The Board of Directors at its Meeting held on 17<sup>th</sup> January, 2024 approved Issue of up to 12,38,92,721 Fully Paid-Up Equity Shares of Face Value of ₹ 1 Each of our Company (The "Rights Equity Shares") for Cash at a Price of ₹3.95 (Rupees Three and Paise Ninety Five Only) Per Rights Equity Share Aggregating up to ₹ 4893.76 Lakhs on a Rights Basis to the Eligible Equity Shareholders of Company In the Ratio of 21 (Twenty One) Rights Equity Shares For Every 163 (One Hundred Sixty Three) Fully Paid-Up Equity Shares held by the Eligible Equity Shareholders on the Record Date, that is on **Monday, January 29, 2024** ("Record Date") (The "Issue").
- ❖ The Rights Issue was initially opened on **Monday, February 12, 2024** and Issue closure date was fixed on **Monday, February 26, 2024**.

- ❖ The Rights Issue Committee of the Company at their Meeting held on **Sunday, February 25, 2024** has approved the extension of closure period of Rights Issue of Mangalam Industrial Finance Limited by 15 (fifteen) days i.e. **Tuesday, March 12, 2024 (New Closure of Offer Date)** which is earlier scheduled to be closed on Monday, February 26, 2024 (Old Closure of Offer Date) and notice announcing this extension was published in newspapers on **February 26, 2024**.

Upon the Closure of Rights Issue, RTA to the Issue i.e. Purva shareregistry (India) Pvt. Ltd, provided details are as under:

Particulars	No. of Application	No. of Share	% of the Issue Size
Issue Size	-	12,38,92,721	100.00%
Subscription detail			
<b>Bid Received</b>	7,394	11,34,63,969	91.58%
<u>Less: Bided but not Banked</u>	17	59,519	0.05%
Balance	<b>7,377</b>	<b>11,34,04,450</b>	<b>91.53%</b>
<u>Less: Technical Rejection</u>	1,296	86,55,293	6.99%
Valid Application	<b>6,081</b>	<b>10,47,49,157</b>	<b>84.55%</b>

- ❖ Rights issue was under subscribed by 5.45% due to which Rights Issue Committee at its Meeting held on **16<sup>th</sup> March, 2024** considered and approved the Devolvement of the Rights Issue of Company. The Company instructed the RTA on **16<sup>th</sup> March, 2024** to the Issue to Refund / unblock the ASBA account of all the shareholders who have applied for the Rights Issue.

#### ❖ Summary of Corporate Action of Debit of Rights Entitlement

Sr No.	Name of Depositories	Date of Rights Entitlement debit effected/letter	No of Records debited	No of Records debited
1	*National Securities Depositories Limited	April, 26 2024, May 7, 14, 16 and 20, 2024, June 03, July 12, 21 and 25 2024 and August 17, 2024	11,932	6,43,93,174
2	Central Depository Services Limited	May 16 and May 22, 2024	61,119	5,91,33,221

**Note 1** :\* According to the records maintained by Purva Share Registry, the Registrar and Transfer Agent (RTA) of Mangalam Industrial Finance Limited, the entitlement of 73 shareholders, totaling 31,85,35 securities, have not yet been debited from their National Securities Depository Limited (NSDL) demat accounts. This delay is likely due to factors such as inactive or dormant demat accounts or other unforeseen circumstances.

## 9. SHARE CAPITAL:

During the Financial Year 2023-24, following changes took place in Share capital structure of the Company:

❖ **AUTHORIZED SHARE CAPITAL**

During the Financial Year 2023-24, Authorized share capital of the company has been increased from Rs. 96,17,00,000/- (Rupees Ninety-six crore seventeen lakhs) to Rs. 126,17,00,000/- (Rupees One hundred twenty-six crore seventeen lakhs) divided into 126,17,00,000 (One hundred twenty-six crore seventeen lakhs) equity shares of Re. 1/- (Rupees One Only) each.

The increase in authorized share capital provides the company with greater flexibility to raise additional funds in the future by issuing new shares.

❖ **ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**

There were no changes in Issued, Subscribed and Paid up Share Capital during the Financial Year 2023-24. As on 31<sup>st</sup> March, 2024, the issued, subscribed and Paid-up Share Capital of the company stood at:

(Amount in Rs.)

Capital details	
Issued Share Capital	96,16,43,500
Subscribed Share Capital	96,16,43,500
Paid- up Share Capital	96,16,43,500

❖ **UTILISATION OF PROCEEDS**

During the Financial Year ended 31<sup>st</sup> March, 2024, the Company has not raised any funds. As a result, the company submitted a NIL statement of deviation indicating zero deviations from its fundraising plans.

❖ **BUYBACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

❖ **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

❖ **BONUS SHARES**

No Bonus Shares were issued during the year under review.

❖ **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**10. LISTING OF EQUITY SHARES:**

The Company's equity shares are listed on the BSE Limited (**Scrp Code: 537800**).

The company has fulfilled its obligation to pay the annual listing fees for the financial year 2023-2024 to The BSE Limited.



## 11. CREDIT RATING

The Company did not issue any debt securities or offer fixed deposit programs during the financial year ending March 31, 2024. This means the company did not raise funds through borrowing or taking deposits from investors.

Consequently, there was no requirement for the company to obtain a credit rating, which is typically used to assess the creditworthiness of an entity that issues debt.

## 12. MANAGEMENT- DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As of March 31<sup>st</sup>, 2024, the Board of Directors consisted of **Seven (07)** Directors. This included **One (01)** Executive Director, who is involved in the company's day-to-day operations, **Four (04)** Non-Executive Independent Directors, and **Two (02)** Non-Executive Non-Independent directors.

For comprehensive information about the board and committee structure, director tenure, and other relevant details, please refer to the Corporate Governance Report included in this Annual Report.

In accordance with the requirements of the listing regulations, the Board has identified the essential skills, expertise, and competencies that its directors need to possess to effectively function in the context of the company's business. These key skills, expertise, and core competencies are outlined in detail in the Corporate Governance Report.

### ❖ COMPOSITION OF BOARD OF DIRECTORS TILL DATE OF THE REPORT:

During the year under review, there is change in the composition of the Board as stated below:

Sr. No.	Name of Directors	DIN	Category	Date of Appointment	Date of Regularization in AGM/EOGM/ Postal Ballot	Date of cessation
1.	Mr. Venkata Ramana Revuru	02809108	Managing Director, Chairman, Executive Director (Promoter)	Original: 10-08-2021 Reappointed: 10-07-2024	Original: 27-09- 2021 Reappointed 02-05-2024	-
2.	Mr. Yatin Sanjay Gupte	07261150	Non-Executive - Non Independent Director	03-06-2021	27-09- 2021	-
3.	Mr. Vettukallel Avirachan Sojan	07593791	Non-Executive - Non Independent Director	03-06-2021	27-09- 2021	-
4.	Mr. Nikhil Bhagwanshanker Dwivedi	08865234	Non-Executive - Independent Director	03-06-2021	27-09- 2021	-
5.	Mrs. Mansi Jayendra Bhatt	10177722	Non-Executive - Woman Independent Director	25-05-2023	13-07-2023	-
6.	Mr. Paresh Prakashbhai Thakkar	08265981	Non-Executive Independent Director	01-03-2024	02-05-2024	-
7.	Mr. Miteshkumar Ghanshyambhai Rana	06770916	Non-Executive Independent Director	01-03-2024	02-05-2024	-

8.	Mrs. Neelambari Harshal Bhujbal	09195568	Non-Executive – Woman Independent Director	03-06-2021	27-09- 2021	28-06-2023
9.	Mr. Bhargav Govindprasad Pandya	08693675	Non-Executive Independent Director	03-06-2021	27-09- 2021	25-09-2023
10.	Mr. Kamal Ashwinbhai Lalani	09141815	Non-Executive Independent Director	25-09-2023	28-10-2023	08-02-2024

❖ **KEY MANAGERIAL PERSONNEL (KMP) TILL DATE OF THE REPORT**

In terms of Section 203 of The Companies Act, 2013; Following are the details of Key Managerial Personnel and changes thereon.

Sr. No.	Name of Key Managerial Personnels	Designation	Date of Appointment	Date of cessation
1.	Mr. Venkata Ramana Revuru	Managing Director	Original: 10-08-2021  Reappointed: 10-07-2024	-
2.	Mr. Samoil Lokhandwala	Company Secretary and Compliance Officer	01-04-2024	-
3.	Mr. Arun Pillai	Chief Financial Officer	24-04-2024	-
4.	Mr. Akhtar Khatri	Chief Financial Officer	29-06-2023	10-04-2024
5.	Ms. Kashish Purohit	Company Secretary and Compliance Officer	17-01-2024	30-03-2024
6.	Mr. Sohinderpal Singh Teja	Chief Financial Officer	06-10-2022	28-06-2023
7.	Ms. Sakina Lokhandwala	Company Secretary and Compliance Officer	06-07-2022	22-11-2023

**13. MEETINGS OF THE BOARD OF DIRECTORS**

During the year, 11 (Eleven) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Act. Details of all Board and Committee meetings, including dates and director attendance, are provided in the Report on Corporate Governance.

Here are the dates on which the Board Meetings were held during FY 2023-2024:

Date of Board Meetings	
1. 25 <sup>th</sup> May, 2023	2. 19 <sup>th</sup> June,2023
3. 28 <sup>th</sup> June, 2023	4. 03 <sup>rd</sup> August, 2023

5. 05 <sup>th</sup> August, 2023	6. 25 <sup>th</sup> September, 2023
7. 02 <sup>nd</sup> November, 2023	8. 17 <sup>th</sup> January, 2024
9. 20 <sup>th</sup> January, 2024	10. 01 <sup>st</sup> March, 2024
11. 28 <sup>th</sup> March, 2024	

❖ **DETAILS OF THE ATTENDANCE OF THE DIRECTORS AT THE BOARD MEETINGS HELD DURING THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024 ARE AS FOLLOWS:**

<b>Name of the Directors</b>	<b>Number of Board Meetings held during the tenure of Directorship</b>	<b>Attended</b>
Mr. Venkata Ramana Revuru	11	11
Mr. Yatin Sanjay Gupte	11	09
Mr. Sojan Vettukallel Avirachan	11	11
Mr. Nikhil Bhagwanshanker Dwivedi	11	08
Mrs. Mansi Jayendra Bhatt	10	10
Mr. Paresh Prakashbhai Thakkar	02	02
Mr. Miteshkumar Ghanshyambhai Rana	02	02
Mrs. Neelambari Harshal Bhujbal	03	03
Mr. Bhargav Govindprasad Pandya	06	06
Mr. Kamal Ashwinbhai Lalani	04	04

**14. RETIRE BY ROTATION:**

Pursuance to the Section 152 of the Act provides that unless the Articles of Association provide for retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation.

At the 41st Annual General Meeting (AGM), the following re-appointment is being proposed:

**Mr. Sojan Vettukallel Avirachan, (DIN: 07593791)**, shall retire by rotation and being eligible, offers himself, for re-appointment.

Details of the proposal for the re-appointment of **Mr. Sojan Vettukallel Avirachan, (DIN: 07593791)**, along with his brief resume is mentioned in the Explanatory Statement under Section 102 of the Act and disclosure under Regulation 36(3) of the Listing Regulations as annexed to the Notice of the 41<sup>st</sup> AGM. The Board recommends the re-appointment/appointment of the above Director.

#### **15. BOARD GOVERNANCE:**

Board Governance is the framework that structures the Board and its operation. The Company Board's governance guidelines covers aspects relating to composition and role of the Board, Chairman and its Directors, Board diversity, definition of independence, term of Directors, retirement age and committees of the Board. The Board governance guidelines also cover key aspects relating to nomination, appointment, induction and development of Directors, remuneration, code of conduct and Board effectiveness.

#### **16. BOARD DIVERSITY:**

The company acknowledges the importance of diversity on its board of directors and has established guidelines to ensure a mix of perspectives, expertise, and backgrounds. These guidelines consider factors such as thought, knowledge, skills, regional and industry experience, cultural and geographical background, perspective, gender, age, ethnicity, and race, while adhering to applicable laws and regulations and meeting the specific needs of the company's businesses.

#### **17. DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013:**

The company's directors provide the following statements, which they believe to be true and accurate based on the information they have available. These statements comply with the requirements of Section 134 of the Companies Act, 2013.

The company's board of directors confirms that it has complied with the requirements of Section 134(3)(c) of the Companies Act, 2013, regarding the directors' responsibility statement with regards to following:

- i. In the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2024 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That Directors have selected such accounting policies and 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 of the profit of the Company for the year ended 31<sup>st</sup> March, 2024;
- iii. The Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities;
- iv. The Directors have prepared the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2024 on a going concern basis;
- v. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- vi. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

#### **18. DECLARATION BY INDEPENDENT DIRECTORS AS ON MARCH 31, 2024:**

The company's independent directors have formally declared that they meet the requirements for independence as defined in Section 149(6) of the Companies Act, 2013, along with Regulation 16(1)(b) of the SEBI (Listing Obligations and

Disclosures Requirements) Regulations, 2015. These declarations were submitted to the company in accordance with Section 149(7) of the Companies Act, 2013. The Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs (IICA) Manesar. Also, the Independent Directors who are required to undertake online proficiency self-assessment test, have undertaken and cleared the online proficiency self-assessment test conducted by the IICA within the stipulated time period. The Board, after undertaking assessment and on examination of the relationships disclosed, considered the following Non-Executive Directors as Independent Directors:

Name of the Directors	Category
Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director
Mrs. Mansi Jayendra Bhatt	Non-Executive Woman Independent Director
Mr. Paresh Prakashbhai Thakkar	Non-Executive Independent Director
Mr. Miteshkumar Ghanshyambhai Rana	Non-Executive Independent Director

Furthermore, the board of directors has confirmed that there are no known circumstances or situations that could potentially compromise or affect the independent directors' ability to fulfill their duties. The board has also verified that these directors are truly independent and not influenced by the company's management.

❖ **SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

A separate meeting of the Independent Directors was held on **21<sup>st</sup> March, 2024**; as per the provisions of Schedule IV (Code for Independent Directors) of The Companies Act, 2013 and Regulation 25(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in which the following matters were considered:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

**19. CODE OF CONDUCT:**

The Company has laid down a policy which has been effectively adopted by the Board Members and Senior Management Code of Conduct Personnel of the Company.

The detail policy on the Code of Conduct is available on the website at <https://www.miflindia.com/investor-relations/policies>.

❖ **COMPLIANCE WITH THE CODE OF CONDUCT**

A declaration signed by the Managing Director affirming compliance with the Company’s Code of Conduct by the Directors and Senior Management Personnel, for the financial year 2023-24, as required under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 forms a part of this Annual Report.

❖ **COMPLIANCE WITH SECRETARIAL STANDARDS**

The company has adhered to the relevant secretarial standards, SS-1 and SS-2, which govern board meetings and general meetings, respectively. Throughout the year, the company has ensured compliance with all mandatory secretarial standards.

**20. BOARD COMMITTEES:**

The company has formed the following committees in accordance with the relevant provisions of the Companies Act, 2013, Listing Regulations, circulars, notifications, and directives issued by the Reserve Bank of India, and the company's internal corporate governance requirements. Each committee has a specific mandate outlined in its terms of reference to address particular issues and ensure efficient decision-making on various matters:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Rights Issue Committee

The annual report includes a detailed report on corporate governance that aligns with corporate governance standards and provides comprehensive information on the various committees established by the company. The report outlines the composition, roles and functions, terms of reference, meeting frequency, meetings held during the last financial year, and attendance records for each committee.

❖ **COMMITTEE MEETINGS (AS ON 31<sup>ST</sup> MARCH, 2024)**

Following are the details of Committee meetings held during the Financial Year 2023-24

<b>Name of the Committees</b>	<b>Number of Meetings held</b>
Audit Committee	9
Nomination and Remuneration Committee	6
Stakeholders Relationship Committee	2
Rights Issue Committee	5

## ❖ COMMITTEE RECOMMENDATIONS

Throughout the year, the board of directors adopted all recommendations made by its committees, as required by the Companies Act.

### **21. BOARD PROCESSES, PROCEDURES AND PRACTICES:**

- ❖ The company believes that an effective board should be composed of diverse and knowledgeable members who are committed to their roles and responsibilities. The board follows a structured approach to lead the company effectively and efficiently towards achieving its vision.
- ❖ The board's processes and practices generally involve sharing meeting agendas, convening meetings, making decisions, finalizing minutes, and overseeing board committees. The company adheres to best practices when convening and conducting board and committee meetings.
- ❖ The board holds at least four meetings annually, with no more than 120 days between consecutive meetings. Detailed notices, agendas, relevant notes, and other information are distributed to each director in advance or, in exceptional cases, presented at the meeting with the board's approval. This ensures that the board can make timely and informed decisions.
- ❖ During board meetings, constructive discussions are encouraged to facilitate effective decision-making. The chairman ensures that sufficient time is allocated for discussing all agenda items, especially strategic matters.
- ❖ The company provides relevant information to the board and its committees, as outlined in Regulation 17 and Part A of Schedule II of the Listing Regulations. This information is shared either through agenda papers before meetings or during presentations and discussions. With the unanimous approval of the board, all unpublished price-sensitive information (UPSI) is circulated securely to board members at short notice before meetings.

### **22. ANNUAL EVALUATION OF THE BOARD & INDIVIDUALS ON ITS PERFORMANCE AND COMMITTEES:**

In accordance with the Companies Act and Listing Regulations, the board has conducted an annual performance evaluation of itself, its individual directors, as well as the evaluation of Independent Directors and also of audit committee, nomination and remuneration committee, stakeholder relationship committee, and rights issue committee. The process used for this evaluation is detailed in the corporate governance report.

### **23. FAMILIARIZATION PROGRAMMES:**

The company's board members have had opportunities to familiarize themselves with the company, its management, and its operations. As part of a familiarization program, the company conducts various programs, sessions, and seminars for directors to keep them informed about industry trends, business processes, procedures, laws, rules, and regulations applicable to the company's business. Presentations on business areas, including business strategy, risk opportunities, and quarterly performance, are also provided. These materials help directors gain a better understanding of the company, its diverse operations, and the industry in which it operates.

A formal letter of appointment is issued to directors at the time of their appointment, outlining their roles, functions, duties, responsibilities, and the board's expectations. The familiarization program for independent directors aims to help them become acquainted with the company, its management, and its operations.

The detailed policy on the familiarization programme is available on the website at <https://www.miflindia.com/investor-relations/policies>.

## **24. AUDIT COMMITTEE:**

The company has established an audit committee in compliance with the Companies Act, its rules, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. Details about the audit committee are included in the corporate governance report. The board has adopted all recommendations made by the audit committee during the year, and therefore, no disclosure is necessary regarding any non-acceptance of these recommendations.

The Composition of Audit Committee pursuant to provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations is provided hereunder:

### **❖ COMPOSITION OF THE AUDIT COMMITTEE AS ON 31<sup>ST</sup> MARCH, 2024:**

<b>Name of the Members</b>	<b>Position on the Committee</b>	<b>Category</b>	<b>Date of Appointment in Committee</b>
*Mrs. Mansi Jayendra Bhatt	Chairperson	Non-Executive - Woman Independent Director	25 <sup>th</sup> May, 2023
Mr. Nikhil Bhagwanshanker Dwivedi	Member	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021
Mr. Yatin Sanjay Gupte	Member	Non-Executive Non Independent Director	03 <sup>rd</sup> June, 2021
Mr. Paresb Prakashbhai Thakkar	Member	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024

\* Mrs. Mansi Jayendra Bhatt who was member of the Audit Committee appointed on 25<sup>th</sup> May, 2023 was designated as Chairperson pursuant to reconstitution approved by Board of Directors at its Meeting held on 01<sup>st</sup> March, 2024.

### **❖ AUDIT COMMITTEE RECOMMENDATIONS**

During the year there was no such instance where the recommendation of Audit Committee were not accepted by the Board.

## **25. RISK MANAGEMENT:**

The company has developed a risk management policy that outlines the company's risks and strategies for mitigating them. The management reviewed this policy during the year to improve its effectiveness in identifying, prioritizing, and managing risks, as well as defining the roles of various executives in risk monitoring, mitigation, and reporting. The goal is to increase shareholder value and achieve an optimal balance between risk and reward.

The company is currently not required to have a risk management committee as per Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management has assessed various risks and determined that none of them pose a significant threat to the company's existence.

## **26. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has established a vigil mechanism for Directors and employees pursuant to the requirements of Section 177(9) of The Companies Act, 2013 and Regulation 22 of The SEBI (Listing Obligations and Disclosure Requirements)



Regulations, 2015 and the same has been communicated to the Directors and employees of the Company. The vigil mechanism policy / whistle blower policy is also posted on the website of the Company.

The whistleblower policy/vigil mechanism allows directors and employees to report confidentially to management, without fear of retaliation, any unacceptable or unethical behavior, suspected or actual fraud, violations of the company's code of conduct or ethics policy, and instances of leaked or suspected leaked unpublished price-sensitive information that harm the organization's interests. It protects directors and employees who use the mechanism and provides direct access to the chairman of the audit committee in exceptional cases.

During the financial year under review, no such incidence was reported and no person was denied access to the Chairman of the Audit Committee. The policy of the whistle blower is posted on the company's website at <https://www.miflindia.com/investor-relations/policies>.

## **27. DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and of Managerial Personnel) Rules, 2014 are annexed to this Board's Report as **Annexure –B**. The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

## **28. POLICY ON REMUNERATION:**

In compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations, 2015, the Company has laid down a comprehensive policy on Nomination and Remuneration of Directors and Key Managerial Personnel on the Board. As per such policy, candidates proposed to be appointed as Directors, Key Managerial Personnel and Senior Management on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting.

The salient features of the NRC Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.
- 3) Policy for appointment and removal of Director, KMP and Senior Management.
- 4) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.
- 5) Remuneration to Non-Executive/Independent Director.

## **29. ACCEPTANCE OF PUBLIC DEPOSIT:**

During the financial year under review, your Company being a NBFC has neither accepted nor renewed any deposits from the public or its employees within the meaning of Section 73 of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

### **30. DETAILS OF LOANS AVAILED FROM DIRECTORS OR THEIR RELATIVES:**

As required under Clause (viii) of Rule 2 of Companies (Acceptance of Deposits) Rules, 2014, the details of loans availed by the Company from its Directors and/or from their relatives, are given below:

<b>Name of Director/ Relative of Director</b>	<b>Relation (Director/Relative of Director)</b>	<b>Outstanding balance as on 31st March, 2024</b>
Mr. Yatin Sanjay Gupte	Director & Promoter	17,280/-

### **31. PARTICULARS OF LOANS, GUARANTEES, SECURITIES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

In terms of section 186(11) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, the Company being a NBFC registered with RBI and whose main objects as per its Memorandum of Association is to carry on business of investment activities and financing industrial enterprises, the Company is exempt from complying with provisions of Section 186 of the Act except subsection (1) of Section 186 in respect of loans made, guarantees given, securities provided, or investments made by the Company.

Further, for details of investments made by the Company, if any, please refer Notes to the Audited Financial Statements of the Company for the financial year ended March 31, 2024.

### **32. CONTRACTS AND AGREEMENTS WITH RELATED PARTIES:**

The company has adopted a policy of conducting related-party transactions only in the ordinary and normal course of business and at arm's length, reflecting its commitment to the highest ethical standards, transparency, and accountability. In accordance with the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has approved a policy on related-party transactions. During the financial year 2023-24, all contracts, arrangements, and transactions entered into by the company with related parties under Section 188(1) of the Companies Act, 2013, were conducted in the ordinary course of business and on an arm's length basis and were approved by the company's audit committee.

During the financial year 2023-24, all materially significant related-party transactions entered into by the company with promoters, directors, key managerial personnel, or other designated persons approved by the board are disclosed in the related-party disclosures in the notes to the financial statements for the year ended March 31, 2024.

All related party transactions were placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Related party transactions were disclosed to the Board on regular basis as per IND AS-24. Details of related party transactions as per IND AS-24 may be referred to in Note 31 of the Standalone Financial Statements. Pursuant to Regulation 23(9) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company had filed the reports on related party transactions with the Stock Exchange within the stipulated time period.

The details of contracts or arrangements with related parties entered into by the company during the financial year ended March 31, 2024, as specified in subsection (1) of Section 188, are included in **Annexure A** of this report.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. <https://www.miflindia.com/investor-relations/policies>.

### **33. CORPORATE SOCIAL RESPONSIBILITY:**

The company is not subject to the provisions of Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, for the financial year 2023-24. Therefore, there is no requirement to develop a CSR policy or undertake any CSR initiatives.

### **34. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 (ACT) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:**

The company is not required to provide information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo, as per Section 134(3)(m) of the Companies Act, 2013, and the Companies (Accounts) Rules, 2014.

### **35. AUDITORS, AUDIT QUALIFICATIONS AND BOARD'S EXPLANATIONS**

#### **❖ STATUTORY AUDITORS**

The shareholders of the company, at the 38<sup>th</sup> Annual General Meeting held on September 27, 2021, appointed M/s. Mahesh Udhvani & Associates, Chartered Accountants, Vadodara (Firm registration number 129738W) as the company's statutory auditors for a two-year term, ending with the conclusion of the Annual General Meeting in 2023.

The board has reappointed M/s. Mahesh Udhvani & Associates for a second term of three years, ending with the conclusion of the company's 43<sup>rd</sup> Annual General Meeting. The terms of engagement and remuneration for the auditors will be mutually agreed upon by the auditors and the board of directors.

M/s. Mahesh Udhvani & Associates (Firm registration number 129738W), Chartered Accountants, have confirmed that they are not ineligible to serve as the company's statutory auditors and meet the eligibility criteria set forth in Section 139 and 141 of the Companies Act, 2013, and RBI guidelines.

The auditor's report contains no qualifications or adverse remarks. The statutory auditor's observations in their report, along with relevant notes to the accounts, are clear and do not require further explanation.

#### **❖ INTERNAL AUDITOR**

M/s. Upadhyay & Company-LLP, Chartered Accountant (Firm Registration Number : 131136W) have been appointed as Internal Auditors of the Company by complying with the provisions of Section 138 (1) of The Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014.

The Internal Auditors report directly to Audit Committee of the Board. The Audit Committee quarterly review the audit findings as well as the adequacy and effectiveness of internal control measures.

Further the Board of Directors at its meeting held on 24<sup>th</sup> April, 2024, has approved reappointment M/s. Upadhyay & Company-LLP, Chartered Accountant (Firm Registration Number : 131136W) as Internal Auditors to carry out Internal Audit for Financial Year 2024-25.

#### **❖ SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of The Companies Act, 2013 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Company had appointed M/s. Pooja Amit Gala, Company Secretary in Practice (Membership Registration No. 69393) as Secretarial Auditor of the company to conduct the secretarial audit for the financial year 2023-24.

The Secretarial Auditor has submitted his report in Form MR-3 form for the Financial Year ended 31<sup>st</sup> March, 2024 which forms part of the Report on Corporate Governance. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in her Report.

The Board of Directors at its meeting held on 24<sup>th</sup> April, 2024, appointed M/s. Pooja Gala & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company in terms of Section 204 of the Companies Act, 2013 read with Rule 8 of the Companies (Meetings of Board and its powers) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for undertaking the Secretarial Audit of the Company for the Financial Year 2024-25.

Further on recommendation of Audit Committee, The Board of Directors at its meeting held on 21<sup>st</sup> June, 2024, appointed CS Kamal A Lalani, Practicing Company Secretaries as Secretarial Auditor of the company in place of M/s. Pooja Gala & Associates, Practicing Company Secretaries, in terms of Section 204 of The Companies Act, 2013 read with Rule 8 of The Companies (Meetings of Board and its powers) Rules, 2014 and Regulation 24A of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for undertaking the Secretarial Audit of the Company for the Financial Year 2024-25, w.e.f. 21st June,2024.

#### ❖ **REPORTING OF FRAUDS**

During the Financial Year 2023-24, neither Statutory Auditors nor Secretarial Auditors have reported under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in Board's report.

#### ❖ **INTERNAL FINANCIAL CONTROLS**

The Company has undertaken an audit for the FY 2023-2024 for all applicable compliances as per the Listing Regulations of the Securities Exchange Board of India, and Circulars/Guidelines issued thereunder.

As required under Section 134(3)(q) of the Companies Act 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has adequate system of internal control commensurate with its size, scale, nature, and complexity of business to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. These systems provide reasonable assurance in respect of providing financial and operational information, safeguarding the assets of the Company, adhering to the management policies besides ensuring compliance.

#### ❖ **STAUTORY DISCLOSURES**

A copy of audited financial statements of the said Company will be made available to the members of the Company, seeking such information at any point of time. A cash flow statement for the FY 2023-2024 is attached to the Balance Sheet.

### **36. COST AUDIT AND COST RECORDS:**

During the year under review maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

### **37. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

Your company has a strong and well-established system of internal controls. Comprehensive policies, guidelines, and procedures are in place for all business processes. The internal control system is designed to ensure that financial and other records are reliable for preparing financial and other statements and maintaining asset accountability. Based on the internal financial controls and compliance systems established and maintained by the company, the work performed by internal, statutory, and secretarial auditors and external consultants, including the audit of internal

financial controls over financial reporting by the statutory auditors, and the reviews conducted by management and relevant board committees, including the audit committee, the internal audit plan is dynamic and aligned with the company's business objectives and is reviewed quarterly by the audit committee. Additionally, the audit committee monitors the status of management actions arising from internal audit reviews. The board believes that the company's internal financial controls were adequate and effective during the fiscal year 2023-2024. Throughout the year, these controls were assessed, and no reportable material weaknesses were identified in their design or operation.

#### **38. INTERNAL AUDIT & CONTROL SYSTEMS:**

The company has a well-defined and documented internal control system that is appropriate for its size and operations. This system is designed to provide reasonable assurance of accurate transaction recording and reliable information and is closely monitored. Checks and balances, along with control systems, are in place to safeguard assets, ensure their proper authorization and use, and accurately record them in the company's books. The company continuously reviews its processes and systems to adapt to changing regulatory and business environments.

Internal auditors report directly to the audit committee, which consists of four directors, including one non-executive non-independent director and three non-executive independent directors as on 31<sup>st</sup> March, 2024. The audit committee is regularly informed of internal audit findings and corrective actions taken. The committee reviews the adequacy and effectiveness of the internal control system and recommends improvements as needed. The audit committee also seeks the internal auditor's opinion on the adequacy of the internal control system. The company has a robust management information system that is an essential component of the control mechanism.

#### **39. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There have been no significant changes or commitments since the end of the financial year on March 31, 2024, that have affected the company's financial position.

#### **40. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, which provides a detailed overview of the company's operations, is included as **Annexure C** of this Annual Report.

#### **41. CORPORATE GOVERNANCE:**

The Company has a rich legacy of ethical governance practices and committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholder value.

As per requirement of Listing Regulations a separate section on Corporate Governance practices followed by the Company along with a Certificate from the Secretarial Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of Listing Regulations as forms part of this Annual Report, "**Report on Corporate Governance**".

#### **42. ANNUAL RETURN:**

Pursuance to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 a copy of Annual Return as required under The Companies Act, 2013 has been placed on the Company's website viz. <https://www.miflindia.com/investor-relations/corporate-announcement/annual-return-and-report>.

**43. EQUAL OPPORTUNITY AND DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The company is dedicated to fostering a safe, healthy, and welcoming work environment for all employees, regardless of their gender, caste, creed, color, or social status. This commitment extends to all employees. During the financial year, no complaints were received regarding workplace conditions or discrimination.

a.	Number of complaints filed during the financial year	NIL
b.	Number of complaints disposed off during the financial year	NA
c.	Number of complaints pending as on end of the financial year	NA

**44. AMENDMENT IN MEMORANDUM OF ASSOCIATION:**

Pursuant to provisions of Section 13, 61 and other applicable provisions of The Companies Act, 2013, the authorized share capital of the company was increased from Rs. 96,17,00,000/- (Rupees Ninety-six crore seventeen lakhs) divided into 96,17,00,000 (Ninety-six crore seventeen lakhs) equity shares of Re. 1/- (Rupees One Only) each to Rs. 126,17,00,000/- (Rupees One hundred twenty-six crore seventeen lakhs) divided into 126,17,00,000 (One hundred twenty-six crore seventeen lakhs) equity shares of Re. 1/- (Rupees One Only) each by creation of additional 30,00,00,000 (Thirty crore only) equity shares of Re. 1/- (Rupees One Only) each.

Accordingly, the members of the Company pursuant to Postal Ballot Results dated 28<sup>th</sup> October, 2023 approved alteration of Memorandum of Association by substituting the existing Clause V thereof by the new Clause V.

**45. POLICY ON PRESERVATION OF DOCUMENTS AND ARCHIVAL OF DOCUMENTS :**

The company has established a policy on document preservation and archiving in accordance with Regulation 9 and Regulation 30(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy outlines guidelines for retaining records and preserving relevant documents for a specific duration before they are archived. The policy is accessible on the company's website at <https://www.miflindia.com/investor-relations/policies>.

**46. INSIDER TRADING CODE:**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Company Secretary as Compliance Officer who is responsible for setting forth procedures and implementing of the code for trading in Company's securities. During the year under review, there has been due compliance with the said code.

**47. CFO CERTIFICATION:**

In terms of Regulation 17(8) read with Part B of the Listing Regulations, a certificate from the Chief Financial Officer (CFO) of the company as addressed to the Board of Directors, confirming the correctness of the financial statements, Cash flow statements for the Financial Year ended 31<sup>st</sup> March 2024, adequacy of the internal control measures and matters reported to the Audit Committee, is provided in this Annual Report.

**48. DECLARATION SIGNED BY THE CEO/MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:**

The Annual Report includes a declaration by the Managing Director confirming that all Directors and Senior Management Personnel adhered to the Company's Code of Conduct during the financial year 2023-2024. This declaration is required by Schedule V of the Securities and Exchange Board of India's Listing Obligations and Disclosure Requirements Regulations 2015.

The Code of Conduct is available on website at <https://www.miflindia.com/investor-relations/policies>.

**49. DETAILS OF APPLICATION MADE OR PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year under review, there were no applications filed or any proceedings pending in the name of the company under the Insolvency and Bankruptcy Code (IBC), 2016.

**50. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOANS FROM BANKS AND FINANCIAL INSTITUTIONS**

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

**51. NAME CHANGE :**

- ❖ The Board of Directors has approved to change the name of the Company from Mangalam Industrial Finance Limited to “Incred Credit Services Limited” or “In Credit Capital Services Limited” or such other name as may approved by the Registrar of Companies or as per prior approval of Reserve Bank of India which was further approved by the Shareholders of the Company at Extra Ordinary General Meeting dated 13<sup>th</sup> July, 2023”
- ❖ The Company has complied with Regulation 45(1) of The SEBI (Listing Obligations and Disclosure) Requirements, 2015, to the extent they are applicable.
- ❖ The Board of Directors at its meeting held on 02<sup>nd</sup> November, 2023 later dropped the special resolution regarding the change in name of the company from “Mangalam Industrial Finance Limited” to “InCred Credit Services Limited” passed by the members of the company on 13<sup>th</sup> July, 2023.

**52. SHARE TRANSFER SYSTEM**

As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred/transmitted/transposed only in dematerialized form with effect from, 01<sup>st</sup> April, 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

**53. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES AS PER THE COMPANIES ACT, 2013:**

During the year under review, The Company does not have any holding, subsidiary, joint venture and associate companies.

**54. INDIAN ACCOUNTING STANDARDS, 2015:**

The annexed financial statements complies in all the material aspects with The Indian Accounting Standards (IND AS) notified under Section 133 of The Companies Act, 2013 read with The Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of The Companies Act, 2013.

**55. SECRETARIAL STANDARDS OF ICSI:**

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

**56. ACKNOWLEDGEMENTS:**

The board of directors expresses its sincere gratitude and appreciation for the support and cooperation received from its members, business associates, the Reserve Bank of India, financial institutions, and other government authorities during the past year.

The board of directors would like to express its appreciation for the contributions made by employees at all levels to the company's continued growth and success. The board also wishes to thank shareholders, consumers, and banks for their ongoing support.

**For Mangalam Industrial Finance Limited**

**SD/-  
Venkata Ramana Revuru  
Managing Director  
DIN: 02809108**

**SD/-  
Yatin Sanjay Gupte  
Non-Executive Non- Independent Director  
DIN: 07261150**

**Place: Vadodara  
Date: 31<sup>st</sup> August, 2024**



**ANNEXURE –A TO THE DIRECTORS’ REPORT**

**FORM NO. AOC 2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of The Companies Act, 2013 and Rule 8(2) of The Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of The Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2024, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2024 are as follows:

<b>Name of the Related Party</b>	<b>Nature of Relationship</b>	<b>Salient Terms</b>	<b>Amount in ₹ (lakhs)</b>
Ms. Kashish Purohit (Appointed on 17 <sup>th</sup> January, 2024 and Resigned on 30 <sup>th</sup> March 2024)	Company Secretary and Compliance Officer	Salary Paid	0.73
Ms. Sakina Lokhandwala (Resigned on 22 <sup>nd</sup> November 2023)	Company Secretary and Compliance Officer	Salary Paid	1.90
Mr. Sohinderpal Teja (Resigned on 28 <sup>th</sup> June 2023)	Chief Financial Officer	Salary Paid	3.74
Mr. Akhtar Khatri (Appointed on 29 <sup>th</sup> June, 2023 and Resigned on 10 <sup>th</sup> April 2024)	Chief Financial Officer	Salary Paid	27.44
Mr. Yatin Sanjay Gupte	Director & Promoter	Loan Taken	1.42
		Loan Repaid	1.24
Wardwizard Solutions India Private Limited	Promoter	Loan Given	90.00
		Loan Recovered	110.44
		Advance	0.25
		Income Received	46.51

		Service Received	2.42
Wardwizard Medicare Private Limited	Company in which director has an interest	Loan Given	150.00
		Loan Recovered	15.28
		Income Received	13.88
I Secure Credit & Capital Services Limited	Company in which director has an interest	Loan Given	320.00
		Income Received	2.57
Wardwizard Foods and Beverages Limited(Formerly known as Vegetable Products Limited)	Company in which director has an interest	Service Received	1.87

**Note:**

All the above transactions were approved by the Members of Audit Committee and by the Board of Directors of the Company wherever required.

**For Mangalam Industrial Finance Limited**

**SD/-**

**Venkata Ramana Revuru**  
**Managing Director**  
**DIN: 02809108**

**SD/-**

**Yatin Sanjay Gupte**  
**Non-Executive Non- Independent Director**  
**DIN: 07261150**

**Place: Vadodara**

**Date: 31<sup>st</sup> August, 2024**

**ANNEXURE-B TO THE DIRECTORS' REPORT**

**Statement of Particulars as Per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to the Managing Director and senior executives are reviewed and recommended by the Nomination and Remuneration Committee.

**(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24.**

<b>Sr. No.</b>	<b>Name of the Director and Key Managerial Personnel</b>	<b>Designation</b>	<b>Remuneration of Directors, Key Managerial Personnel for the financial year 2023-24 (Amount in ₹)</b>	<b>Ratio of the remuneration to the median remuneration of the employees</b>
1.	Mr. Venkata Ramana Revuru	Managing Director, Chairman, Executive Director (Promoter)	NA	NA
2.	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	NA	NA
3.	Mr. Vettukalle Avirachan Sojan	Non-Executive - Non Independent Director	NA	NA
4.	Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive - Independent Director	NA	NA
5.	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	NA	NA
6.	Mr. Paresh Prakashbhai Thakkar	Additional Non-Executive Independent Director	NA	NA
7.	Mr. Miteshkumar Ghanshyambhai Rana	Additional Non-Executive Independent Director	NA	NA
8.	Mrs. Neelambari Harshal Bhujbal	Non-Executive – Woman Independent Director	NA	NA
9.	Mr. Bhargav Govindprasad Pandya	Non-Executive Independent Director	NA	NA
10.	Mr. Kamal Ashwinbhai Lalani	Non-Executive Independent Director	NA	NA
11.	Mr. Sohinderpal Singh Teja	Chief Financial Officer	3.74	1.37
12.	Mr. Akhtar Khatri	Chief Financial Officer	27.44	10.07

13.	Ms. Sakina Lokhandwala	Company Secretary and Compliance Officer	1.90	0.69
14.	Ms. Kashish Purohit	Company Secretary and Compliance Officer	0.73	0.27

NA – Not Applicable

Median remuneration of Employees: ₹ 272,397/-

(ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2023-24.**

Sr. No.	Name of the Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager	Designation	Percentage increase in remuneration
1.	Mr. Venkata Ramana Revuru	Managing Director, Chairman, Executive Director (Promoter)	NA
2.	Mr. Yatin Sanjay Gupte	Non-Executive - Non Independent Director	NA
3.	Mr. Vettukallel Avirachan Sojan	Non-Executive - Non Independent Director	NA
4.	Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive - Independent Director	NA
5.	Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	NA
6.	Mr. Paresh Prakashbhai Thakkar	Additional Non-Executive Independent Director	NA
7.	Mr. Miteshkumar Ghanshyambhai Rana	Additional Non-Executive Independent Director	NA
8.	Mrs. Neelambari Harshal Bhujbal	Non-Executive – Woman Independent Director	NA
9.	Mr. Bhargav Govindprasad Pandya	Non-Executive Independent Director	NA
10.	Mr. Kamal Ashwinbhai Lalani	Non-Executive Independent Director	NA
11.	Mr. Sohinderpal Singh Teja	Chief Financial Officer	NA
12.	Mr. Akhtar Khatri	Chief Financial Officer	NA
13.	Ms. Sakina Lokhandwala	Company Secretary and Compliance Officer	NA
14.	Ms. Kashish Purohit	Company Secretary and Compliance Officer	0.73

NA – Not Applicable

(iii) **The percentage increase/decrease in the median remuneration of employees in the financial year is 134.36%.**

**(iv) The number of permanent employees on the rolls of Company.**

There are Seven (07) permanent employees on the rolls of the Company.

**(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration if any : Not Applicable**

**(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**(vii) During the year, there were no employees in the Company who have drawn or have received a remuneration aggregate not less than ₹ 1.20 crores and none of the employees who were appointed for a part of the financial year is in receipt of remuneration of ₹ 80 lakhs or more (₹ 8.5 Lakhs per month for any part of that year).**

**(viii) There is inadequate profit during the financial year, so Managing Director of the Company has not received and not taken any remuneration as per the terms and conditions mentioned in the Agreement. Apart from the Managing Director; the employees had drawn the salary during the financial year under review.**

**(ix) The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.**

**For Mangalam Industrial Finance Limited**

**SD/-**

**Venkata Ramana Revuru  
Managing Director  
DIN: 02809108**

**SD/-**

**Yatin Sanjay Gupte  
Non-Executive Non- Independent Director  
DIN: 07261150**

**Place: Vadodara**

**Date: 31<sup>st</sup> August, 2024**

## ANNEXURE-C TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In this Management Discussion and Analysis Report, your Directors present a comprehensive overview of the company's performance, achievements and prospects for the financial year ended on 31<sup>st</sup> March, 2024. This report aims to provide stakeholders with insights into the company's operations, key financial metrics, risk management, opportunities, threats and future outlook.

#### **INDUSTRY AND ECONOMIC SCENARIO:**

The global economy continues to show remarkable resilience, with growth remaining stable and inflation aligning with target levels. This stability has been achieved despite significant challenges, including supply chain disruptions post-pandemic, the Russian invasion of Ukraine leading to a global energy and food crisis, and a sharp increase in inflation, all of which have resulted in a coordinated tightening of monetary policy worldwide.

Year-over-year, global growth hit its lowest point of 2.3 percent at the end of 2022, shortly after median headline inflation peaked at 9.4 percent. According to the latest International Monetary Fund (IMF) World Economic Outlook (WEO) projections, growth is expected to stabilize around 3.2 percent for 2024 and 2025. At the same time, median headline inflation is forecasted to decrease from 2.8 percent at the end of 2024 to 2.4 percent by the end of 2025.

The global outlook risks are currently balanced. On the downside, new price increases driven by geopolitical tensions, such as the conflicts in Ukraine and Gaza/Israel, along with persistent core inflation amid tight labor markets, could lead to higher interest rate expectations and reduced asset prices. Disparities in disinflation rates among major economies might cause currency fluctuations that could strain financial sectors. Elevated interest rates may have a more significant cooling effect than anticipated, particularly as fixed-rate mortgages reset and households contend with high debt levels, potentially causing financial strain. In China, unresolved issues in the property sector could hinder growth and negatively impact trading partners. High government debt in many economies increases the risk of disruptive tax hikes and spending cuts, which could weaken economic activity, erode confidence, and undermine support for climate change mitigation efforts. Additionally, increased geo-economic fragmentation could result in higher barriers to the flow of goods, capital, and people, slowing supply-side growth.

On the positive side, more aggressive fiscal policies and optimistic projections could stimulate short-term economic activity, although this may necessitate more expensive policy adjustments in the future. Inflation might decrease more quickly than anticipated if labor force participation improves, potentially enabling central banks to implement easing measures sooner. Furthermore, advancements in artificial intelligence and stronger-than-expected structural reforms could boost productivity

As the global economy approaches a soft landing, central banks need to manage inflation with precision, avoiding both premature easing and excessive delays. Significant global investment is essential for achieving a green, climate-resilient future. While recent decades have shown that growth can be achieved with lower emissions intensity, emissions are still on the rise, highlighting the need for urgent action. Green investment is increasing in advanced economies and China, and reducing fossil fuel subsidies could free up fiscal resources for further green investments.

Source: Reports of IMF

#### **INDIAN ECONOMIC REVIEW AND OUTLOOK**

The Asian Development Bank (ADB) has revised its GDP growth forecast for India for the fiscal year (FY) 2024, ending on March 31, 2025, from 6.7% to 7%, with an anticipated increase to 7.2% in FY2025. This upgrade is attributed to strong public and private investment and a robust services sector.

In FY2024, growth is expected to be driven by increased capital expenditure on infrastructure from both central and state governments, higher private corporate investment, a strong performance in the services sector, and improved consumer confidence. Growth momentum is projected to strengthen in FY2025 due to better goods exports, enhanced manufacturing productivity, and increased agricultural output.

The Indian government's focus on boosting infrastructure development, consolidating fiscal policies, and fostering a supportive business environment will enhance manufacturing competitiveness, boost exports, and drive future growth. Central government capital expenditure is set to increase by 17% in FY2024 compared to the previous year, along with higher state government transfers to support infrastructure investment. A new initiative for urban housing aimed at middle-income households is expected to further stimulate housing growth. Stable interest rates are likely to encourage increased private corporate investment.

With inflation projected to moderate to 4.6% in FY2024 and 4.5% in FY2025, monetary policy may become less restrictive, facilitating greater bank credit uptake. Demand for financial, real estate, and professional services is expected to rise, while manufacturing will benefit from reduced input cost pressures. A normal monsoon is also anticipated to boost growth in the agricultural sector.

The government's focus on fiscal consolidation, targeting a deficit of 5.1% of GDP in FY2024 and 4.5% in FY2025, will reduce gross market borrowing by 0.9% of GDP in FY2024, creating more room for private sector credit. India's current account deficit is projected to widen moderately to 1.7% of GDP due to increased imports. While foreign direct investment may face short-term challenges from tight global financial conditions, it is expected to recover in FY2025 with increased industry and infrastructure investment. Goods exports might initially suffer from slower growth in advanced economies but are expected to improve in FY2025 as global growth rebounds.

Key risks to India's economic outlook include potential global shocks, such as disruptions in crude oil supply chains and weather-related impacts on agriculture.

Source: Asian Development Outlook April 2024

### **FORWARD LOOKING STATEMENTS**

Statements in the Management Discussion and Analysis of financial condition and results of operations of the company describing the company's objectives, expectations or predictions, market and industry trends, strategic initiatives, technological advancements which may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements involves risks, uncertainties, assumptions and expectations of future events. These statements are based on current expectations and projection about future events and financial performance which may not necessarily prove accurate.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from those expressed in the statement.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Before the COVID-19 pandemic, the Indian economy was one of the fastest-growing globally. Leading up to the global health crisis, economic indicators reflected steady progress, including reductions in both current account and fiscal deficits and a favorable, sustainable growth-inflation balance. Despite global geopolitical tensions, India's economy is projected to grow by 6.21% in FY24, supported by strong domestic demand and robust growth in the manufacturing

and services sectors. Credit demand, especially from Micro, Small, and Medium Enterprises (MSMEs) and the retail sector, is anticipated to rise by 13.5–14.0%.

Non-Banking Financial Companies (NBFCs) have become crucial in financing a broad segment of the population, including SMEs and underserved individuals. Their extensive reach, deep understanding of financial needs, and swift service enable them to efficiently meet diverse borrower requirements. Non-bank money lenders have also significantly contributed to financial inclusion by supporting MSME growth and creating employment opportunities.

The sector has seen considerable expansion, with numerous new entrants adopting various business models. Recent years have witnessed a transformation in India’s financial services landscape, driven by advances in neo-banking, digital authentication, UPI, mobile phone usage, and mobile internet. These developments have modularized financial services, especially credit.

From fiscal years 2019 to 2023, NBFC credit grew at a compound annual growth rate (CAGR) of approximately 10%. This growth was largely driven by the retail segment, which accounts for about 47% of total NBFC credit and experienced a CAGR of around 13%. In contrast, non-retail NBFC credit grew at approximately 8% over the same period. Looking ahead, the retail segment is expected to grow at a CAGR of 18-19% between fiscal years 2023 and 2025, bolstering overall NBFC credit growth. With a continued focus on retail lending and several players planning to reduce wholesale exposure, the retail segment’s market share is projected to increase to 48% by the end of FY24, compared to the wholesale segment's 52%, and remain stable in FY25.

Source: Reports of KPMG & CRISIL on analysis of NBFC Sector

## **BUSINESS PERFORMANCE AND SEGMENT REPORTING**

The analysis in this section relates to the financial results for the year ended on 31<sup>st</sup> March, 2024. The financial statements of the company are prepared in compliance with the Indian Accounting Standards (referred to as ‘IND AS’) prescribed under Section 133 of The Companies Act, 2013, read with The Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the Standalone financial statements.

### **SUMMARY OF FINANCIAL PERFORMANCE**

During the financial year 2023-24; the company achieved operating revenue amounting to ₹ 261.30 lakhs, which is higher than the financial year 2022-23; operating revenue amounting to ₹ 131.98 lakhs.

Net profit for the financial year 2023-24; is ₹ 18.77 lakhs which is 103.75% higher than the financial year 2022-23 i.e. ₹ (500.94) lakhs.

- Revenue**

(INR in lakhs)	FY 2023-24	FY 2022-23	Change
<b>Operating Revenue</b>	261.30	131.98	97.98%
<b>Other Income</b>	0.16	1.15	(86.09%)

- Impairment Provisions (Loans)**

(INR in lakhs)	FY 2023-24	FY 2022-23	Change
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<b>Impairment Provisions (Loans)</b>	30.30	524.34	(94.22%)
<b>% of Revenue</b>	11.60%	397.29%	NA

- **Employee benefit expenses**

<b>(INR in lakhs)</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Change</b>
<b>Employee Benefits Expense</b>	60.56	27.40	121.02%
<b>% of Revenue</b>	23.17%	20.76%	NA

- **Depreciation & Amortization expenses**

<b>(INR in lakhs)</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Change</b>
<b>Depreciation &amp; Amortization Expense</b>	3.40	1.58	115.19%
<b>% of Revenue</b>	1.30%	1.20%	NA

- **Other expense**

<b>(INR in lakhs)</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Change</b>
<b>Other Expense</b>	141.56	68.81	105.73%
<b>% of Revenue</b>	54.17%	52.14%	NA

## **VISION**

In the coming year, our vision is to solidify our position as a leading Non-Banking Financial Company (NBFC) by leveraging cutting-edge technology and innovative financial solutions to meet the diverse needs of our clients. By embracing digital transformation, we have already streamlined our processes, improve customer experience, and ensure faster loan disbursements, thereby empowering our clients to achieve their financial goals with ease and efficiency.

Furthermore, we are committed to fostering sustainable growth by adopting responsible lending practices and maintaining robust risk management frameworks. Our vision includes expanding our product portfolio to offer a wider range of financial services, such as personal loans, Professional loan, Business loan and housing loans, tailored to the evolving needs of our customers. By building strong partnerships with stakeholders and continuously investing in our team's development, we aim to create a resilient and customer-centric NBFC that contributes significantly to the economic development of the communities we serve.

## **SEGMENT WISE PERFORMANCE**

The Company is into single segment reporting.

## **ROAD AHEAD & FUTURE OUTLOOK**

Looking ahead, the Company remains optimistic about its prospects. We will be exploring newer growth avenues like:

- Retail financing particularly, financing of electronics products manufactured by the group company & other established brands;
- Vehicles finance, particularly financing of two-wheeler electric vehicles manufactured by the group Company;
- Working Capital requirements;
- Consumer finance;
- Professional loans;
- General Corporate purpose;
- Investment in its group Company specifically in the hospitality sector; herbal & ayurvedic products, financial products, frozen foods & aviation sector;
- Temporary lending of loans & advances;
- Investment in marketable securities/mutual funds, etc.
- Investment in real estate sector

## **INTERNAL CONTROL AND ADEQUACY OF INTERNAL CONTROL**

Internal control in Non-Banking Financial Companies (NBFCs) is crucial for ensuring the integrity and reliability of financial reporting, compliance with laws and regulations, and the efficient and effective operation of the organization. These controls encompass a range of policies and procedures designed to safeguard assets, prevent and detect fraud, and ensure the accuracy of financial records. Effective internal control systems help NBFCs manage risks associated with their operations, including credit risk, market risk, and operational risk .

The adequacy of internal control in NBFCs is assessed through regular audits and evaluations. These assessments ensure that the controls in place are sufficient to mitigate identified risks and that they are functioning as intended. An audit committee typically oversees this process, evaluating the internal financial controls and risk management systems. The auditor's report on the adequacy of internal controls provides valuable insights into areas that may require improvement. This continuous monitoring and evaluation process is essential for maintaining robust internal controls that adapt to changing business environments and regulatory requirements.

In addition to regular audits, NBFCs must also ensure that their internal control systems are aligned with regulatory guidelines issued by the Reserve Bank of India (RBI) and other relevant authorities. Compliance with these guidelines not only helps in maintaining the integrity of financial operations but also enhances the trust and confidence of stakeholders. By implementing strong internal controls and regularly assessing their adequacy, NBFCs can effectively manage risks, ensure compliance, and achieve their business objectives.

## **OPPORTUNITY**

Non-Banking Financial Companies (NBFCs) have a wealth of opportunities within the financial sector. A key advantage for NBFCs is their ability to target specific market segments and offer a wide range of financial services without the regulatory constraints that traditional banks face. Prominent opportunities include exploring niche financial services such as microfinance for underserved communities or specialized lending tailored to specific industries.

Consumer finance represents a significant opportunity, driven by a growing middle class and increasing demand for personal loans, credit cards, and other consumer credit products. Additionally, there is substantial potential in rural and agricultural finance, which supports rural development and reaches previously underserved populations.

NBFCs can capitalize on opportunities in niche financial services, consumer finance, rural and agricultural finance, digital transformation, and fintech partnerships. They can benefit from the rising demand for housing finance and

MSME lending, and should consider exploring trade finance and infrastructure financing. Embracing green finance and providing credit rating and analytics services can further diversify their offerings. Leveraging digital technologies to enhance customer experience will be crucial for gaining a competitive edge. By remaining innovative, NBFCs can tap into underserved markets and address the evolving financial needs of both businesses and individuals.

## **THREATS**

In terms of threats, we believe that elevated interest rates could impact funding costs, potentially slowing down credit uptake and increasing credit costs. Additionally, heightened competition from the banking sector may affect the growth of NBFCs like ours.

As an NBFC, the Company faces several specific threats, including:

1. Intense competition from both other NBFCs and the banking sector.
2. High cost of funds.
3. Economic vulnerability due to global challenges, such as the conflict in Ukraine and the Gaza-Israel conflict, combined with policy tightening by central banks.
4. Inflationary pressures leading to stricter regulations.

## **RISKS AND CONCERNS**

The Company is committed to operating within a robust risk management framework designed to proactively address all material risks and enhance resilience in a rapidly evolving environment. The goal is to establish a consistent approach to risk management and strive to achieve an optimal balance between risk and return for the organization and its shareholders.

The Company faces several broad categories of risk, including Credit Risk, Market Risk, Operational Risk, and Reputation Risk. Comprehensive risk management policies are in place for each risk category, supported by periodic monitoring conducted by the Board's subcommittees.

### **1. Credit risk:**

The Company's credit management is guided by established Credit Policies and a Delegation of Authority Matrix approved by the Board of Directors. The Company evaluates, monitors, and manages credit risks at both the individual borrower level and across the entire portfolio. This approach enhances credit decision-making and allows for thorough oversight of the existing portfolio

### **2. Market Risk:**

Market risk involves the potential for changes in the fair value or future cash flows of a financial instrument due to fluctuations in market variables. These fluctuations can result from changes in interest rates, credit conditions, and other market factors. The Company primarily faces interest rate risk and liquidity risk. To manage these risks, including those related to interest rates and liquidity, the Company regularly reviews and adjusts its business model

### **3. Liquidity Risk:**

Liquidity risk is the possibility that the Company will be unable to fulfill its financial obligations to a bank or financial institution in any location, currency, or at any time. This risk can manifest in three distinct ways for the Company.

To manage liquidity risk, the Company has secured a range of funding sources and follows a policy of aligning funding with the tenor and repayment patterns of its receivables. Additionally, the Company monitors future cash flows and liquidity closely. It has established internal control processes and contingency plans to effectively address and manage liquidity risk.

#### 4. **Interest Rate Risk:**

Interest rate risk is the risk that fluctuations in market interest rates may negatively impact the Company's financial condition. In the short term, changes in interest rates affect the Company's Net Interest Income. Over the longer term, fluctuations in interest rates impact the cash flows associated with assets, liabilities, and off-balance sheet items, potentially affecting the Company's net worth due to repricing mismatches and other interest rate-sensitive positions.

The Company manages interest rate risk by maintaining a balanced mix of borrowings.

#### 5. **Strategic Risk:**

Strategic or business risk refers to the risk linked to the development and implementation of an organization's strategy

#### 6. **Information Technology risk :**

The Company is advancing with digitalization and aims to utilize digital technology to deliver a top-tier experience for its customers while also enhancing productivity and improving IT risk management. The risk of cyber-attacks on the Company's systems includes threats such as computer viruses, malicious code, phishing attacks, denial of service, application vulnerabilities, and other security breaches that could disrupt services or lead to the theft or exposure of sensitive internal data or customer information.

To address these risks, the Company has implemented a robust information and cyber security framework to protect its IT infrastructure and systems. Various committees are tasked with reviewing and monitoring IT security infrastructure and maintaining vigilance against emerging cyber security threats.

To mitigate these risks, the Company has framed the risk management policy and the risk management review framework provides complete oversight on various risk management practices and processes to mitigate the risks.

### **REVIEW OF OPERATIONS OF THE COMPANY**

The financial operations of the company for the financial year ended on 31<sup>st</sup> March, 2024 are as under:

(₹ in lakhs)

Particulars	Standalone	
	FY 2023-24	FY 2022-23
Net Sales/ Income from Operations	261.30	131.98
Other Income	0.16	1.15
Total Income	261.45	133.12
Total Expenses	235.82	622.13
Profit/(Loss) from operations before exceptional items and Tax	25.64	(489.01)

Profit/(Loss) from operations after exceptional items and before Tax	25.64	(489.01)
Profit/(Loss) before Tax	25.64	(489.01)
Tax Expense	6.87	11.93
Net profit after Tax	18.77	(500.94)

## **HUMAN RESOURCES**

Human resource management plays a critical role in fostering a productive and cohesive work environment. With such a small team, each member's contribution is vital, making it essential to focus on attracting and retaining top talent. Our recruitment strategy emphasizes finding individuals who not only possess the required skills and experience but also align well with our company culture. By offering competitive compensation and clear pathways for career advancement, we aim to ensure high levels of job satisfaction and long-term commitment from our team members.

Employee development and engagement are also central to our HR approach. We prioritize regular feedback and performance evaluations to align individual goals with our company's objectives and to identify opportunities for professional growth. Providing access to relevant training and encouraging a collaborative atmosphere helps enhance both skills and morale. Additionally, managing compliance with employment laws and handling administrative tasks such as payroll and benefits efficiently ensures smooth operations and supports a positive work environment. By focusing on these key areas, we aim to build a strong, motivated team that drives the success of our NBFC.

The Company's employee count (on roll) stood at 7 (Seven) as on March 31, 2024.

## **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

The details of significant changes in key financial ratios are as under:

Particulars	FY 2023-24	FY 2022-23
Debtors Turnover	NIL	NIL
Inventory Turnover	N.A	N.A
Interest Coverage Ratio	N.A	N.A
Current Ratio	4.22:1	39.68:1
Debt Equity Ratio	0.00:1	0.00:1
Operating Profit/(Loss) Margin*	9.81%	(367.35)%
Net Profit Margin*	7.18%	(376.31)%
Return on Net worth*	0.01	(0.18)

\*Impairment Allowance on outstanding amount of loans and advances at the rate of 20% on Loan amount of Rs. 20,07,708.61/-, 100% on Loan amount of Rs. 6,95,80,015 /- (Since there is no recovery during the period) and 0.25% on Loan amount of Rs 26,66,96,100.16 /-. So during the year provision has been made of Rs.30.30 Lakhs.

## **COMPLIANCE**

The Compliance Department in an NBFC serves as the backbone of the organization's regulatory framework, ensuring that all operations align with the legal standards set by financial authorities. The department's primary responsibility is to monitor and enforce compliance with regulatory requirements, including those set by the Reserve Bank of India (RBI) and other financial regulatory bodies. This involves not only adhering to existing regulations but also anticipating and preparing for new guidelines that could impact the business. The department works closely with various business

units to ensure that their activities are compliant, thus minimizing legal risks and enhancing the company's overall governance structure.

Beyond just monitoring, the Compliance Department plays a proactive role in educating and training staff across the organization about regulatory changes and compliance best practices. This includes conducting internal audits, preparing detailed reports, and recommending corrective actions where necessary. The department also acts as a liaison between the company and regulatory authorities, ensuring that all communications are clear, accurate, and timely. By fostering a culture of compliance within the NBFC, the department not only helps to prevent potential violations but also builds trust with customers, investors, and regulators, ultimately contributing to the company's long-term success and stability.

#### **CAUTIONARY STATEMENT**

This Management Discussion and Analysis (MD&A) contains forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on certain assumptions and expectations of future events that may or may not be accurate or realized. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Actual results, performance, or achievements could differ materially from those expressed or implied in these forward-looking statements due to a variety of factors including, but not limited to, changes in the regulatory environment, economic conditions, market trends, and other risks associated with the Company's business operations. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to refer to the risk factors outlined in this report.

#### **For Mangalam Industrial Finance Limited**

**SD/-**

**Venkata Ramana Revuru**  
**Managing Director**  
**DIN: 02809108**

**SD/-**

**Yatin Sanjay Gupte**  
**Non-Executive Non- Independent Director**  
**DIN: 07261150**

**Place: Vadodara**

**Date: 31<sup>st</sup> August, 2024**

## REPORT ON CORPORATE GOVERNANCE

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Mangalam Industrial Finance Limited ("the Company") is dedicated to upholding sound corporate governance practices that prioritize transparency in its operations and maximize shareholder value. The Company's fundamental belief regarding the code of Corporate Governance is to guarantee

- Fair and transparent business practices;
- Accountability for performance
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board

Your Company has an active, dynamic, experienced and a well-informed Board. Through the governance mechanism in the Company, the Board along with its committees undertakes its fiduciary duties towards all its stakeholders that support ethical leadership, sustainability and good corporate citizenship.

The corporate governance is reinforced through the Companies Act, 2013 (the 'Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') to the extent applicable, and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. Even so, your Company has not only committed to follow the Corporate Governance practices embodied in various regulatory provisions but also constantly strives to adopt and adhere to the emerging best practices and benchmarks itself against such practices.

### **2. BOARD OF DIRECTORS:**

The Board of Directors ('Board'), plays a significant role in upholding and furthering the principles of good governance which translates into ethical business practices, transparency and accountability in creating long term stakeholder value.

The Board of the Company consists of leaders and visionaries who provide strategic direction and guidance to the Company.

As of March 31<sup>st</sup>, 2024, the Board consisted of Seven (07) Directors, including One (01) Executive Director, Four(04) Non- Executive Independent Directors (including One-Woman Independent Director), and Two(2) Non-Executive Non- independent Directors, who are eminent individuals with excellent qualifications, professional expertise and extensive experience and they have made outstanding contributions to the industry.

There are no institutional nominee Directors on the Board. The Company has an Executive Chairman and four Independent Directors, who make up more than half of the total strength of the Board. The Independent Directors' maximum tenure is in compliance with the Act and the Listing Regulations.

All Independent Directors have confirmed that they meet the criteria specified in Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria for independence.

Based on these confirmations/disclosures, the Board believes that the Independent Directors meet the conditions specified in the Listing Regulations and are independent of the Management.

The Board consists of professionals with expertise in their respective functional areas, bringing an extensive range of skills and experience to the table. The Board has unfettered and complete access to any Company information. Members have complete freedom to express their views on agenda items and can discuss any matter at the meeting with the Chairperson's permission.

The Board has an optimum combination of Independent, Woman Director, Executive as well as Non-Executive Directors that is in conformity with the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

**a) The composition and category of the Board of Directors is as follows:**

The Board of the Company comprises of Seven (07) Directors as on 31<sup>st</sup> March, 2024.

None of the Directors on the board serve as a Director in more than ten Public Limited Companies or more than seven Listed Entities, or act as an Independent Director (including any alternate directorships) in more than seven Listed Companies or three equity Listed Companies if they serve as a Whole-time Director/ Managing Director in any Listed Company.

None of the Directors on the Board is a member of more than 10 Committees or a Chairperson of more than 5 Committees as specified in Regulation 26 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations of 2015, across all the Indian Listed Entities in which he / she is a Director. The Company has appointed an Independent Woman Director (Non-Executive) pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations of 2015.

Sr. No.	Name of the Directors	DIN No	Category
1.	Mr. Venkata Ramana Revuru	02809108	Managing Director, Chairman, Executive Director(Promoter)
2.	Mr. Yatin Sanjay Gupte	07261150	Non-Executive Non-Independent Director
3.	Mr. Sojan Vettukallel Avirachan	07593791	Non-Executive Non-Independent Director
4.	Mr. Nikhil Bhagwanshanker Dwivedi	08865234	Non-Executive Independent Director
5.	# Mrs. Mansi Jayendra Bhatt	10177722	Non-Executive - Woman Independent Director



6.	## Mr. Paresh Prakashbhai Thakkar	08265981	Additional Non-Executive Independent Director
7.	### Mr. Miteshkumar Ghanshyambhai Rana	06770916	Additional Non-Executive Independent Director
8.	*Mrs. Neelambari Harshal Bhujbal	09195568	Non-Executive - Woman Independent Director
9.	**Mr. Bhargav Govindprasad Pandya	08693675	Non-Executive Independent Director
10.	***Mr. Kamal Ashwinbhai Lalani	09141815	Non-Executive Independent Director

**Notes:**

**# Mrs. Mansi Jayendra Bhatt (DIN: 10177722)** was appointed as Additional Non-Executive Woman Independent director with effective from Board Meeting dated 25<sup>th</sup> May, 2023. The appointment of Mrs. Mansi Jayendra has already been regularized and approved for the period of Five years by the members of the Company at Extra Ordinary General Meeting (“EOGM”) held on 13<sup>th</sup> July, 2023 as per the requirements of the Act and Listing Regulations and all other applicable laws.

**## Mr. Paresh Prakashbhai Thakkar (DIN: 08265981)** was appointed as Additional Non-Executive Independent director with effective from Board Meeting dated 01<sup>st</sup> March, 2024. The appointment of Mr. Paresh Prakashbhai Thakkar (DIN: 08265981) has already been regularized and approved for the period of Five years by the members of the Company pursuant to declaration of Postal Ballot Results (“Postal Ballot”) dated held on 02<sup>nd</sup> May, 2024 as per the requirements of the Act and Listing Regulations and all other applicable laws.

**### Mr. Miteshkumar Ghanshyambhai Rana (DIN: 06770916)** was appointed as Additional Non-Executive Independent director with effective from Board Meeting dated 01<sup>st</sup> March, 2024. The appointment of Mr. Miteshkumar Ghanshyambhai Rana (DIN: 06770916) has already been regularized and approved for the period of Five years by the members of the Company pursuant to declaration of Postal Ballot Results (“Postal Ballot”) dated held on 02<sup>nd</sup> May, 2024 as per the requirements of the Act and Listing Regulations and all other applicable laws.

**\* Mrs. Neelambari Harshal Bhujbal (DIN: 09195568)** resigned as an Non-Executive Woman Independent Director w.e.f. 28<sup>th</sup> June, 2023, due to personal reason and other professional commitments. Further, she also confirmed that there were no other material reasons other than those mentioned above, for her resignation as Non-Executive Woman Independent Director from the Company.

**\*\* Mr. Bhargav Govindprasad Pandya (DIN: 08693675)** resigned as an Non-Executive Independent Director w.e.f. closure of business hours on 25<sup>th</sup> September, 2023, due to personal reasons as he travels abroad frequently. Further, he also confirmed that there were no other material reasons other than those mentioned above, for his resignation as Non-Executive Independent Director from the Company.

**\*\*\* Mr. Kamal Ashwinbhai Lalani (DIN: 09141815)** was appointed as an Additional Non-Executive Independent director with effective from Board Meeting dated 25<sup>th</sup> September, 2023. The appointment of Mr. Kamal Ashwinbhai Lalani (DIN: 09141815) has already been regularized and approved for the period of Five years by the members of the Company pursuant to declaration of Postal Ballot Results (“Postal Ballot”) dated held on 28<sup>th</sup> October, 2023. Further he resigned from Directorship of Company w.e.f. closure of business hours on 08<sup>th</sup> February, 2024, due to personal reasons as he is unable to devote time to Company. He also confirmed that there were no other material

reasons other than those mentioned above, for his resignation as Non-Executive Independent Director from the Company.

**b) The attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting (AGM) :**

The details of the attendance of the Directors at the Board Meetings held during the financial year 2023-24 and at the last Annual General Meeting (AGM) held on 02<sup>nd</sup> September, 2023 are given below:

Name of the Directors	DIN	Designation/ Category	Number of Board Meetings		Attendance at the last AGM (02 <sup>nd</sup> September, 2023)
			Entitled to attend	Attended	
Mr. Venkata Ramana Revuru	02809108	ED, CMD	11	11	No
Mr. Yatin Sanjay Gupte	07261150	NED-NID	11	09	No
Mr. Sojan Vettukallel Avirachan	07593791	NED-NID	11	11	Yes
Mr. Nikhil Bhagwanshanker Dwivedi	08865234	NED-ID	11	8	Yes
Mrs. Mansi Jayendra Bhatt (Appointed on 25 <sup>th</sup> May, 2023)	10177722	NED-ID(W)	10	10	Yes
Mr. Paresh Prakashbhai Thakkar (Appointed on 01 <sup>st</sup> March, 2024)	08265981	NED-ID (A)	02	02	Not Applicable
Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	06770916	NED-ID (A)	02	02	Not Applicable
Mrs. Neelambari Harshal Bhujbal (Resigned on 28 <sup>th</sup> June, 2023)	09195568	NED-ID(W)	03	03	Not Applicable
Mr. Bhargav Govindprasad Pandya (Resigned on 25 <sup>th</sup> September, 2023)	08693675	NED-ID	06	06	Yes
Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023 and Resigned on 08 <sup>th</sup> February, 2024)	09141815	NED-ID	04	04	Not Applicable

**ABBREVIATIONS:**

<b>ED: Executive Director</b>	<b>NED-NID: Non-Executive Director – Non-Independent Director</b>
<b>CMD, P: Chairman and Managing Director, Promoter</b>	<b>NED-ID: Non-Executive Director – Independent Director</b> <b>NED-ID (A) :Additional Non-Executive Director – Independent Director</b> <b>NED-ID (W) : Non-Executive Woman Director – Independent Director</b>

**c) Other Directorships:**

Name of the Directors	In the Other Public companies *	No. of Audit Committee and Stakeholders Relationship Committee ***	
		Member	Chairperson
Mr. Venkata Ramana Revuru	1	1	0
Mr. Yatin Sanjay Gupte	4	5	0
Mr. Sojan Vettukallel Avirachan	1	1	0
Mr. Nikhil Bhagwanshanker Dwivedi	1	4	1
Mrs. Mansi Jayendra Bhatt (Appointed on 25 <sup>th</sup> May, 2023)	2	6	3
Mr. Paresh Prakashbhai Thakkar (Appointed on 01 <sup>st</sup> March, 2024)	4	9	3
Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	3	7	1
**Mrs. Neelambari Harshal Bhujbal (Resigned on 28 <sup>th</sup> June, 2023)	-	2	1

**Mr. Bhargav Govindprasad Pandya(Resigned on 25 <sup>th</sup> September, 2023)	1	4	2
**Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023 and Resigned on 08 <sup>th</sup> February, 2024)	3	8	4

\* Includes Directorships in all Indian Public Companies incorporated under The Companies Act, 2013 excluding Mangalam Industrial Finance Limited.

\*\* Directorship and Membership details till the tenure of Directors in the Company including Mangalam Industrial Finance Limited

\*\*\* Only Audit Committee and Stakeholders Relationship Committee as provided in Regulation 26(1) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Mangalam Industrial Finance Limited.

❖ **Names of the Listed Companies wherein the Directors of the Company are Directors:**

Name of the Director	No. of Directorships in other Listed Companies*	Name of the Listed Companies in which Directors of the Companies are Directors	Category of Directorship
Mr. Venkata Ramana Revuru	1	I- Secure Credit and Capital Services Limited	Non-Executive Non-Independent Director
Mr. Yatin Sanjay Gupte	4	1. Wardwizard Innovations & Mobility Limited 2. I- Secure Credit and Capital Services Limited 3. Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited) 4. Wardwizard Healthcare Limited (Formerly known as Ayoki Merchantile Limited)	Managing Director, Chairman, Executive Director Non-Executive Non-Independent Director Non-Executive Non-Independent Director Non-Executive Non-Independent Director
Mr. Sojan Vettukallel Avirachan	1	I- Secure Credit and Capital Services Limited	Managing Director, Chairman, Executive Director

Mr. Nikhil Bhagwanshanker Dwivedi	1	I- Secure Credit and Capital Services Limited	Non-Executive Independent Director
Mrs. Mansi Jayendra Bhatt (Appointed on 25 <sup>th</sup> May, 2023)	2	1. I- Secure Credit and Capital Services Limited  2. Wardwizard Healthcare Limited (Formerly known as Ayoki Merchantile Limited)	Non-Executive Woman Independent Director  Non-Executive Woman Independent Director
Mr. Paresh Prakashbhai Thakkar (Appointed on 01 <sup>st</sup> March, 2024)	4	1. Wardwizard Innovations & Mobility Limited  2. I- Secure Credit and Capital Services Limited  3. Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited)  4. Wardwizard Healthcare Limited (Formerly known as Ayoki Merchantile Limited)	Additional Non-Executive Independent Director  Additional Non-Executive Independent Director  Additional Non-Executive Independent Director  Additional Non-Executive Independent Director
Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	3	1. Wardwizard Innovations & Mobility Limited  2. I- Secure Credit and Capital Services Limited  3. Wardwizard Healthcare Limited (Formerly known as Ayoki Merchantile Limited)	Additional Non-Executive Independent Director  Additional Non-Executive Independent Director  Additional Non-Executive Independent Director
Mrs. Neelambari Harshal Bhujbal (Resigned on 28 <sup>th</sup> June, 2023)	-	-	-
Mr. Bhargav Govindprasad Pandya (Resigned on 25 <sup>th</sup> September, 2023)	1	I- Secure Credit and Capital Services Limited	Non-Executive Independent Director
Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023 and Resigned on 08 <sup>th</sup> February, 2024)	3	1. Wardwizard Innovations & Mobility Limited  2. I- Secure Credit and Capital Services Limited	Non-Executive Independent Director  Non-Executive Independent Director

		3. Wardwizard Healthcare Limited (Formerly known as Ayoki Merchantile Limited)	Non-Executive Independent Director
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**\* Excluding Mangalam Industrial Finance Limited**

**d) Number of Board Meetings:**

During the FY 2023-24 (i.e. April 01, 2023 to March 31, 2024) 11 (Eleven) Board Meetings were conducted and held. The maximum gap between any 2 (Two) consecutive meetings did not exceed 120 (One Hundred and Twenty) days as prescribed under The Companies Act, 2013.

In addition to the Act and the SEBI Listing Regulations, the Company also adheres to the requirements of the 'Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings' (SS-1).

The dates on which the board meetings were held and convened during the FY 2023-2024 are as follows:

Date of Board Meetings	
1. 25 <sup>th</sup> May, 2023	2. 19 <sup>th</sup> June,2023
3. 28 <sup>th</sup> June, 2023	4. 03 <sup>rd</sup> August, 2023
5. 05 <sup>th</sup> August, 2023	6. 25 <sup>th</sup> September, 2023
7. 02 <sup>nd</sup> November, 2023	8. 17 <sup>th</sup> January,2024
9. 20 <sup>th</sup> January,2024	10. 01 <sup>st</sup> March,2024
11. 28 <sup>th</sup> March,2024	

**e) Disclosure of relationship between Directors inter-se:**

Sr. No.	Name of Directors	Relationship	Category
1.	Mr. Venkata Ramana Revuru	Mr. Venkata Ramana Revuru, Mr. Yatin Sanjay Gupte and Mr. Vettukallel Avirachan Sojan are business partners.	ED, CMD
2.	Mr. Yatin Sanjay Gupte	Mr. Yatin Sanjay Gupte, Mr. Venkata Ramana Revuru and Mr. Vettukallel Avirachan Sojan are business partners.	NED-NID
3.	Mr. Sojan Vettukallel Avirachan	Mr. Vettukallel Avirachan Sojan, Mr. Venkata Ramana Revuru and Mr. Yatin Sanjay Gupte and are business partners.	NED-NID
4.	Mr. Nikhil Bhagwanshanker Dwivedi	Independent Director - No relations with other Directors	NED-ID

5.	Mrs. Mansi Jayendra Bhatt(Appointed on 25 <sup>th</sup> May, 2023)	Independent Director - No relations with other Directors	NED-ID(W)
6.	Mr. Paresh Prakashbhai Thakkar(Appointed on 01 <sup>st</sup> March, 2024)	Independent Director - No relations with other Directors	NED-ID (A)
7.	Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	Independent Director - No relations with other Directors	NED-ID (A)
8	Mrs. Neelambari Harshal Bhujbal (Resigned on 28 <sup>th</sup> June, 2023)	Independent Director - No relations with other Directors	NED-ID(W)
9	Mr. Bhargav Govindprasad Pandya(Resigned on 25 <sup>th</sup> September, 2023)	Independent Director - No relations with other Directors	NED-ID
10	Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023 and Resigned on 08 <sup>th</sup> February, 2024)	Independent Director - No relations with other Directors	NED-ID

**f) Number of shares and convertible instruments held by non-executive directors:**

The number of equity shares of the Company held by non-executive directors, as on 31<sup>st</sup> March, 2024 are as follows:

Name of the Directors	No. of equity shares (face value ₹ 1.00 each) held in the Company
Mr. Yatin Sanjay Gupte	10,55,52,952
Mr. Sojan Vettukallel Avirachan	25,00,27,310
Mr. Nikhil Bhagwanshanker Dwivedi	NIL
Mrs. Mansi Jayendra Bhatt (Appointed 25 <sup>th</sup> May, 2023)	NIL
Mr. Paresh Prakashbhai Thakkar (Appointed 01 <sup>st</sup> March, 2024)	NIL
Mr. Miteshkumar Ghanshyambhai Rana (Appointed 01 <sup>st</sup> March, 2024)	NIL

**g) Web-link where details of familiarization programmes imparted to Independent Directors is disclosed:**

Our company has a standard practice of providing new independent directors with a comprehensive orientation program. This program covers:

1. The specific roles, rights, responsibilities, and duties of independent directors.
2. An overview of the company, its industry, business model, and operations.

3. Any other pertinent information relevant to their role.

The details of familiarization programme are available on the website <https://www.miflindia.com/investor-relations/policies>.

**h) Chart or a matrix setting out the skills/expertise/competence of the Board of Directors:**

To comply with SEBI’s listing regulations, our board has determined the specific skills, expertise, and competencies necessary for effective board functioning within our company’s industry. These essential skills are categorized as follows:

Strategy and Business Planning	Leadership Knowledge of Financial Industry
Governance, Ethics and Regulatory Oversight	Financial services
Risk, Assurance and Internal controls	Policy Making
Finance, accounts & audit	Management of Business Strategy
Integrity and Ethical Standards	Human Resources & Industrial Relations
Information Technology Knowledge	Interpersonal Adaptability and Emotional intelligence
<b>Qualification and Knowledge</b> – understand Company’s businesses, strategies, policies, values and culture including its risks, strength, opportunities and threats commensurate with the qualification they possess	

**❖ Professional Background/Qualifications of Directors:**

<b>Mr. Venkata Ramana Revuru Managing Director, Chairman, Executive Director</b>	<b>Mr. Yatin Sanjay Gupte, Non-Executive Non-Independent Director</b>
<p>Mr. Venkata Ramana Revuru is the Chairman and Managing Director (Promoter) of the Company. He has been looking after the overall affairs and operations of the Company. He is a Master of Business Administration from Sri Krishnadevaraya University, Andhra Pradesh and Post Graduate Diploma in Information Technology (PGDIT) from Manipal Academy of Higher Education, Karnataka.</p> <p>He has approximately 21+ years of field of sales, business development, product training, client servicing, marketing, portfolio management, market research, general administration and strategic planning and financial products, multiple bonds, infrastructure, term deposits, and loans.</p>	<p>Mr. Yatin Sanjay Gupte holds an Honorary Doctorate in Social Service and an MBA in Insurance &amp; Risk Management. He is a Master of Business Administration (M.B.A Exe.) in Insurance from Bhartiya Shiksha Parishad, Uttar Pradesh.</p> <p>Mr. Yatin Sanjay Gupte, possess more than 2 decades of experience in the field of Sales and Marketing, Business Development, Insurance, Technology and Client Servicing. An honorary doctorate in social service and MBA holder in Insurance &amp; Risk Management, he has experience of close to two decades in the various fields of business, sales and much more.</p> <p>He founded Wardwizard Group in the year 2016 and under his leadership being Chairman and Managing Director Wardwizard Innovations and Mobility Limited</p>



<p>Mr. Venkata Ramana Revuru embodies the essence of leadership, exemplifying the importance of vision in navigating the dynamic landscape of the industry.</p>	<p>became the first ever EV company which got listed on The BSE in the year 2019.</p>
<p><b>Mr. Sojan Vettukallel Avirachan</b> <b>Non-Executive Non-Independent Director</b></p> <p>Mr. Sojan Vettukallel Avirachan has more than 16 years' of experience working with various financial firm, handled loan portfolio, Managing various branch office of the company, retail/consumer finance .</p> <p>He has expertise in the field of investment in quoted/unquoted securities/mutual funds/ government securities, lending activities, micro finance activities.</p> <p>Mr. Sojan is the Chariman and Managing Director of I Secure Credit &amp; Capital Services Limited.</p>	<p><b>Mrs. Mansi Jayendra Bhatt</b> <b>Non-Executive Woman Independent Director</b> <b>(Appointed on 25<sup>th</sup> May, 2023)</b></p> <p>Mrs. Mansi Jayendra Bhatt is a dedicated and experienced Chartered Accountant with a wealth of knowledge and expertise in various areas of taxation, auditing, accounting, finance management and compliance. With over a decade of professional experience, she has been serving as the Proprietor at Mansi Bhatt &amp; Associates since April 2011.</p> <p>She possesses extensive experience in finalizing and scrutinizing books of accounts and have also been involved in GST compliance and audit. She has also supported clients in preparing project reports and managing their finances effectively.</p>
<p><b>Mr. Miteshkumar Ghanshyambhai Rana</b> <b>Non-Executive Independent Director</b> <b>(Appointed 01<sup>st</sup> March, 2024)</b></p> <p>Mr. Miteshkumar Ghanshyambhai Rana, aged 37, is an associate member of Institute of Company Secretaries of India and has also completed Master of Commerce in Accounting and Financial Management from Maharaja Sayajirao University of Vadodara. He is sole proprietor of Mitesh Rana &amp; Co. Practicing Company Secretaries. He possesses more than 10 years' experience in the field of consultation and rendering professional services for corporate compliances, corporate laws and planning.</p> <p>He is also associated as Trustee of Constellation Education and Charitable Foundation and responsible for administration and management.</p>	<p><b>Mr. Paresh Prakashbhai Thakkar</b> <b>Non-Executive Independent Director</b> <b>(Appointed 01<sup>st</sup> March, 2024)</b></p> <p>Mr. Paresh Prakashbhai Thakkar is a professional practicing in the field of Legal and Taxation since last more than 15+ Years as an Advocate and Tax Consultant with special emphasize on Corporate, Civil, Criminal, Revenue, Consumer and Commercial Law practice. He is Fellow member of The Institute of Cost &amp; Management Accountants of India.</p> <p>He had wide and varied client base for in Legal and Taxation Field including companies, institutions and individuals. He is Founder and pioneer of Thakkar &amp; Associates located in Vadodara.</p> <p>He will be joining as an Independent Director in the Company with various committees in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.</p>
<p><b>Mr. Nikhil Bhagwanshanker Dwivedi</b> <b>Non-Executive Independent Director</b></p> <p>Mr. Nikhil Bhagwanshanker Dwivedi possess more than 3 decades of experience in the field of Banking sector.</p>	

He is a Chartered Accountant by profession and has served HDFC Limited under various cadres.

❖ **Names of Directors possessing the skills/expertise/competence as specified by the Board of Directors**

<b>Industry Skills</b>	<b>Name of the Director possessing the skill/expertise/competence</b>
Strategy & Business Planning, Financial services, Management of Business Strategy, Risk, Assurance and internal controls, Human Resources & Industrial Relations, Information Technology knowledge	Mr. Venkata Ramana Revuru, Mr. Yatin Sanjay Gupte and Mr. Sojan Vettukallel Avirachan
<b>Governance and Collective Skills</b>	<b>Name of the Director possessing the skill/expertise/competence</b>
Finance, Accounts & Audit, Governance, Ethics and Regulatory Oversight, Policy Making	Mr. Venkata Ramana Revuru, Mr. Yatin Sanjay Gupte, Mr. Sojan Vettukallel Avirachan, Mrs. Mansi Jayendra Bhatt, Mr. Nikhil Bhagwanshanker Dwivedi, Mr. Paresh Prakashbhai Thakkar and Mr. Miteshkumar Ghanshyambhai Rana
<b>Personal Attributes</b>	<b>Name of the Director possessing the skill/expertise/competence</b>
Integrity and Ethical Standards, Qualification and Knowledge, Leadership Knowledge of Financial Industry, Interpersonal Adaptability and Emotional intelligence	Mr. Venkata Ramana Revuru, Mr. Yatin Sanjay Gupte, Mr. Vettukallel Avirachan Sojan, Mr. Nikhil Bhagwanshanker Dwivedi, Mrs. Mansi Jayendra Bhatt, Mr. Miteshkumar Ghanshyambhai Rana and Mr. Paresh Prakashbhai Thakkar

i) **Confirmation from the Board of Directors:**

All the Independent Directors of the Company have given their respective declaration/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, then Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

Based on the confirmation / disclosures received from the Directors, the following Non-Executive Directors are Independent as on 31<sup>st</sup> March, 2024:

<b>Name of Independent Directors</b>	<b>Category</b>
Mr. Nikhil Bhagwanshanker Dwivedi	Non- Executive Independent Director
Mrs. Mansi Jayendra Bhatt (Appointed on 25 <sup>th</sup> May, 2023)	Non- Executive Woman Independent Director

Mr. Paresh Prakashbhai Thakkar (Appointed on 01 <sup>st</sup> March, 2024)	Additional Non- Executive Independent Director
Mr. Miteshkumar Ghanshyambhai Rana (Appointed on 01 <sup>st</sup> March, 2024)	Additional on- Executive Independent Director

#### ❖ Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV (Code for Independent Directors) of The Companies Act, 2013 and Regulation 25(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on **21<sup>st</sup> March, 2024** in which the following matters were considered : -

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonable perform its duties.

The performance evaluation of the Chairman & Managing Director and the Non-Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. The Board of Directors confirms that the Independent Directors fulfill the conditions specified in The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are independent of the management.

All the Independent Directors attended the above said Meeting.

#### j) Detailed reasons for resignation of Independent Directors:

During the financial year 2023-24, following Independent Directors has resigned from Directorship:

Name of Independent Directors	DIN	Date and Reason of Resignation*
Mrs. Neelambari Harshal Bhujbal	09195568	A) <b>Date of Resignation</b> : 28 <sup>th</sup> June, 2023 B) <b>Reason of Resignation</b> : Due to personal reason and other professional commitments
Mr. Bhargav Govindprasad Pandya	08693675	A) <b>Date of Resignation</b> : 25 <sup>th</sup> September, 2023 B) <b>Reason of Resignation</b> : Due to personal reasons as he travels abroad frequently
Mr. Kamal Ashwinbhai Lalani (Appointed on 25 <sup>th</sup> September, 2023)	09141815	A) <b>Date of Resignation</b> : 08 <sup>th</sup> February, 2024 B) <b>Reason of Resignation</b> : Due to personal reasons as he is unable to devote time to Company

**Note:** Resigned Directors confirmed in their Resignation letters that there are no other material reasons other than those provided in the above table.

### 3. BOARD COMMITTEES

The Committees of the Board are guided by their respective terms of reference, which outline their composition, scope, power, duties/functions and responsibilities.

Basis recommendations, suggestions and observations made by these Committees, the Board of Directors take an informed decision on the matters under their consideration.

The Chairperson of the respective Committees update the Board of Directors on the deliberations at the Committee meetings.

As on March 31, 2024, there were **Four (04)** Board Committees, namely:-

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders Relationship Committee
- D) Rights Issue Committee

The Company Secretary acts as the Secretary to the above mentioned Committees.

#### **A) AUDIT COMMITTEE :**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of The Companies Act, 2013 ('the Act') and Regulation 18 read with Part C of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee have wide experience of Finance, Accounts & Audit.

##### **a) Brief description of terms of reference**

The terms of reference of the Audit Committee, inter alia are as follows:

##### **❖ Role of Audit Committee shall include the following:**

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of The Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
5. reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified

- institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. approval or any subsequent modification of transactions of the listed entity with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. discussion with internal auditors of any significant findings and follow up there on;
  15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

❖ **The Audit Committee shall mandatorily review the following information:**

- a) management discussion and analysis of financial condition and results of operations;
- b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) internal audit reports relating to internal control weaknesses; and
- d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- e) statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

All the recommendations made by the Committee during the year under review, were accepted by the Board.

In addition, reviewing of such other functions as envisaged under Section 177 of The Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

**b) Composition, name of members and chairperson during the FY 2023-24 (As on 31<sup>st</sup> March, 2024)**

As on 31<sup>st</sup> March, 2024, the Audit Committee comprised of **Four (04)** Directors consisting of **Three (03)** Independent Directors and **One (01)** Non-Executive Non-Independent Director with Mrs. Mansi Jayendra Bhatt acting as a Chairperson.

All the members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices, policies and internal controls.

Mr. Bhargav Govindprasad Pandya, who was Chairperson of Committee before his resignation takes effect was present at the last Annual General Meeting held on 02<sup>nd</sup> September, 2023 through Video Conferencing (VC).

The Company Secretary acts as a secretary to the Committee.

The Audit Committee was re-constituted **Three (03)** times on 25<sup>th</sup> May, 2023, 25<sup>th</sup> September, 2023 and 01<sup>st</sup> March, 2024 during the financial year 2023-24.

❖ **Composition of the Audit Committee are as under:**

Name of the Members	Position on the Committee	Category	Date of Appointment in Committee	Cessation date
*Mrs. Mansi Jayendra Bhatt	Chairperson	Non-Executive - Woman Independent Director	25 <sup>th</sup> May, 2023	-
Mr. Nikhil Bhagwanshanker Dwivedi	Member	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021	-
Mr. Yatin Sanjay Gupte	Member	Non-Executive Non Independent Director	03 <sup>rd</sup> June, 2021	-
Mr. Paresh Prakashbhai Thakkar	Member	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024	-
Mr. Bhargav Govindprasad Pandya	Chairperson	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021	25 <sup>th</sup> September, 2023
Mr. Kamal Ashwinbhai Lalani	Chairperson	Non-Executive - Independent Director	25 <sup>th</sup> September, 2023	08 <sup>th</sup> February, 2024
Mrs. Neelambari Harshal Bhujbal	Member	Non-Executive - Woman Independent Director	12 <sup>th</sup> August, 2022	28 <sup>th</sup> June, 2023

**Note:**

\* Mrs. Mansi Jayendra Bhatt who was member of the Audit Committee appointed on 25<sup>th</sup> May, 2023 was designated as Chairperson pursuant to reconstitution approved by Board of Directors at its Meeting held on 01.03.2024.

The Committee was further re-constituted on 29<sup>th</sup> May, 2024 and the new composition of committees as on date are as follows:

Name of the Members	Designation	Position in Committee
Mrs. Mansi Jayendra Bhatt	Non-Executive - Woman Independent Director	Chairperson
Mr. Nikhil Bhagwanshanker Dwivedi	Non- Executive Independent Director	Member
Mr. Yatin Sanjay Gupte	Non- Executive Non- Independent Director	Member
Mr. Paresh Prakashbhai Thakkar	Non- Executive Independent Director	Member
Mr. Miteshkumar Ghanshyambhai Rana (Appointed as Member w.e.f 29 <sup>th</sup> May, 2024)	Non- Executive Independent Director	Member

**c) Meetings and attendance during the year ended on 31<sup>st</sup> March, 2024.**

During the period, Audit Committee met **Nine (09) times**. The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

The dates on which the Audit Committee Meetings were held and convened during the FY 2023-2024 are as follows:

Date of Audit Committee Meetings	
1. 25 <sup>th</sup> May, 2023	2. 28 <sup>th</sup> June, 2023
3. 03 <sup>rd</sup> August, 2023	4. 05 <sup>th</sup> August, 2023
5. 25 <sup>th</sup> September, 2023	6. 02 <sup>nd</sup> November, 2023
7. 17 <sup>th</sup> January,2024	8. 20 <sup>th</sup> January,2024
9. 28 <sup>th</sup> March,2024	

❖ **The Attendance of Members are as follows:**

<b>Name of the Members</b>	<b>Number of Audit Committee Meetings held during tenure of Directors</b>	<b>Attended</b>
Mrs. Mansi Jayendra Bhatt	8	8
Mr. Nikhil Bhagwanshanker Dwivedi	9	7
Mr. Yatin Sanjay Gupte	9	7
Mr. Paresh Prakashbhai Thakkar	1	1
Mr. Bhargav Govindprasad Pandya	5	5
Mr. Kamal Ashwinbhai Lalani	3	3
Mrs. Neelambari Harshal Bhujbal	2	2

**B) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee (NRC) has been constituted by the Board as per requirements of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**a) Brief description of terms of reference**

The terms of reference of the NRC, inter alia includes:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

1A For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- i. use the services of an external agencies, if required;
- ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- iii. consider the time commitments of the candidates.



2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. recommend to the board, all remuneration, in whatever form, payable to senior management.
7. To ensure 'fit and proper 'status of proposed directors and that there is no conflict of interest in appointment of Directors on Board of the Company and Key Managerial Personnel.

**b) Composition, name of members and chairperson during the FY 2023-24 (As on 31<sup>st</sup> March, 2024)**

As on 31<sup>st</sup> March, 2024; the Nomination and Remuneration Committee comprised of **Five (05)** directors consisting **Four (04)** Independent Directors and **One (1)** Non-Executive Non-Independent Director with Mr. Miteshkumar Ghanshyambhai Rana acting as a Chairperson.

Mr. Bhargav Govindprasad Pandya, who was Chairperson of Committee before his resignation takes effect was present at last Annual General Meeting held on 02<sup>nd</sup> September, 2023.

The Company Secretary acts as a secretary to the Committee.

The Nomination and Remuneration Committee was re-constituted **Three (03)** on 25<sup>th</sup> May, 2023, 25<sup>th</sup> September, 2023 and 01<sup>st</sup> March, 2024 during the financial year 2023-24.

**❖ Composition of the Nomination and Remuneration Committee are as under:**

<b>Name of the Members</b>	<b>Position on the Committee</b>	<b>Category</b>	<b>Date of Appointment in Committee</b>	<b>Cessation date</b>
Mr. Miteshkumar Ghanshyambhai Rana	Chairperson	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024	-
Mr. Nikhil Bhagwanshanker Dwivedi	Member	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021	-
Mr. Yatin Sanjay Gupte	Member	Non-Executive Non Independent Director	12 <sup>th</sup> August, 2022	-
Mrs. Mansi Jayendra Bhatt	Member	Non-Executive - Woman Independent Director	25 <sup>th</sup> May, 2023	-
Mr. Paresh Prakashbhai Thakkar	Member	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024	-
Mr. Bhargav Govindprasad Pandya	Chairperson	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021	25 <sup>th</sup> September, 2023

Mr. Kamal Ashwinbhai Lalani	Chairperson	Non-Executive - Independent Director	25 <sup>th</sup> September, 2023	08 <sup>th</sup> February, 2024
Mrs. Neelambari Harshal Bhujbal	Member	Non-Executive - Woman Independent Director	03 <sup>rd</sup> June, 2021	28 <sup>th</sup> June, 2023

c) **Meetings and attendance during the year ended on 31<sup>st</sup> March, 2024**

During the period, Nomination and Remuneration Committee met **Six (06)** times. The necessary quorum was present for all the meetings.

The dates on which the Nomination and Remuneration Committee Meetings were held and convened during the FY 2023-2024 are as follows:

Date of Nomination and Remuneration Committee Meetings	
1. 25 <sup>th</sup> May, 2023	2. 28 <sup>th</sup> June, 2023
3. 25 <sup>th</sup> September, 2023	4. 17 <sup>th</sup> January, 2024
5. 01 <sup>st</sup> March, 2024	6. 28 <sup>th</sup> March, 2024

❖ **The Attendance of Directors are as follows:**

Name of the Members	Number of Nomination and Remuneration Committee Meetings held during tenure of Directors	Attended
Mr. Miteshkumar Ghanshyambhai Rana	2	2
Mr. Nikhil Bhagwanshanker Dwivedi	6	4
Mr. Yatin Sanjay Gupte	6	4
Mrs. Mansi Jayendra Bhatt	5	5
Mr. Paresh Prakashbhai Thakkar	2	2
Mr. Bhargav Govindprasad Pandya	3	3

Mr. Kamal Ashwinbhai Lalani	-	-
Mrs. Neelambari Harshal Bhujbal	2	2

**d) Performance evaluation criteria for independent directors**

Pursuant to Schedule IV and Section 134 (3)(p) of the Act and Part D (A) of the Schedule II, Regulation 19(4) of the, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Board has carried out the annual performance evaluation of Board, the Directors including Independent Directors, individually as well as the evaluation of the working of its committees.

A structured questionnaire was prepared, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE {SECTION 178(5) OF THE COMPANIES ACT, 2013 READ WITH REGULATION 20 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015}:**

The Stakeholder Relationship Committee (SRC) has been constituted by the Board as per requirements of Section 178(5) of the Act and Regulation 20 read with Para B of Part D of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

❖ **Role of Stakeholders Relationship Committee**

The Committee is responsible for assisting the Board of Directors in the Board’s overall responsibilities relating to attending and redressal of the grievances of the security of holders of the Company, The Committee in particular looks into:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- 5) Attending to the complaints of Security holders routed by SEBI (SCORES)/ Stock Exchange/RBI or any other Regulatory Authorities
- 6) Any other matter that can facilitate better investor services and relations.

**a) Composition of the Committee, Meetings and Attendance as on 31<sup>st</sup> March, 2024.**

As on 31<sup>st</sup> March, 2024; The Stakeholders Relationship Committee comprised of **Four (04)** Directors with all **Four (04)** being Non-Executive Directors and **Three (03)** being Independent Directors. Mrs. Mansi Jayendra Bhatt, acting as its Chairperson.

During the last Annual General Meeting held on 02<sup>nd</sup> September, 2023, Mrs. Mansi Jayendra Bhatt, in her capacity as the Chairperson of the Stakeholder Relationship Committee, actively participated and addressed inquiries raised by the shareholders.

The Company Secretary acts as a secretary to the Committee.

The reconstitution of the Stakeholder Relationship Committee took place **Three (03)** times on 25<sup>th</sup> May, 2023, 25<sup>th</sup> September, 2023 and 01<sup>st</sup> March, 2024 during the financial year 2023-24. This reconstitution is part of our organization's commitment to ensuring a well-structured and effective committee composition for the benefit of all stakeholders

❖ **Composition of the Stakeholder Relationship Committee are as under:**

Name of the Members	Position on the Committee	Category	Date of Appointment in Committee	Cessation date
Mrs. Mansi Jayendra Bhatt	Chairperson	Non-Executive - Woman Independent Director	25 <sup>th</sup> May, 2023	-
Mr. Nikhil Bhagwanshanker Dwivedi	Member	Non-Executive - Independent Director	03 <sup>rd</sup> June, 2021	-
Mr. Yatin Sanjay Gupte	Member	Non-Executive Non Independent Director	03 <sup>rd</sup> June, 2021	-
Mr. Miteshkumar Ghanshyambhai Rana	Member	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024	-
Mr. Bhargav Govindprasad Pandya	Member	Non-Executive - Independent Director	12 <sup>th</sup> August, 2022	25 <sup>th</sup> September, 2023
Mr. Kamal Ashwinbhai Lalani	Member	Non-Executive - Independent Director	25 <sup>th</sup> September, 2023	08 <sup>th</sup> February, 2024
Mrs. Neelambari Harshal Bhujbal	Chairperson	Non-Executive - Woman Independent Director	03 <sup>rd</sup> June, 2021	28 <sup>th</sup> June, 2023

❖ **Meetings and attendance during the year ended on 31<sup>st</sup> March, 2024**

During the period, Stakeholder Relationship Committee met **Two (2)** times. The necessary quorum was present for all the meetings.

The dates on which the Stakeholder Relationship Committee Meetings were held and convened during the FY 2023-2024 are as follows:

Date of Stakeholder Relationship Committee Meetings	
1. 25 <sup>th</sup> May, 2023	2. 25 <sup>th</sup> September, 2023

**The Attendance of Directors are as follows:**

Name of the Members	Number of Stakeholder Relationship Committee Meetings held during tenure of Directors	Attended
Mrs. Mansi Jayendra Bhatt	1	1
Mr. Nikhil Bhagwanshanker Dwivedi	2	1
Mr. Yatin Sanjay Gupte	2	1
Mr. Miteshkumar Ghanshyambhai Rana	-	-
Mr. Bhargav Govindprasad Pandya	2	2
Mr. Kamal Ashwinbhai Lalani	1	1
Mrs. Neelambari Harshal Bhujbal	1	1

**b) Name and designation of the compliance officer:** The details of Compliance Officer are as follows:

Name of the Compliance Officers	Designation	Date of Appointment	Date of Cessation
Ms. Sakina Lokhandwala	Company Secretary	06 <sup>th</sup> July, 2022	22 <sup>nd</sup> November, 2023
Ms. Kashish Purohit	Company Secretary	17 <sup>th</sup> January, 2024	30 <sup>th</sup> March, 2024
Mr. Samoil Lokhandwala	Company Secretary	01 <sup>st</sup> April, 2024	-

**c) Number of shareholders' complaints received during the financial year:**

As required by The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; The Company Secretary is the Compliance Officer of the Company, who oversees the redressal of Investor Grievance. The shareholders of the company can e-mail their grievances on [compliance@miflindia.com](mailto:compliance@miflindia.com)

The SEBI has initiated processing of investor complaints in a centralized web- based complaint redress system "SCORES". Under the said system, the complaints received from SEBI shall be processed timely.

The details of Investor Complaints during the Financial Year 2023-24 are as follows:

Particulars	No. of Complaints
Complaints pending as on April 01, 2023	NIL
Complaints received during the period April 01, 2023 to 31 <sup>st</sup> March, 2024	3
Complaints identified and reported under Regulation 13(3) of Listing Regulations.	3
Complaints disposed of during the year ended 31 <sup>st</sup> March, 2024	3
Complaints unresolved as of March 31, 2024.	NIL

The status of security holder's grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board.

Our company has implemented measures to improve the efficiency of grievance resolution. We utilize the SEBI Complaints Redress System (SCORES), a centralized online platform that allows investors to file and track complaints. SCORES provides a streamlined process for managing complaints, from submission to resolution. Key features include a centralized database, online submission of action taken reports by companies, and real-time online tracking of complaint status. We are committed to resolving all investor complaints received through SCORES within the specified timeframe.

#### ❖ **Online Dispute Resolution (ODR) Mechanism**

SEBI vide Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/ CIR/2023/195 dated July 31, 2023 (further updated as on December 20, 2023) have issued a Circular for online resolution of disputes in the Indian securities market. With the said Circular, the existing dispute resolution mechanism is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. As per the said SEBI Circulars, in case of any grievances, the shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, they can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

In compliance with SEBI Circular, the Company has sent email communication to the shareholders intimating them the mechanism to facilitate online resolution of all kinds of disputes arising in the Indian securities market. The said Circular can be accessed by the members from the Company's website at <https://www.miflindia.com/contact> or on the website of RTA [https://www.purvashare.com/media/documents/SEBI\\_Circular\\_31072023](https://www.purvashare.com/media/documents/SEBI_Circular_31072023).

During the year, no complaints reported under the ODR portal.

**D) RISK MANAGEMENT COMMITTEE {REGULATION 20 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015}:**

The composition of Risk Management Committee as required under Regulation 20 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

**E) RIGHTS ISSUE COMMITTEE:**

❖ **Composition, name of members and chairperson; (As on 31<sup>st</sup> March, 2024)**

The establishment of the Rights Issue Committee was initiated through a resolution passed by our esteemed Board of Directors during its meeting convened on 25<sup>th</sup> May, 2023. This committee comprises **Four (04)** Directors, distinguished by the presence of **One (1)** Executive Director, **One (1)** Non-Executive Non-Independent Director, and **Two (02)** Non-Executive Independent Directors. Mr. Venkata Ramana Revuru has been designated as the Chairperson of this committee, assuming a pivotal role in its proceedings.

The reconstitution of the Rights Issue Committee took place on 25<sup>th</sup> September, 2023 and 01<sup>st</sup> March, 2024 during the financial year 2023-24.

**Composition of the Rights Issue Committee are as under:**

Name of the Members	Position on the Committee	Category	Date of Appointment in Committee	Cessation date
Mr. Venkata Ramana Revuru	Chairperson	Executive Director	25 <sup>th</sup> May, 2023	-
Mrs. Mansi Jayendra Bhatt	Member	Non-Executive Woman Independent Director	25 <sup>th</sup> May, 2023	-
Mr. Yatin Sanjay Gupte	Member	Non-Executive Non Independent Director	25 <sup>th</sup> May, 2023	-
Mr. Paresh Prakashbhai Thakkar	Member	Additional Non-Executive - Independent Director	01 <sup>st</sup> March, 2024	-
Mr. Bhargav Govindprasad Pandya	Member	Non-Executive - Independent Director	25 <sup>th</sup> May, 2023	25 <sup>th</sup> September, 2023
Mr. Kamal Ashwinbhai Lalani	Member	Non-Executive - Independent Director	25 <sup>th</sup> September, 2023	08 <sup>th</sup> February, 2024

The Committee was further re-constituted on 21<sup>st</sup> June, 2024 and the new composition of committees as on date of report are as follows:

Name of the Members	Designation	Position on the Committee
Mr. Venkata Ramana Revuru	Executive Director	Chairperson
Mrs. Mansi Jayendra Bhatt	Non-Executive Woman Independent Director	Member
Mr. Yatin Sanjay Gupte	Non-Executive Non Independent Director	Member
Mr. Paresh Prakashbhai Thakkar	Non-Executive - Independent Director	Member
Mr. Miteshkumar Ghanshyambhai Rana (Appointed in committee w.e.f. 21 <sup>st</sup> June, 2024)	Non-Executive - Independent Director	Member

❖ **Meetings and attendance during the year ended on 31<sup>st</sup> March, 2024**

During the period, Rights Issue Committee met **Five (05)** times. The necessary quorum was present for all the meetings.

The dates on which the Rights Issue Committee Meetings were held and convened during the FY 2023-2024 are as follows:

Date of Rights Issue Committee Meetings	
1. 25 <sup>th</sup> September, 2023	2. 30 <sup>th</sup> September, 2023
3. 12 <sup>th</sup> December, 2023	4. 25 <sup>th</sup> February, 2024
5. 16 <sup>th</sup> March, 2024	

**The Attendance of Directors are as follows:**

Name of the Members	Number of Rights Issue Committee Meetings held during tenure of Directors	Attended
Mr. Venkata Ramana Revuru	5	5
Mrs. Mansi Jayendra Bhatt	5	5
Mr. Yatin Sanjay Gupte	5	5



Mr. Paresh Prakashbhai Thakkar	1	1
Mr. Bhargav Govindprasad Pandya	1	1
Mr. Kamal Ashwinbhai Lalani	3	3

**F) SENIOR MANAGEMENT:**

Pursuant to provisions of SEBI Circular No. SEBI/LAD-NRO/GN/2023/117, dated 17th January, 2023 and Regulation 16(1)(d) of SEBI (LODR) Regulations, 2015, Company has not designated any officers in Senior Management of Company during the period under review.

**G) REMUNERATION OF DIRECTORS:**

Our company's nomination and remuneration committee has developed a comprehensive policy that outlines the procedures for selecting board members, key management personnel, and senior management. This policy addresses compensation, selection criteria, and the importance of board diversity. The policy aims to balance the interests of shareholders and the company while ensuring competitive compensation. It focuses on identifying qualified individuals with the necessary skills, knowledge, experience, and diverse perspectives to effectively contribute to the board.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis and is in consonance with the existing Industry practices.

- i. None of the Independent Directors and Non- Executive Director have any pecuniary relationship or transactions with the Company, its Promoters or its management, which, in the opinion of the Board, would affect the independence or judgment of Directors.
- ii. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e. <https://www.miflindia.com/investor-relations/policies>.
- iii. **Remuneration paid to Non- Executive Directors.**

The Non-Executive Directors receive the sitting fees for attending the Board and Committee meetings, as case may be.

Following are the details of remuneration paid to Non-Executive Directors for attending the meetings of Board and Committee during the FY ended on 31<sup>st</sup> March, 2024:

Name of the Directors	Category	Sitting Fees (Amount (₹) in Lakhs)
Mr. Nikhil Bhagwanshanker Dwivedi	Non-Executive Independent Director	1.10
Mr. Yatin Sanjay Gupte	Non-Executive Non Independent Director	-
Mr. Sojan Vettukallel Avirachan	Non-Executive Non Independent Director	-

Mrs. Mansi Jayendra Bhatt (Appointed w.e.f. 25 <sup>th</sup> May, 2023)	Non-Executive - Woman Independent Director	0.98
Mr. Paresh Prakashbhai Thakkar (Appointed w.e.f. 01 <sup>st</sup> March, 2024)	Additional Non-Executive Independent Director	0.25
Mr. Miteshkumar Ghanshyambhai Rana (Appointed w.e.f. 01 <sup>st</sup> March, 2024)	Additional Non-Executive Independent Director	0.25
Mr. Bhargav Govindprasand Pandya (Resigned w.e.f. 25 <sup>th</sup> September, 2023)	Non-Executive Independent Director	0.84
Mr. Kamal Ashwinbhai Lalani (Appointed w.e.f. 25 <sup>th</sup> September, 2023 and resigned w.e.f. 08 <sup>th</sup> February, 2024)	Non-Executive Independent Director	0.49
Mrs. Neelambari Harshal Bhujbal (Resigned w.e.f. 28 <sup>th</sup> June, 2023)	Non-Executive - Woman Independent Director	0.48

❖ **Remuneration paid to the Managing Director and Executive Director during the year is as follows:**

(₹ In lakhs)

Name of the Director and Designation	Category	Salary	Benefits	Bonuses	Pension	Service Contracts	Notice	Total
Mr. Venkata Ramana Revuru	Executive Director, Managing Director, Chairman	NIL	NIL	NIL	NIL	Reappointed for Further term of Two (02) years w.e.f 10 <sup>th</sup> July, 2024	NIL	NIL

There were no severance fees and stock option plan.

The appointment of Mr. Venkata Ramana Revuru, Chairman and Managing Director is for a period of 3 (Three) years with effect from 10<sup>th</sup> August, 2021 to 09<sup>th</sup> July, 2024 on the basis of terms and conditions laid down as per the agreement dated 12<sup>th</sup> August, 2021, together with the resolution passed by the Board dated 10<sup>th</sup> August, 2021 and the same was approved by the Members at the Annual General Meeting which was held on 27<sup>th</sup> September, 2021.

Further The Board of Directors at its meeting held on 28<sup>th</sup> March, 2024 approved re-appointment of **Mr. Venkata Ramana Revuru (DIN: 02809108)** as an “Managing Director” on the Board of Directors of the Company for a term of **Two (02) years w.e.f. 10<sup>th</sup> July, 2024 to 09<sup>th</sup> July, 2026** on the expiry of his existing term on 09<sup>th</sup> July, 2024, which was approved by shareholders of the Company pursuant Postal Ballot results dated 02<sup>nd</sup> May, 2024.

❖ **Criteria for Nomination as per Nomination Remuneration Committee**

The Committee shall follow the procedure mentioned below for appointment of Director, Independent Director, KMP and Senior Management Personnel and recommend their appointments to the Board.

- The Committee shall follow the procedure mentioned below for appointment of Director, Independent

Director, KMP and Senior Management Personnel and recommend their appointments to the Board.

- The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Act, rules made there under, Listing Agreement or any other enactment for the time being in force.
- In case of the appointment of Independent Director, Independent Director should comply with the additional criteria of his / her independence as prescribed under the Act, rules framed there under and the Listing Regulation.
- Executive Director as an employee of the Company subject to the provision of the law and their service contract
- To ensure that level and composition of remuneration is reasonable and sufficient and relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on the performance

#### 4) **GENERAL BODY MEETINGS:**

a) **The details of date, Venue and time of the last three Annual General Meetings held are as under:**

Financial year Ended	Date	Time (IST)	Venue
2022-2023	02 <sup>nd</sup> September, 2023	03.30 p.m.	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the physical Presence of the Members at a common venue, in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars).
2021-2022	26 <sup>th</sup> September, 2022	01.00 p.m.	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the physical Presence of the Members at a common venue, in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars).
2020-2021	27 <sup>th</sup> September, 2021	12.00 p.m.	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the physical Presence of the Members at a common venue, in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars).

b) **Special Resolutions passed during the previous three Annual General Meetings:**

Financial Year	Date	Time (IST)	Resolutions Passed
2022-2023	02 <sup>nd</sup> September, 2023	03.30 p.m.	1) Approval for Material Related Party Transaction (s) under Section 188 of The Companies Act, 2013 and

			<p>Regulation 23 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IND AS 24. <b>(Special Business — Special Resolution).</b></p> <p>2) Increasing Borrowing Limits of The Board of Directors of The Company Under Section 180 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p> <p>3) Authorization to make Loan(s) and give guarantee(s), provide security (ies) or make Investments under Section 186 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p> <p>4) Authorization to advance any loan or give any guarantee or provide any security under Section 185 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p>
2021-2022	26 <sup>th</sup> September, 2022	01.00 p.m.	<p>1) Approval for Material Related Party Transaction (s) under Section 188 of The Companies Act, 2013 and Regulation 23 of The SEBI (LODR) Regulations, 2015. <b>(Special Business — Special Resolution).</b></p> <p>2) Increasing Borrowing Limits of The Board of Directors of The Company Under Section 180 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p> <p>3) Authorization to make Loan(s) and give guarantee(s), provide security (ies) or make Investments under Section 186 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p> <p>4) Authorization to advance any loan or give any guarantee or provide any security under Section 185 of The Companies Act, 2013 <b>(Special Business — Special Resolution).</b></p>
2020-2021	27 <sup>th</sup> September, 2021	12.00 p.m.	<p>1) To appoint <b>Mr. Venkata Ramana Revuru (DIN: 02809108)</b> as Managing Director of the Company <b>(Special Business — Special Resolution).</b></p> <p>2) Approval for Material Related Party Transaction (s) under Section 188 of The Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015. <b>(Special Business — Special Resolution).</b></p>

			<p>4) Increasing Borrowing Limits of The Board of Directors of The Company Under Section 180 of the Companies Act, 2013 <b>(Special Business — Special Resolution)</b>.</p> <p>5) Authorisation to make loan(s) and give guarantee(s), provide security (ies) or make investments <b>(Special Business — Special Resolution)</b>.</p> <p>6) Approval of loans, investments, guarantee or security <b>(Special Business — Special Resolution)</b>.</p>
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**c) Special Resolutions passed during Financial Year 2023-24 through Postal Ballot:**

During the financial year 2023-24, below mentioned resolution was passed with requisite majority through Postal Ballot results dated **28<sup>th</sup> October, 2023**:

1. To consider Increase of Authorized Share Capital and Alteration of Memorandum of Association of the Company.
2. To Appoint **Mr. Kamal Ashwinbhai Lalani (DIN: 09141815)** as Non-executive Independent Director of the Company.

❖ **The details of voting pattern of the Special Resolutions passed through Postal Ballot are as follows -**

**1. To consider Increase of Authorized Share Capital and Alteration of Memorandum of Association of the Company.**

The details of voting pattern are as under:

Particulars	Total No. of valid votes	Votes Assenting the Resolution	% Votes cast	Votes Assenting the Resolution	% Votes cast
Votes cast through Electronic Mode	68,10,97,723	68,10,89,282	99.9988	8,441	0.0012
Votes cast through Physical Mode	0	0	0	0	0
<b>Total</b>	<b>68,10,97,723</b>	<b>68,10,89,282</b>	<b>99.9988</b>	<b>8,441</b>	<b>0.0012</b>

The resolution passed with requisite majority.

**2. To Appoint Mr. Kamal Ashwinbhai Lalani (DIN: 09141815) as Non-executive Independent Director of the Company.**

The details of voting pattern are as under:

Particulars	Total No. of valid votes	Votes Assenting the Resolution	% Votes cast	Votes Assenting the Resolution	% Votes cast
Votes cast through Electronic Mode	68,11,00,723	68,10,75,819	99.9963	24,904	0.0037

Votes cast through Physical Mode	0	0	0	0	0
<b>Total</b>	<b>68,11,00,723</b>	<b>68,10,75,819</b>	<b>99.9963</b>	<b>24,904</b>	<b>0.0037</b>

The resolution passed with requisite majority.

**d) Person who conducted the postal ballot exercise:**

The Board of Directors of the Company at its meeting held on 25<sup>th</sup> September, 2023 had appointed Mrs. Pooja Amit Gala, Practicing Company Secretary, having Membership No. ACS 69393 and COP No. 25845 to act as a Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner in accordance with the provisions of the Act read with rules and the MCA circulars.

**e) Procedure for postal ballot:**

In compliance with The Section 108 and Section 110 of the Companies Act, 2013 (“Act”) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) and other applicable provisions of the Act and the Rules, Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No. 11/2022 dated December 28, 2022, and the latest one being General Circular no. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (“MCA Circulars”), read with SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023, respectively (hereinafter collectively referred to as “SEBI Circulars”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as amended from time to time), the postal ballot for seeking approval of the members of the Company to the resolutions as specified in the postal ballot notice was issued to the members.

The Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company has availed e-voting facility offered by National Depository Services (India) Limited (NSDL) for conducting e-voting by members of the Company and as permissible under The Companies Act, 2013; notices to the shareholders were sent through e-mail whose e-mail ids were registered with depository participants and Registrar and Transfer Agent. In compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope were not sent to the shareholders for this Postal Ballot and shareholders were requested to communicate their assent/dissent through the remote e-voting system only. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements and procedure for registration of the email address as mandated under The Companies Act, 2013 and applicable Rules and recent circulars.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members were entitled to exercise their votes by electronic mode only and were requested to vote before close of business hours on the last date of e-voting. The scrutinizer submitted her report to Ms. Sakina Lokhandwala, Company Secretary (who was duly authorized by the Chairman in this regard), after the completion of scrutiny, the results of the voting by postal ballot were then announced by her. The results were also displayed

on the website of the Company, [www.miflindia.com](http://www.miflindia.com). besides being communicated to the BSE Limited where the Company's shares are listed.

**f) Extra-Ordinary General Meeting was held during the Financial Year 2023-24 on through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").**

Extraordinary General Meeting (EOGM) was held on 13<sup>th</sup> July, 2023 during the financial year 2023-24.

<b>Date of EOGM Notice</b>	<b>19<sup>th</sup> June, 2023</b>
<b>Particulars of resolution</b>	<p>1. Change in Name of the Company from 'Mangalam Industrial Finance Limited' To 'Incred Credit Services Limited' and consequential alteration to MOA and AOA of the Company. <b>(Special Business — Special Resolution)</b></p> <p>2. To appoint Mrs. Mansi Jayendra Bhatt (DIN: 10177722) as Non-Executive Independent Director. <b>(Special Business — Special Resolution)</b></p>
<b>Date and time of EOGM</b>	Thursday, 13 <sup>th</sup> July, 2023 at 01: 00 P.M.
<b>Start date of e-voting</b>	Monday, 10 <sup>th</sup> July, 2023 at 09.00 A.M.
<b>End date of e-voting</b>	Wednesday, 12 <sup>th</sup> July, 2023 at 05.00 P.M.
<b>Date of declaration of voting results</b>	Friday, 14 <sup>th</sup> July, 2023

**5) MEANS OF COMMUNICATION:**

Company has been sending Annual Reports, Notices and other communications to each shareholder through e-mail, post and/or courier services. As per the circulars issued by MCA and SEBI, the Notice and Annual Report for the FY 2023-24 are being sent through electronic means (e-mail) and on the receipt of request from shareholders, the company sent courier of hard copy to them. The Notice and Annual Report of the Company for the FY 2023-24 shall also be available on the website of the Company <https://www.miflindia.com/investor-relations/corporate-announcement/annual-return-and-report>.

Quarterly, Half Yearly and Yearly Financial Results of the Company are widely published in leading newspapers such as Business Standard (Kolkata and Ahmedabad) and Arthik Lipi (Bengali), also displayed on the website of the Company at <https://www.miflindia.com>.

The Company discloses to the stock exchange regarding information required to be disclosed under Regulation 30 read with Part A of Schedule III of The SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, including material information which have a bearing on the performance / operations of the Company. All information is filed electronically on BSE's online portal and BSE Listing Centre.

During the year under review there were no Investor meetings or presentations to Institutional investors or analysts were arranged by the Company.

❖ **Ministry of Corporate Affairs (MCA)**

The Company has periodically filed all the necessary documents with MCA. The Company has filed its Audited Financial Statements on MCA through XBRL.

**6) GENERAL SHAREHOLDER INFORMATION:**

**a) Annual General Meeting: 41<sup>st</sup> Annual General Meeting (Financial year 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024)**

- Day and Date : **Saturday, 28<sup>th</sup> September, 2024**
- Time : **01: 00 P.M. (IST)**
- Venue : **Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) without the physical presence of the Members pursuant to MCA circulars. For details please refer to Notice of 41<sup>st</sup> AGM.**

**b) Financial Year: 01<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025**

Financial Calendar for 2024-25 (Tentative)	01st April, 2024 to 31st March, 2025
<b>Adoption of Quarterly/Half yearly/Yearly Results for the quarter ending</b>	
<b>1<sup>st</sup> quarter ended on 30<sup>th</sup> June, 2024</b>	On or before 14 <sup>th</sup> August, 2024
<b>2<sup>nd</sup> quarter ended on 30<sup>th</sup> September, 2024</b>	On or before 14 <sup>th</sup> November, 2024
<b>3<sup>rd</sup> quarter ended on 31<sup>st</sup> December, 2024</b>	On or before 14 <sup>th</sup> February, 2025
<b>Audited financial results for the year ended on 31<sup>st</sup> March, 2025</b>	On or before 30 <sup>th</sup> May, 2025

**c) Dividend Payment date: No dividend has been proposed and recommended by the Board of Directors of the Company for Financial Year 2023-24.**

❖ **Book closure date**

Pursuant to Section 91 & other applicable provisions of the Companies Act, 2013 and in accordance with the Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Book of the Company shall remain closed from **Friday, 20<sup>th</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive)** for taking record of the Members of the Company for the purpose of ensuing 41<sup>st</sup> Annual General Meeting.

**d) Name and address of Stock Exchange:**

Name and address of Stock Exchange where Company’s equity shares are listed at:

Name and Address of the Stock Exchange	Scrip Code	Scrip ID	ISIN No.
<b>BSE Limited</b> Phiroze JeeJeebhoy Towers, Dalal street, Mumbai - 400 001, Maharashtra, India.	537800		INE717C01025

The listing fees for the FY 2023-24 has been paid to the above stock exchange within the stipulated time limit.



e) Stock Code:

Name of the Stock Exchange	Scrip Code
BSE Limited	537800

f) Market price data - high/low during each month in the past financial year: As the Company's share being listed on BSE Limited.

Share Price at BSE

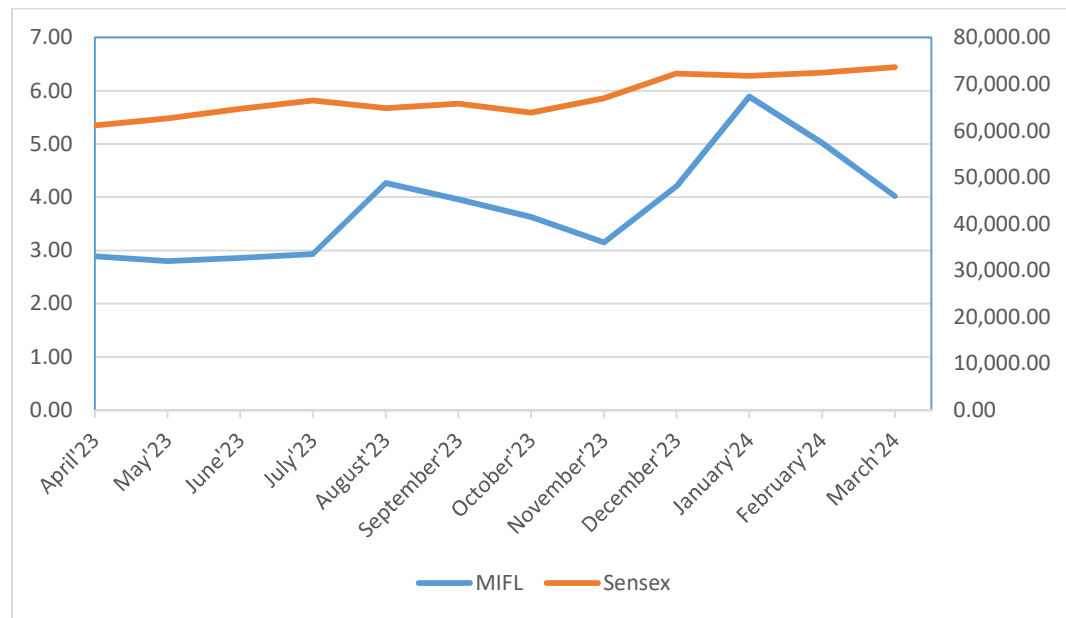
Month	High (₹)	Low (₹)	No of equity shares	No. of Trades
April, 2023	3.48	2.25	2,53,16,815	13,450
May, 2023	3.1	2.58	20712318	15640
June, 2023	2.97	2.5	21974849	17728
July, 2023	3.74	2.8	31209986	23725
August, 2023	4.47	2.85	104050569	49316
September, 2023	4.44	3.65	64671744	35180
October, 2023	4.05	3.17	22348110	22818
November, 2023	3.72	2.91	34745594	29659
December, 2023	4.99	3.11	74144623	55354
January, 2024	6.99	4.2	86643499	79168
February, 2024	6.67	4.75	68048750	85528
March, 2024	5.3	4	27976652	37222

g) Performance in comparison to broad based indices of BSE Sensex:

Month	MIFL	Closing BSE Sensex
April, 2023	2.89	61112.44
May, 2023	2.8	62622.24
June, 2023	2.86	64718.56
July, 2023	2.93	66527.67

August, 2023	4.27	64831.41
September, 2023	3.96	65828.41
October, 2023	3.63	63874.93
November, 2023	3.15	66988.44
December, 2023	4.21	72240.26
January, 2024	5.89	71752.11
February, 2024	5.02	72500.3
March, 2024	4.02	73651.35

❖ **Company's closing share price movement during Financial Year 2023-24 performance in comparison to BSE Sensex**



- h) There was no suspension of trading in the Securities, i.e., Equity Shares except REs issued for purpose of Rights issue of the Company during the financial year 2023-24.
- i) **Registrars to an Issue & Share Transfer Agents:**

**Purva Sharegistry (India) Pvt Ltd**

Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt,  
 J. R. Boricha Marg, Lower Parel East, Mumbai,  
 Maharashtra 400 011  
 Phone: 022- 3199 8810 / 4961 4132  
 Email id: [support@purvashare.com](mailto:support@purvashare.com).  
 Website: [www.purvashare.com](http://www.purvashare.com).

**j) Share transfer system:**

The Company's shares are traded in the stock exchanges compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look demat registry work. Shares lodged for transfer with the registrar are processed and returned to shareholders within the stipulated time. The Company obtains certificate from the practicing Company Secretary in terms of Regulation 40(9) of the SEBI LODR certifying that the certificates, if any required, have been issued within 30 days of the date of lodgment and thereafter submit the same to the stock exchanges. In terms of Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, no transfer of shares in physical mode is permitted.

Members may please note that with effect from 01<sup>st</sup> April, 2019, shares held in physical form cannot be transferred. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company by opening a demat account.

Pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares.

**k) Distribution of Shareholding:**

Shareholding pattern as on 31<sup>st</sup> March, 2024:

Sr. No.	Category	No of Shares Held	Percentage of Shareholding
1.	Resident Individual	27,26,42,756	28.35
2.	Promoters And Promoters Group: -		
a	Individuals	49,02,10,352	50.98
b	Corporate	17,43,93,390	18.13
3.	LLP	29,03,541	0.30
4.	Bodies Corporate	26,58,310	0.28
5.	Clearing Members	7,47,097	0.08
6.	Non-Resident Indians (Non-Repat)	23,04,654	0.24
7.	Non-Resident Indians (Repat)	44,93,785	0.47
8.	Hindu Undivided Family	77,15,690	0.80
9	Societies	35,71,925	0.37

10.	Trust	2,000	0.00
<b>Total</b>		<b>96,16,43,500</b>	<b>100.00</b>

❖ **Distribution of shareholding as on 31<sup>st</sup> March, 2024**

Category (Amount)	Number	% of Total	Amount (in ₹)	% of Total
Up to 5,000	1,01,913	92.7122	5,90,65,116	6.1421
5,001 – 10,000	3,708	3.3732	2,92,17,922	3.0383
10,001 – 20,000	2,065	1.8786	3,02,54,258	3.1461
20,001 – 30,000	812	0.7387	2,06,87,112	2.1512
30,001 – 40,000	324	0.2947	1,15,25,518	1.1985
40,001 – 50,000	301	0.2738	1,42,25,846	1.4793
50,001 – 1,00,000	463	0.4212	3,49,28,036	3.6321
1,00,001 - Above	338	0.3075	76,17,39,692	79.2123
<b>Total</b>	<b>1,09,924</b>	<b>100.00</b>	<b>96,16,43,500</b>	<b>100.00</b>

**l) Dematerialization of shares and liquidity:**

The Company's shares are available for dematerialization with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Equity shares were dematerialized as on 31<sup>st</sup> March, 2024. Details are as follows:

Particulars	Fully paid shares	% of Total equity
NSDL	49,49,09,153	51.46
CDSL	46,62,89,047	48.49
Physical	4,45,300	0.05
<b>Total</b>	<b>96,16,43,500</b>	<b>100.00</b>

❖ **Nomination facility for Shareholding**

As per the provisions of Section 72 of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their respective Depository Participant (DP) in this regard.

**m) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments:**

There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments as on 31<sup>st</sup> March, 2024.

n) **Commodity price risk or foreign exchange risk and hedging activities:**

The Company is not carrying any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

o) **Plant location:**

Mangalam Industrial Finance Limited, being a Non-Banking Finance Company does not have any manufacturing plant.

p) **Address for correspondence:**

**Company Secretary and Compliance Officer**

**Mr. Samoil Lokhandwala**

**Mangalam Industrial Finance Limited**

**CIN: L65993WB1983PLC035815**

Corporate Office Address :Hall No-1, M R Icon, Next to Milestone,  
Vasna Bhayli Road, Vadodara, Gujarat – 391 410

**Email:** [compliance@miflindia.com](mailto:compliance@miflindia.com)

**Telephone No.:** +91 7203948909

**Web-site:** [www.miflindia.com](http://www.miflindia.com)

q) **Credit Rating:**

The Company did not issue any debt securities or offer fixed deposit programs during the financial year ending March 31, 2024. This means the company did not raise funds through borrowing or taking deposits from investors.

Consequently, there was no requirement for the company to obtain a credit rating, which is typically used to assess the creditworthiness of an entity that issues debt.

7) **OTHER DISCLOSURES:**

a) **Related Party Transactions:**

Related-party transactions are disclosed in the notes to the financial statements. All such transactions are conducted at arm's length and comply with transfer pricing regulations. Payments and receipts are made through checks or online payments.

The company only enters into related-party transactions after obtaining prior approval from both the audit committee and the board of directors. These transactions are conducted on an arm's length basis.

In terms of The Companies Act, 2013, and The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine Related Party Transactions.

Related Party Transaction policy is placed on the Company's website at <https://www.miflindia.com/investor-relations/policies>.

❖ **Material Related Party Transactions:**

During the financial year ending March 31, 2024, there were no material related-party transactions that could have potentially conflicted with the company's overall interests. Details of all related-party transactions are disclosed in the notes to the annual accounts.

**b) Details of non-compliance:**

There were no other non-compliance except above by the Company during the last three financial years and hence no penalties, strictures were imposed on the Company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years.

**c) Details of establishment of Vigil Mechanism / Whistle Blower Policy:**

The company has implemented a whistleblower policy that allows all stakeholders, including directors, employees, vendors and customers to report concerns about unethical behavior, suspected or actual fraud, or violations of the company's code of conduct or ethics. The policy includes safeguards to protect individuals who use the whistleblower mechanism and provides for direct access to the chairman of the audit committee in appropriate or exceptional cases. During the year under review, no personnel have been denied access to the Audit Committee.

The Vigil mechanism as per Regulation 22 of Listing Regulations ensure standards or professionalism, honesty, integrity and ethical behavior.

The details of establishment of such mechanism have been posted by the Company on its website <https://www.miflindia.com/investor-relations/policies>.

**d) Details of compliance with Mandatory requirements and Non-Mandatory requirements:**

The Company has complied with all the mandatory requirements of the Listing Regulations for FY 2023-24 and details of discretionary requirements as specified in Para E of Schedule II I of Listing Regulations are mentioned below

❖ **The Board**

As per Para A of Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, a non- executive Chairman\* of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

**\* The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.**

❖ **Shareholder's Rights**

Considering the dynamic shareholder demography and trading on the stock exchanges, as a prudent measure, we display our quarterly and half yearly results on our website and also publish our results in newspapers. We publish the voting results of shareholder meetings and make it available on our website <https://www.miflindia.com> and report the same to Stock Exchanges in terms of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

❖ **Modified opinion(s) in audit report**

The Auditors have issued an unmodified opinion on the financial statements of the Company.

❖ **Separate posts of Chairman and CEO**

The Company does not have separate post of Chairman and MD/CEO.

❖ **Reporting of Internal Auditor**

The Internal Auditor reports to Chief Financial Officer and has direct access to the Audit Committee

**e) Commodity price risk or foreign exchange risk and hedging activities:**

The Company is not carrying any Commodity business and has not undertaken any hedging activities, hence same are not applicable to the Company.

**f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

During the year under review, there was neither any transaction of fund raising through preferential allotment nor any transaction of Qualified Institutional Placement as specified under Regulation 32(7A) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**g)** The Company has received certificate dated 31<sup>st</sup> August, 2024 from M/s. Pooja Gala & Associates, Practicing Company Secretaries, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the SEBI and Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

**h)** There was no such instance during the Financial Year 2023-24, where the Board has not accepted any recommendation of any committees of the Board.

**i)** Given below are the details of fees paid to M/s. Mahesh Udhvani & Associates, Chartered Accountants, Statutory Auditors of the Company on a consolidated basis during the Financial Year ended 31<sup>st</sup> March, 2024.

(Amount (₹) in lakhs)

Sr. No.	Payments to the Statutory Auditors (excluding taxes)	Fees paid
1	Statutory Audit fees paid for Audit of the Company	3.50
2	Fees paid for other services	2.10
3	Reimbursement of expenses	0.00
<b>Total</b>		5.60

**j) Disclosures in relation to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Sr. No	Particulars	No of complaints
1	Number of complaints filed during the financial year	NIL
2	Number of complaints disposed off during the financial year	NA
3	Number of complaints pending as on end of the financial year	NIL

**k) Disclosure by Listed entity and its subsidiaries of “loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount”:**

During the financial year 2023-24, the company has given loans to the company in which directors are interested. Refer Note 31 of the Standalone Financial Statements for details of amount of Loans and Advances given to firms/companies in which directors are interested.

**l) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

Referring to the definition of Material Subsidiary given in Regulation 16 of the Listing Regulations, the Company does not have any Material Subsidiary as on 31<sup>st</sup> March, 2024.

**8) COMPANY HAS COMPLIED WITH THE REQUIREMENTS OF SCHEDULE V: Corporate Governance Report: sub-paras (2) to (10) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**❖ Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated persons of the Company which was reviewed by the Board from time to time and amended accordingly till date. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company’s shares by the Directors and the designated persons while in possession of Unpublished Price Sensitive Information (UPSI) in relation to the Company and during the period when the Trading Window is closed. The Company has also installed structural digital database. All Board of Directors and the designated employees have confirmed compliance with the Code.

**9) DETAILS OF ADOPTION OF DISCRETIONARY REQUIREMENTS:**

The Company has complied with all the discretionary requirements of Corporate Governance as specified in Para E of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

<b>The Board</b>	As per Para A of Part E of Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a non-executive Chairperson* of the Board may be entitled to maintain a Chairperson’s office at the Company’s expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairperson of the Company is an Executive Director and hence this provision is not applicable to the Company.
<b>Shareholder’s Rights</b>	Considering the dynamic shareholder demography and trading on the stock exchanges, as a prudent measure, we display our quarterly and half yearly results on our website <a href="http://www.miflindia.com">www.miflindia.com</a> and also publish our results in newspapers. We publish the voting results of shareholders meetings and make it available on our website <a href="http://www.miflindia.com">www.miflindia.com</a> and report the same to Stock Exchanges in terms of Regulation 44 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
<b>Modified opinion(s) in audit report</b>	The Auditors have issued an unmodified opinion on the financial statements of the Company.



<b>Separate posts of Chairman and CEO</b>	The Company does not have separate post of Chairman and MD/CEO.
<b>Reporting of Internal Auditor</b>	The Internal Auditor reports to Chief Financial Officer and has direct access to the Audit Committee.

**10) THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 ARE AS FOLLOWS:**

<b>Regulation No.</b>	<b>Particulars of Regulations</b>	<b>Compliance status (Yes/No)</b>
17	Board of Directors	Yes
17A	Maximum number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Not Applicable
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial personnel, directors and promoters	Yes
26A	Vacancies in respect of certain Key Managerial Personnel	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

**11) CODE OF CONDUCT:**

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with, covering all the Board members and all employees of the Company which is available on the Company's website. As per the requirements of the Listing Regulations, this is to confirm that all the Members of the Board and Senior Management

Personnel have affirmed with the Code of Conduct of the Company for the Financial Year 2023-24 and accordingly have received, a declaration of compliance with the Code of Conduct from them.

**12) ACCOUNTING STANDARD**

The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, while preparing Financial Statements. Kindly refer the Financial Statements (Standalone) for significant accounting policies adopted by the Company.

**13) CEO AND CFO CERTIFICATION:**

As required under Regulation 17(8) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; certificate duly signed by Mr. Arun Pillai, Chief Financial Officer were placed at the meeting of the Board as contemplated in Schedule – V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of the Annual Report.

**14) CERTIFICATE ON CORPORATE GOVERNANCE:**

A Compliance certificate received from M/s. Pooja Gala & Associates, (Membership Registration No. 69393), Practicing Company Secretary, Mumbai; pursuant to Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance of conditions of Corporate Governance forms part of the Annual Report.

**15) RECONCILIATION OF SHARE CAPITAL AUDIT:**

According to Regulation 76 of the SEBI (Depositors and Participants) Regulations, 2018, a qualified Practicing Company Secretary performed a Reconciliation of Share Capital Audit (RSCA) on a quarterly basis to reconcile the total dematerialized Share Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical share capital with the total issued and listed share capital.

The RSCA Report confirms that the total issued / paid up share capital corresponds to the entire number of physical shares and dematerialized shares held with NSDL and CDSL. For each quarter, the report produced by the Practicing Company Secretary was filed with the stock exchanges within the time frame specified.

**16) DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account/Unclaimed shares account as on March 31, 2024:

- ❖ aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; - NIL
- ❖ number of shareholders who approached listed entity for transfer of shares from suspense account during the year; - NIL
- ❖ number of shareholders to whom shares were transferred from suspense account during the year; - NIL
- ❖ aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; - NIL
- ❖ that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. - NIL

**17) DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:**

No agreements are entered under clause 5A of paragraph A of Part A of Schedule III of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For Mangalam Industrial Finance Limited**

SD/-  
Venkata Ramana Revuru  
Managing Director  
DIN: 02809108

SD/-  
Yatin Sanjay Gupte  
Non-Executive Non- Independent Director  
DIN: 07261150

Place: Vadodara  
Date: 31<sup>st</sup> August, 2024

**CODE OF CONDUCT DECLARATION**

**Declaration as required under Schedule V Part D of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

As provided under Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the Financial Year ended 31<sup>st</sup> March, 2024.

**On behalf of the Board of Directors  
Mangalam Industrial Finance Limited**

**Place: Vadodara  
Date: 31<sup>st</sup> August, 2024**

**SD/-  
Venkata Ramana Revuru  
Managing Director  
DIN: 02809108**

**CEO/CFO Compliance Certificate**

**(Regulation 17(8) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**To,**  
**The Board of Directors,**  
Mangalam Industrial Finance Limited  
Vadodara

**Dear Sir/Madam,**

**We, to the best of your knowledge and belief, hereby certify that:**

- a) We have reviewed Audited Financial Statements and the Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
  - i) Significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**For Mangalam Industrial Finance Limited**

**SD/-**  
**Arun Pillai**  
**Chief Financial Officer**

**Place: Vadodara**  
**Date: 31<sup>st</sup> August, 2024**

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**MANGALAM INDUSTRIAL FINANCE LIMITED**  
CIN: L65993WB1983PLC035815

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANGALAM INDUSTRIAL FINANCE LIMITED** ("Here in after called the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2024** has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2024** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under including any amendments in force;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Applicable to the Company during the Audit period;**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 including amendments in force; **Applicable to the Company during the Audit period;**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Applicable to the Company as the Company during the Audit period;**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable to the Company during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company during the Audit Period;**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the Audit Period;**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable to the Company during the Audit Period.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 or Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018- **Not Applicable to the Company during the Audit Period;**
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. - **Applicable to the Company during the period of audit to the extent of its Equity shares being listed at BSE Limited.**

We have also examined compliance with the applicable clauses of the following:

1. **Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.**
2. **The Listing Agreement entered into by the Company with BSE Ltd;**

During the period under review and as per representations and clarifications provided by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned hereinabove:

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and its authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through and there were no dissenting members' whose views were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during the audit period;**

1. The Company has maintained books of accounts as required under Section 128 of the companies Act, 2013.
2. The Company has complied with all the provisions of the Secretarial Standards.

3. The Company has complied with all the provisions of Companies Act, 2013 relating to Statutory Audit/Cost Audit/Internal Audit- **Cost Audit not applicable to company.**
4. No request for transmission of shares has been received by the company during the year.
5. Notice of annual general meeting has been duly sent to all the members, Directors, Statutory Auditor and Secretarial Auditors.
6. No show cause notice has been received by the company under the Acts referred above or any other laws applicable on the Company, other than those specified below. – The Company has received a legal Notice during the Financial Year 2023-2024.

Name of Party	Particulars of Complaint	Date of Notice	Date of Reply to Notice
In Cred Management & Technology Services Private Limited	Unauthorized use and registration of the corporate name “Incred Credit Services Limited”	02 <sup>nd</sup> August, 2023	11 <sup>th</sup> August, 2023

7. The venue and time of Board meeting was finalized with the consultation of all board members.
8. The Company has filed certain forms with ROC/MCA with late fees during the year.
9. All Related Parties Transactions has been approved by the Board/shareholders during 2023-2024 as informed to us by the company, and there is no violation of section 185/188 of the Companies Act, 2013.:

Following are the material related party transaction under section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulation 2015 has been brought to my notice by the management which was approved by the shareholders in the Postal ballot result dated 22<sup>nd</sup> March, 2023 for the Financial year 2023-2024.

Sr. No	Name of the Related Party	Relationship	Nature of Transaction	Transaction Amount in Rs.	Financial year
1	Mr. Yatin Sanjay Gupte	Promoter & Non-Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT policy of the Company	30 Crores	2023-2024
2	Mr. Sojan Avirachan	Promoter & Non- Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Sojan Avirachan and Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT policy of the Company	30 Crores	2023-2024
3	Mr. Venkata Ramana Revuru	Promoter & Chairman - Managing Director of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	30 Crores	2023-2024
4	Aveas Business	Aevas Business Solutions Private Limited is Promoted by Mr. Sojan	As per Section 188	150 Crores	2023-2024



	Solutions Private Limited	Avirachan. Mr. Sojan Avirachan is Director of Aevas Business Solutions Private Limited, Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited.	and RPT policy of the Company		
5	Garuda Mart India Private Limited	Garuda Mart India Private Limited is promoted by Mr. Venkata Ramana. Garuda Mart India Private Limited is promoter of Mangalam Industrial Finance Limited. Mr. Venkata Ramana Revuru is Promoter and Managing Director, Chairman of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	150 Crores	2023-2024
6	Wardwizard Solutions India Private Limited	Wardwizard Solutions India Private Limited is Promoted by Mr. Yatin Sanjay Gupte. Wardwizard Solutions India Private Limited is promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	150 Crores	2023-2024
7	I Secure Credit and Capital Services Limited (Formerly Known as Orchid Securities Limited)	(a) Mr. Venkata Ramana Revuru is Non Executive and Non Independent Director of I secure Credit and Capital Services Limited (b) Mr. Sojan Avirachan is Managing Director of I secure Credit and Capital Services Limited, (c) Mr. Yatin Sanjay Gupte is Non Executive and Non Independent Director of I secure Credit and Capital Services Limited. Above mentioned Three (3) Persons are also the Promoters of I Secure Credit and Capital Services Limited.	As per Section 188 and RPT policy of the Company	150 Crores	2023-2024
8	Wardwizard Innovations & Mobility Limited	Wardwizard Innovations & Mobility Limited is promoted by Mr. Yatin Sanjay Gupte. Mr. Yatin Sanjay Gupte is the Non-Executive Non-Independent Director and	As per Section 188 and RPT policy of the Company	10 Crores	2023-2024

		Promoter of Mangalam Industrial Finance Limited.			
9	Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited)	Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited) is promoted by Mr. Yatin Sanjay Gupte. Mr. Yatin Sanjay Gupte is Non Executive Non Independent Director and promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	20 Crores	2023-2024
10	Wardwizard Medicare Private Limited	Mr. Yatin Sanjay Gupte is director of Wardwizard Medicare Private Limited and Non-Executive Non Independent Director and Promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	20 Crores	2023-2024
11	Wardwizard Global Pte. Ltd.	Wardwizard Global Pte. Ltd. is the wholly owned subsidiary of Wardwizard Innovations & Mobility Limited. Mr. Yatin Sanjay Gupte is director of Wardwizard Global Pte. Ltd., Non-Executive Non Independent Director and Promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	20 Crores	2023-2024
12	Wardwizard Solutions Uganda Limited	Wardwizard Solutions Uganda Limited is subsidiary of Wardwizard Solutions India Private Limited. Wardwizard Solutions India Private Limited is promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT policy of the Company	10 Crores	2023-2024

Following are the material related parties' transactions under section 188 of The Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 has been brought to my notice by the management which have been approved by shareholders in the Annual General Meeting held on 02<sup>nd</sup> September, 2023 for the Financial Year 2023-24. The details of the same are as follows:

Sr. No.	Name of the Related Party	Relationship	Nature of transaction	Transaction Amount in Rs	Financial year
1	Wardwizard Medicare Private Limited	Mr. Yatin Sanjay Gupte is director of Wardwizard Medicare Private Limited and Non-Executive Non Independent Director and Promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	30 crores (out of 30 crores Company has taken approval for 20 crores previously from	2023-24

				the shareholders)	
2	Mrs. Sheetal Mandar Bhalerao	Mrs. Sheetal Mandar Bhalerao is the Managing Director of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited). Mr. Yatin Sanjay Gupte is the promoter of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited). Mr. Venkata Ramana Revuru and Mr. Sojan Avirachan are the promoter groups in Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited).	As per Section 188 and RPT Policy of the Company	10 crores	2023-24
3	Mr. Sanjay Mahadev Gupte	Mr. Sanjay Gupte is father of Mr. Yatin Sanjay Gupte. Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT Policy of the Company	10 Crores	2023-24
4	Mr. Mandar Bhalerao	Mr. Mandar Bhalerao is in the promoter group of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited) and Mr. Yatin Sanjay Gupte is the promoter of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited). Mr. Yatin Sanjay Gupte is Non Executive Non Independent Director and promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	10 Crores	2023-24
5	JZ Hospitality Private Limited	Mandar Bhalerao is Director & Promoter of JZ Hospitality Private Limited and is in the promoter group of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited) and Mr. Yatin Sanjay Gupte is the promoter of Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited). Mr.	As per Section 188 and RPT Policy of the Company	10 Crores	2023-24

		Yatin Sanjay Gupte is Non Executive Non Independent Director and promoter of Mangalam Industrial Finance Limited.			
6	Wardwizard Foundation	Mr. Yatin Sanjay Gupte and Mrs. Sheetal Mandar Bhalerao, both are the trustees. Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT Policy of the Company	10 Crores	2023-24
7	Bluebells Insurance Broking Private Limited	Mr. Yatin Sanjay Gupte & Wardwizard Solutions India Private Limited promoters of the Company are also the shareholders of Bluebells Insurance Broking Private Limited. Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited and Wardwizard Solutions India Private Limited is the promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	20 crores	2023-24
8	Ayoki Merchantile Limited	Mr. Yatin Sanjay Gupte, Mrs. Sheetal Mandar Bhalerao, M/s. Wardwizard Solutions India Private Limited and M/s. Wardwizard Medicare Private Limited are the acquirers of the company. Mr. Yatin Sanjay Gupte is the Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners. Wardwizard Solutions India Private Limited is the promoter of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	30 crores	2023-24
9	Yatin S Gupte (HUF)	Mr. Yatin Sanjay Gupte is Karta of Yatin S Gupte (HUF). Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial	As per Section 188 and RPT Policy of the Company	10 crores	2023-24

		Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.			
10	Aevas Visual Magic Private Limited	Mr. Sojan Avirachan is Director and Promoter of Aevas Business Solutions Private Limited. Mr. Sojan Avirachan is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	10 crores	2023-24
11	Anila Sojan	Mrs. Anila Sojan is wife of Mr. Sojan Avirachan. Mr. Sojan Avirachan is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Sojan Avirachan and Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT Policy of the Company	5 crores	2023-24
12	Lakshmi Devi	Ms. Lakshmi Devi is mother of Mr. Venkata Ramana Revuru. Mr. Venkata Ramana Revuru is Promoter & Chairman -Managing Director of Mangalam Industrial Finance Limited.	As per Section 188 and RPT Policy of the Company	5 crores	2023-24
13	Dhawin & Associates	Yatin S Gupte (HUF) is the partner in Dhawin & Associates through its Karta, Mr. Yatin Sanjay Gupte. Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT Policy of the Company	5 crores	2023-24
14	The Square Foot Company	Yatin S Gupte (HUF) is the partner in The Square Foot Company through its Karta, Mr. Yatin Sanjay Gupte. Mr. Yatin Sanjay Gupte is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.	As per Section 188 and RPT Policy of the Company	5 crores	2023-24
15	Wardwizard Entertainment Private Limited	Wardwizard Solutions India Private Limited and Yatin S Gupte (HUF) are the shareholders of the company. Wardwizard Solutions India Private Limited is Promoted by Mr. Yatin	As per Section 188 and RPT Policy of the Company	20 crores	2023-24

		Sanjay Gupte. Wardwizard Solutions India Private Limited is promoter of Mangalam Industrial Finance Limited. Yatin Sanjay Gupte is the Karta of Yatin S Gupte (HUF) and he is Promoter & Non Executive - Non Independent Director of Mangalam Industrial Finance Limited. Mr. Yatin Sanjay Gupte AND Mr. Venkata Ramana Revuru are Business Partners.			
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10. The company has appointed/resigned its directors/key managerial personnel as per section 149/168 of the Companies Act, 2013 & it has not violated section 152/160/161/162/164/167/196/197 & 203 of the Companies Act, 2013.
11. There were certain changes in KMP of the Company during the year under review.
12. The Company has altered its share capital during 2023-2024. The Board of Directors at its Meeting held on 25th September, 2023 have increase the Authorized share capital of the company from Rs. 96,17,00,000/- (Rupees Ninety-six crore seventeen lakhs) to Rs. 126,17,00,000/- (Rupees One hundred twenty-six crore seventeen lakhs) divided into 126,17,00,000 (One hundred twenty-six crore seventeen lakhs) equity shares of Re. 1/- (Rupees One Only) each of the company and subsequent alteration of Memorandum of Association of the Company, which was approved by Shareholders pursuant to Postal Ballot Results dated 28th October, 2023.
13. The Company has appointed Mrs. Pooja Amit as Secretarial Auditor of the Company for the financial year 2023-24 at its Board Meeting dated 25th May, 2023.
14. The Company has appointed M/s. Upadhyay & Company – LLP as Internal Auditor for the financial year 2023-24 at its Board Meeting dated 25th May, 2023.
15. Re-appointed M/s. Mahesh Udhvani & Associates, Chartered Accountants (Firm Registration No – 129738W) as Statutory Auditors of the Company for second term of three consecutive years, to hold office from the conclusion of 40th Annual General Meeting till the conclusion of the 43rd Annual General meeting of the Company.
16. The Board of Directors at its meeting held on 28th March, 2024 approved re-appointment of Mr. Venkata Ramana Revuru (DIN: 02809108) as an “Managing Director” on the Board of Directors of the Company for a term of 2 (Two) years w.e.f. 10th July, 2024 to 09th July, 2026 on the expiry of his existing term on 09th July, 2024, which was approved by shareholders of the Company pursuant to last date of Postal Ballot dated 02<sup>nd</sup> May, 2024.
17. The Board of Directors at its Meeting held on 28th June, 2023, Re-designate Mr. Akhtar Khatri from the post of President – Operations to Chief Financial Officer and Key Managerial Personnel of the company with effect from 29th June, 2023.
18. The Board of Directors at its Meeting held on 02nd November, 2023 decided to drop the special resolution regarding the change in name of the company from “Mangalam Industrial Finance Limited” to “InCred Credit Services Limited” passed by the members of the company on 13<sup>th</sup> July, 2023 at the Extra-Ordinary General meeting.
19. The Company has reconstituted various committees during the year.
20. The Company has held its 40<sup>th</sup> Annual General Meeting (AGM) through Video conferencing and other Audio-Visual Means for following matters:

Date of Notice	Date of AGM	Particulars of AGM Resolution
03-08-2023	02-09-2023	Adoption of the Audited Financial Statements as at 31st March, 2023. (Ordinary Business– Ordinary Resolution)
		Appointment of Mr. Yatin Sanjay Gupte (DIN: 07261150) as a

Date of Notice	Date of AGM	Particulars of AGM Resolution
		director liable to retire by rotation. (Ordinary Business – Ordinary Resolution)
		To Re-Appoint M/S. Mahesh Udhwani & Associates, Chartered Accountants (Firm Registration No. – 129738w) as Statutory Auditors of the Company and fix their Remuneration. (Ordinary Business – Ordinary Resolution)
		Approval for Material Related Party Transaction (s) under Section 188 of The Companies Act, 2013 and Regulation 23 of The SEBI (LODR) Regulations, 2015 and IND AS 24. (Special Business – Special Resolution)
		Increasing borrowing limits of the Board of Directors of the Company under Section 180 of The Companies Act, 2013. (Special Business – Special Resolution)
		Authorization to make loan(s) and give guarantee(s), provide security(ies) or make investments under Section 186 of The Companies Act, 2013. (Special Business – Special Resolution)
		Authorization to advance loan(s) and give any guarantee or provide any security under Section 185 of The Companies Act, 2013. (Special Business – Special Resolution)

21. The Company has one held Extra Ordinary General Meeting (EOGM) in the F.Y 2023-2024.
22. The Company has done one meeting through Postal Ballot during the financial year 2023-2024.
23. The Meeting of Independent Directors of the Company was held on 21<sup>st</sup> March, 2024 as per SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 and as per Schedule IV of the Companies Act, 2013.

#### Others

1. Company is registered with The Reserve Bank of India.
2. The Company has only fully paid-up equity shares.
3. The Company has not created any Charges during the year.
4. The Board has not recommended any dividend.
5. The Company has not removed any director during the year.
6. The Company has not made any rights issue/bonus issue/qualified institutional placement or Indian Depository receipt during the year. – Fund Raising through Right Issue was done by the Company during the Financial year 2023-2024.

The Board of Directors at its Meeting held on 25<sup>th</sup> May, 2023 approved raising of funds for an amount not exceeding Rs. 49,00,00,000/- (Rupees Forty-nine crores only), through a Right Issue to the eligible equity shareholders of the Company in accordance with applicable laws. Further The Board of Directors at its Meeting held on 17<sup>th</sup> January, 2024 approved Issue of up to 12,38,92,721 Fully Paid-Up Equity Shares of Face Value of ₹ 1 Each of our Company (The “Rights Equity Shares”) For Cash at a Price of ₹3.95 ( Rupees Three and Paise Ninety Five Only) Per Rights Equity Share Aggregating up to ₹ 4893.76 Lakhs on a Rights Basis to the Eligible Equity Shareholders of Company In the Ratio of 21 (Twenty One) Rights Equity Shares For Every 163 (One Hundred Sixty Three) Fully Paid-Up Equity Shares held by the Eligible Equity Shareholders on the Record Date, that is on Monday, January 29, 2024 (“Record Date”).

However the Company in its Right Issue Committee meeting held on 16<sup>th</sup> March, 2024 announced that the Rights issue was under subscribed by 5.45%.

7. CSR is not applicable to the Company.

#### **Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges from time to time
2. All investors complain directly received by the company are recorded on the same date of receipt.
3. The Company has complied with provision of SEBI (LODR) Regulations, 2015.
4. The Company has maintained a functional website of the Company and the website contains information for last 5 years.
5. The Company has complied with various regulations within stipulated time as prescribed under SEBI (PIT) Regulations, 1992/2015 & SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and SEBI Code of Conduct for prevention of Insider Trading.
6. The Company has paid Annual Listing Fees to Stock Exchanges during 2023-2024.

**The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder- I have relied based on undertaking and certain random checking done by me.**

**There are no actions taken against the Company / its promoters/ directors/ either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder, except those mentioned above.**

**I further report that Compliance of applicable Financial Laws including direct and indirect tax Laws by the Company has not been reviewed in the Audit since the same has been subject to review by the statutory auditor and other designated professionals.**

**Pooja Gala & Associates**

**(Practicing Company Secretary)**

**ACS No: 69393**

**COP No: 25845**

**ICSI UDIN: A069393F001088939**

**Peer Review Number: 5760/2024**

**Date: 31-08-2024**

**Place: Thane**

This report is to be read with the letter which is annexed as **Annexure A** and forms an integral part of this report.

*Disclaimer: - We have conducted the online inspection of documents given to us by the company. We have conducted assignment by examining the secretarial records and management undertaking given to us by the company etc. received by way of electronic mode from the company and was randomly verified by us. The management has confirmed that the records submitted to us are True and Correct. This report is limited to statutory compliances on law / regulations / guidelines listed in our report which have been complied by the company pertaining to financial year 23-24. We are not commenting on the statutory compliances whose due dates are extended by Registrars from time to time or still there is time line to comply with such compliances.*



**'Annexure A'**

**To,  
The Members,  
MANGALAM INDUSTRIAL FINANCE LIMITED  
CIN: L65993WB1983PLC035815**

My report is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the management of the company. My responsibility is to express an opinion on Secretarial Records based on my Audit as presented by management to us.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company's.

**Pooja Gala & Associates  
(Practicing Company Secretary)  
ACS No: 69393  
COP No: 25845**

**ICSI UDIN: A069393F001088939  
Peer Review Number: 5760/2024**

**Date: 31-08-2024  
Place: Thane**

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members of MANGALAM INDUSTRIAL FINANCE LTD**

**CIN: L65993WB1983PLC035815**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mangalam Industrial Finance Ltd** (CIN L65993WB1983PLC035815) and having registered office at **Old Nimta Road, Nandan Nagar, Belghoria Kolkata WB 700083** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, I hereby certify that none of the Directors (as on 31<sup>st</sup> March, 2024) on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

#### **Details of Directors as on 31-03-2024:**

<b>Sr. No</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
1	Venkata Ramana Revuru	02809108	03-06-2021	-
2	Yatin Sanjay Gupte	07261150	03-06-2021	-
3	Sojan Vettukallel Avirachan	07593791	03-06-2021	
4	Nikhil Bhagwanshankar Dwivedi	08865234	03-06-2021	
5	Miteshkumar Ghanshyambhai Rana	06770916	01-03-2024	
6	Paresh Prakashbhai Thakkar	08265981	01-03-2024	
7	Mansi Jayendra Bhatt	10177722	25-05-2023	

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Pooja Gala & Associates**

(Practicing Company Secretary)

ACS: 69393/ COP: 25845

Peer Reviewed Unit No: - 5760/2024

ICSI UDIN: A069393F001088950

Place: Thane

Date: 31-08-2024

**CERTIFICATE OF COMPLIANCE  
WITH THE CORPORATE GOVERNANCE REQUIREMENTS  
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To,  
The Members,  
MANGALAM INDUSTRIAL FINANCE LTD  
CIN: L65993WB1983PLC035815**

We have examined the compliance of conditions of Corporate Governance by **Mangalam Industrial Finance Ltd** for the year ended on 31<sup>st</sup> March, 2024 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub- regulation (1) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in the Provisions as specified in Schedule II of the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Pooja Gala & Associates**  
(Practicing Company Secretary)

ACS: 69393/ COP: 25845  
Peer Reviewed Unit No: - 5760/2024  
ICSI UDIN: A069393F001088941

Place: Thane  
Date: 31-08-2024

**Secretarial Compliance Report of Mangalam Industrial Finance Limited  
for the financial year ended 31<sup>st</sup> March, 2024.**

**To**

**The Members**

**Mangalam Industrial Finance Limited**

**(CIN: L65993WB1983PLC035815)**

**Registered Office: Old Nimta Road, Nandan Nagar, Belghoria Kolkata WB 700083.**

**Corporate Office: Hall No-1, M R Icon, Next to Milestone Vasna Bhayli Road, Vadodara - 391410**

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Mangalam Industrial Finance Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at **Old Nimta Road, Nandan Nagar, Belghoria, Kolkata, West Bengal, 700083** Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**I Pooja Gala & Associates**, Practicing Company Secretary have examined:

- (a) all the documents and records made available to us and explanation provided by **Mangalam Industrial Finance Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31<sup>st</sup> March, 2024 ("Review Period") in respect of compliance with the provisions of:
  - a. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - b. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; - **Applicable to the Company during the period under review.**
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Applicable to the Company during the period under review.**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Applicable to the Company during the period under review.**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable to the Company during the period under review.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable to the Company during the period under review.**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company during the period under review.**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable to the Company during the period under review.**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; - **Applicable to the Company during the period under review.**
- (i) Securities and Exchange Board of India (Depository and Participant) Regulation 2018. – **Applicable to the Company during the period under review.**
- (j) Securities and Exchange Board of India (Procedure of Board Meeting) Regulation, 2001 – **Applicable to the company during the period under review**

and circulars/ guidelines issued thereunder;

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA )	Observations/ Remarks by PCS*
1.	<p><b>Secretarial Standards:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	Nil

2.	<p><b>Adoption and timely up dation of the Policies:</b></p> <ul style="list-style-type: none"> <li>● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>● All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	Nil
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>● The Listed entity is maintaining a functional website</li> <li>● Timely dissemination of the documents/ information under a separate section on the website</li> <li>● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</li> </ul>	Yes	Nil
4.	<p><b>Disqualification of Director:</b></p> <p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	Nil
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	Not Applicable	During the period under review, there were no subsidiary of the company
6.	<p><b>Preservation of Documents:</b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	Nil
7.	<p><b>Performance Evaluation:</b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of</p>	Yes	As informed by management, since performance

	every financial year/during the financial year as prescribed in SEBI Regulations.		evaluation report is confidential, hence the same was not reviewed by me.
<b>8.</b>	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	<p>Yes</p> <p>Not Applicable</p>	<p>Nil</p> <p>The Company has confirmed that except the list of related party provided to me, there are no related party transaction during the F.Y 2023-2024.</p>
<b>9.</b>	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	Nil
<b>10.</b>	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	Nil
<b>11.</b>	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.</p>	Not Applicable	As per the Confirmation provided to us by the Company there is no Action taken by SEBI or Stock Exchange
<b>12.</b>	<p><b>Additional Non-compliances, if any:</b></p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	Not Applicable	As per the verification and confirmation provided to us by the Company, there is no additional non-



			compliance observed for any SEBI regulation /circular/guidance note, etc.
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Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
<b>1.</b>	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	<ul style="list-style-type: none"> <li>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</li> <li>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</li> <li>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</li> </ul>	Not Applicable	As per the verification and confirmation provided to us by the Company, there is no change in the auditor during the period under review.
<b>2.</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
	<ul style="list-style-type: none"> <li>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: <ul style="list-style-type: none"> <li>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed</li> </ul> </li> </ul>		

	<p>entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	Not Applicable	As per the verification and confirmation provided to us by the Company, there is no change in the auditor during the period under review.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	Not Applicable	As per the verification and confirmation provided to us by the Company, there is no change in the auditor during the period under review.

- a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:
- b. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

Sr. No.	Observations/ Remarks Of the Practicing Company Secretary in the previous reports) (PCS)	Observations made in the secretarial compliance report for the year ended 31-03-2023.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
NIL						

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Pooja Gala & Associates**  
**Practicing Company Secretary**  
**ACS – 69393**  
**COP: 25845**

**Peer Review: 2423/2022**  
**UDIN: A069393F000496028**

**Place: Thane**  
**Date: 30-05-2024**

*Disclaimer: - We have conducted the assignment by examining the secretarial records including Minutes, Documents, Registers and Other Records etc. received by way of electronic mode from the company and was randomly verified by us. The management has confirmed that the records submitted to us are True and Correct. This report is limited to statutory compliances on law / regulations / guidelines listed in our report which have been complied by the company pertaining to financial year 23-24. We are not commenting on the statutory compliances whose due dates are extended by Registrars from time to time or still there is time line to comply with such compliances.*

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF MANGALAM INDUSTRIAL FINANCE LIMITED

#### I. Report on the Audit of the Standalone Financial Statements

##### 1. Opinion

- A. We have audited the accompanying Standalone Financial Statements of **MANGALAM INDUSTRIAL FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
<p><b>Under subscription of Rights Issue</b></p> <ul style="list-style-type: none"> <li>During the year ended 2023-24( March -23), the Company initiated a rights issue aimed at raising 4893.76 Lakhs to augment the capital base and provide for fund requirements for increasing operational scale concerning NBFC activities and for General corporate purposes. The rights issue experienced undersubscription, with 84.55% of the offered shares being subscribed and 5.45% not subscribed. Despite this, the impact on the company’s financial position, cash flow, and going concern status was not significant. Refer Note No 17 (d).</li> </ul>	<p><b>Understanding the Rights Issue Process:</b></p> <ul style="list-style-type: none"> <li>We obtained and reviewed the terms and conditions of the rights issue, including the prospectus and any regulatory filings.</li> </ul> <p><b>Assessment of Management’s Plans and Responses:</b></p> <ul style="list-style-type: none"> <li>Evaluated the company’s response to the shortfall in right application.</li> <li>Reviewed board minutes and other documentation related to the decision-making process following the rights issue.</li> </ul> <p><b>Analysis of Financial Implications:</b></p> <ul style="list-style-type: none"> <li>Analyzed management’s assessment of the financial impact of the undersubscription, focusing on the adequacy of alternative funding arrangements or existing cash reserves.</li> <li>Verified the company’s analysis that the undersubscription did not significantly impact its liquidity or ability to continue as a going concern.</li> </ul> <p>Based on the audit procedures performed, we observed The company’s on going business activity were not significantly</p>

	<p>impacted. The disclosures regarding the rights issue and its outcome are appropriate and provide a clear understanding of the event and its implications.</p>
<p><b>Impairment of financial assets (expected credit losses)- Refer to the accounting policies in Note 2(xiii), 5, 21 to the Ind AS Financial Statement.</b></p> <p>Ind AS 109 requires the Company to recognise impairment allowance towards its financial assets (Designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> <li>• unbiased, probability weighted outcome under various scenarios;</li> <li>• time value of money;</li> <li>• impact arising from forward looking macro- economic factors and;</li> <li>• Availability of reasonable and supportable information without undue costs.</li> </ul> <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> <li>• grouping of borrowers based on homogeneity</li> <li>• staging of loans and estimation of behavioural life;</li> <li>• determining macro-economic factors</li> </ul> <p>Estimation of losses for loan products with no/ minimal historical defaults.</p> <p>In management’s view and considering the guidance provided by the Institute of Chartered Accountants of India (ICAI), providing moratorium to borrowers based on RBI directives, by itself is not considered to result in a SICR for such borrowers. The Company has recorded Provision for impairment for 697.15 lakhs as part of its ECL, and is based on various variables along with the yardstick as given by The RBI &amp; ICAI, which could result</p>	<ul style="list-style-type: none"> <li>• We read and assessed the Company’s accounting policies for impairment of financial assets and their compliance with Ind AS 109 and RBI Directives for provisions on loan assets.</li> <li>• We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa.</li> <li>• We evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation</li> </ul> <p>Assessed disclosures included in the Ind AS financial statements in respect of expected credit losses.</p>

in actual credit loss being different than that being estimated.	
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**5. Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

- A. The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Standalone Financial Statements and our auditor’s report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**6. Management’s Responsibility for the Standalone Financial Statements**

- A. The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **7. Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
  - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
  - v) Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- C. Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in
  - i) planning the scope of our audit work and in evaluating the results of our work; and
  - ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **II. Report on Other Legal and Regulatory Requirements**

- 1. As required by Section 143(3) of the Act, based on our audit we report that:
  - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
  - D. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- E. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to financial statements.
- G. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
- H. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its Ind As Financial Statements.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d)
    - i. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (‘Intermediaries’), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - ii. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities(‘Funding Parties’), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii. Based on audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation stated here under para iv and v contain any material misstatement.

e) Based on our examination which included test checks the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"**.

**FOR Mahesh Udhwani & Associates**  
**Chartered Accountants**  
**FRN: 129738W**

**Mahesh Udhwani**  
**Partner**  
**UDIN: 24047328BJZYOV6709**  
**Date : 29/05/2024**  
**Place: Vadodara**

## **ANNEXURE - A TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **MANGALAM INDUSTRIAL FINANCE LIMITED**. ("The Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the opinion reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company, and the above opinion does not affect our opinion on the financial statements of the company.

**FOR Mahesh Udhwani & Associates**  
**Chartered Accountants**  
**FRN: 129738W**

**Mahesh Udhwani**  
**Partner**  
**UDIN: 24047328BJZYOV6709**  
**Date : 29/05/2024**  
**Place: Vadodara**

## ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MANGALAM INDUSTRIAL FINANCE LIMITED. )**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has carried out physical verification of Property, Plant and Equipment and right-of-use assets, according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of records available there is no immovable property (other than taken on lease) disclosed in the financial statements, hence reporting as per Order is not applicable.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of Clause 3(ii)(a) of the Order is not applicable to it.
  - (b) In our opinion and according to the information and explanations given to us, the Company does not have sanctioned working capital limits from banks or financial institutions which are secured on the basis of security. Accordingly, the provision of Clause 3(ii)(b) of the Order is not applicable to it.
- iii.
  - (a) Since the Company's principal business is to give loans, the provisions of Clause 3(iii)(a) of the Order are not applicable to it.
  - (b) The Company has not made any investment or provided guarantee or security, and hence reporting under 3(iii) (b) of the Order is not applicable.
  - (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year. However in some cases where delay was noticed it was been repaid within the time limit provided by management which are normal in course of lending business. Refer Note 5 and Annexure B of the financial statements for summarized details of loans.
  - (d) The Company has given loans which is overdue for more than 90 days and reasonable steps have been taken by the company for recovery of the principal and interest by issuing reminders, the details for the

same areas under :

<b>Sr No.</b>	<b>Name of Borrower</b>	<b>Amount Outstanding as on 31.03.2024 ( Rs.)</b>
1	Khetawat Properties Ltd	1,89,863
2	Aarna Integrated Solutions	12,47,848
3	Anil Sharma	1,89,31,223
4	Global Shipping Logistics	57,67,208
5	Pulsar Commercial Ltd.	63,96,897
6	Ratnesh Rath Dubey	10,20,963
7	Shree Electricals	11,30,896
8	Zenstar Marketing Pvt Ltd	1,91,29,228
9	Ravindran R Nambiar	1,57,65,889
10	Optimus Finance Limited	20,07,709

- (e) Since the Company's principal business is to give loans, the provisions of Clause (3)(iii)(e) of the Order are not applicable to it.
- (f) In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment. The details are as under:

<b>Type of Borrower</b>	<b>As at 31st March, 2024</b>	
	<b>Amount of loan or advance in the nature of loan outstanding</b>	<b>Percentage to the total Loans and Advances in the nature of loan</b>
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	852.69 Lakhs	25.21%



- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Income Tax, and other material statutory dues applicable to it with the appropriate authorities.  
There were no undisputed amounts payable in respect of Goods and Service tax, and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix.
- (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) The Company has utilized the term loan for the purpose for which it has been raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint

ventures or associates' companies and hence reporting on clause 3(ix) (f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.

(b) During the year, the Company has not made preferential allotment (part balance) of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are now whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non –Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) In our opinion & according to the information and explanations given to us, the company is not Core Investment Company as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3(xvi) (c) & (d) is not applicable.

xvii. The Company has not incurred cash losses during the current & previous financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our

attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We furtherstate that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to Section 135, Corporate Social Responsibility (CSR) is not applicable to the company, and hence reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi)of the order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**FOR Mahesh Udhwani & Associates**  
**Chartered Accountants**  
**FRN:129738W**

**Mahesh Udhwani**  
**Partner**  
**M.No. 047328**  
**UDIN: 24047328BJZYOV6709**  
**Date : 29/05/2024**  
**Place: Vadodara**

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
**BALANCE SHEET AS AT MARCH 31, 2024**  
(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

(₹ in Lakhs)

Sr. No	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
	<b>ASSETS</b>			
(1)	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	3	85.45	1229.99
(b)	Bank Balance other than (a) above		-	-
(c)	Receivables			
	(I) Trade Receivables		-	-
	(II) Other Receivables	4	2.75	3.05
(d)	Loans	5	2685.69	1594.83
(e)	Investments	6	0.00	0.00
(f)	Other Financial assets	7	49.00	-
(2)	<b>Non-financial Assets</b>			
(a)	Current tax assets (Net)	8	27.24	10.46
(b)	Deferred tax Assets (Net)	9	4.03	4.23
(c)	Property, Plant and Equipment	10	7.08	3.45
(d)	Inventories		-	-
(e)	Intangible assets	11	10.28	15.61
(f)	Other Non -financial assets	12	11.76	4.08
	<b>Total Assets</b>		<b>2883.27</b>	<b>2865.71</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
(1)	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments		-	-
(b)	Payables	13	-	-
	<b>(I) Trade Payables</b>			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	<b>(II) Other Payables</b>			
	(i) Total outstanding dues of micro enterprises and small enterprises		5.80	7.59
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		8.39	4.67
(c)	Borrowings (Other than Debt Securities)		-	-
(d)	Other financial liabilities		-	-
(2)	<b>Non-Financial Liabilities</b>			
(a)	Current tax liabilities (Net)	14	8.13	12.66
(b)	Provisions	15	3.38	4.76
(c)	Deferred tax liabilities (Net)	9	-	-
(d)	Other non-financial liabilities	16	4.45	1.76
(3)	<b>EQUITY</b>			
(a)	Equity Share capital	17	9616.44	9616.44
(b)	Other Equity	18	(6763.32)	(6782.17)
	<b>Total Liabilities and Equity</b>		<b>2883.27</b>	<b>2865.71</b>
	<b>Material Accounting policies</b>			
	The Notes referred above are an integral part of the Balance Sheet	1-37		

As per our Report of even date.  
**FOR MAHESH UDHWANI & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No : 129738W

**CA. MAHESH UDHWANI**  
(Partner)  
M. No. : 047328  
UDIN: 24047328BJZYOV6709  
Date: 29/05/2024  
Place: Vadodara

For and on Behalf of the Board of Directors  
**MANGALAM INDUSTRIAL FINANCE LIMITED**  
CIN: L65993WB1983PLC035815

**VENKATA RAMANA REVURU**      **YATIN SANJAY GUPTA**  
Managing Director                      Non-Executive Non-Independent  
Director  
(DIN : 02809108)                      (DIN :07261150)

**ARUN PILLAI**                              **SAMOIL AKILBHAI**  
Chief Financial Officer                      LOKHANDWALA  
Company Secretary  
BMZPP9042B                              ASLPL1459M

**MANGALAM INDUSTRIAL FINANCE LIMITED.**

Statement of Profit and Loss for the year ended 31st March, 2024

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

(₹ in Lakhs)

Sr. No	Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
	<b>Revenue from operations</b>	19		
(i)	Interest Income		258.16	131.25
(ii)	Dividend Income		0.10	0.90
(iii)	Loan Processing & Documentation charges including amortization cost		3.14	0.72
(iv)	Net gain on fair value changes		-	-
(v)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(vi)	Sale of products(including Excise Duty)		-	-
(vii)	Sale of services		-	-
(viii)	Others		-	-
(I)	<b>Total Revenue from operations</b>		<b>261.40</b>	<b>132.88</b>
(II)	Other Income	20	0.06	0.25
(III)	<b>Total Income (I+II)</b>		<b>261.45</b>	<b>133.12</b>
	<b>Expenses</b>			
(i)	Finance Costs		-	-
(ii)	Fees and commission expense		-	-
(iii)	Net loss on fair value changes		-	-
(iv)	Net loss on derecognition of financial instruments under amortised cost category		-	-
(v)	Impairment Provisions (Loans)	21	30.30	524.34
(vi)	Employee Benefits Expenses	22	60.56	27.40
(vii)	Depreciation, amortization and impairment	23	3.40	1.58
(viii)	Others expenses	24	141.56	68.81
(IV)	<b>Total Expenses (IV)</b>		<b>235.82</b>	<b>622.13</b>
(V)	Profit / (loss) before exceptional items and tax (III - IV)		25.64	(489.01)
(VI)	Exceptional items		-	-
(VII)	Profit/(loss) before tax (V -VI)		25.64	(489.01)
(VIII)	Tax Expense:			
	(1) Current Tax		6.66	11.20
	(2) Deferred Tax		0.21	0.73
(IX)	<b>Profit / (loss) for the period from continuing operations(VII-VIII)</b>		<b>18.77</b>	<b>(500.94)</b>
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)		-	-
(XIII)	<b>Profit/(loss) for the period (IX+XII)</b>		<b>18.77</b>	<b>(500.94)</b>
(XIV)	<b>Other Comprehensive Income</b>			
(A)	(i) Items that will not be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Subtotal (A)</b>		<b>-</b>	<b>-</b>
(B)	(i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
	<b>Other Comprehensive Income (A + B)</b>		<b>-</b>	<b>-</b>
(XV)	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>		<b>18.77</b>	<b>(500.94)</b>
(XVI)	<b>Earnings per equity share (for continuing operations)</b>			
	Basic (Rs.)		0.002	(0.052)
	Diluted (Rs.)		0.002	(0.052)
(XVII)	<b>Earnings per equity share (for discontinued operations)</b>			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
(XVIII)	<b>Earnings per equity share (for continuing and discontinued operations)</b>			
	Basic (Rs.)	25	0.002	(0.052)
	Diluted (Rs.)	25	0.002	(0.052)
	Material Accounting policies	The		
	Notes referred above are an integral part of the Statement of Profit and Loss.	1-37		

As per our Report of even date.  
**FOR MAHESH UDHWANI & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No : 129738W

**CA. MAHESH UDHWANI**  
(Partner)  
M. No. : 047328  
UDIN: 24047328BJZYOV6709  
Date: 29/05/2024  
Place: Vadodara

For and on Behalf of the Board of Directors  
**MANGALAM INDUSTRIAL FINANCE LIMITED**  
CIN: L65993WB1983PLC035815

**VENKATA RAMANA REVURU**      **YATIN SANJAY GUPTA**  
Managing Director                      Non-Executive Non-Independent Director  
(DIN : 02809108)                      (DIN :07261150)

**ARUN PILLAI**                                      **SAMOIL AKILBHAI**  
Chief Financial Officer                      LOKHANDWALA  
BMZPP9042B                                      Company Secretary  
ASLPL1459M

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
**Cash Flow Statement For the Year Ended 31st March, 2024**  
**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

(₹ in Lakhs)

Sr. No	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
(A)	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit Before Taxation	25.64	(489.01)
	Total Comprehensive Income for the period		
	Adjustment for:		
	Depreciation	3.40	1.58
	Dividend Income	(0.10)	(0.90)
	Profit on Sale of Investment	-	-
	Impairment Provisions ( Loans)	30.30	524.34
	<b>Operating Profit before Working Capital Changes</b>	<b>59.24</b>	<b>36.01</b>
	Adjustment for :-		
	Change in Other Financial Liabilities/Other Payable	(1.37)	3.91
	Change In Trade Payable/Other Payable	1.94	5.59
	Change in Other Non Financial Liabilities	2.68	0.90
	Change in Other Non Financial Assets	(7.67)	-
	Change in Trade Receivables/Other Asset	0.30	211.60
	Change in Other Financial Assets	(49.00)	1100.00
	Change in Loans and Advances	(1121.17)	(840.46)
	Change in Current Tax Assets	(27.89)	(113.28)
	<b>Cash Generated from Operations</b>	<b>(1142.94)</b>	<b>404.27</b>
	Less : Direct Taxes Paid	-	-
	<b>Cash Inflow(+)/Outflow(-) before Extra Ordinary Items</b>	<b>(1142.94)</b>	<b>404.27</b>
	Add(+)/Deduct(-) Prior Period Adjustments	-	-
	<b>Net Cash Inflow(+)/Outflow(-) in Operating Activities</b>	<b>(1142.94)</b>	<b>404.27</b>
(B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Dividend Income	0.10	0.90
	Purchase of Fixed Asset	(1.70)	(20.60)
	<b>Net Cash Inflow(+)/Outflow(-) in Investing Activities</b>	<b>(1.60)</b>	<b>(19.70)</b>
(C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Loan Taken	-	-
	<b>Net Cash Inflow(+)/Outflow(-) in Financing Activities</b>		
(D)	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(1144.54)</b>	<b>384.57</b>
(E)	<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>1229.99</b>	<b>845.42</b>
(F)	<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>85.45</b>	<b>1229.99</b>

As per our Report of even date.

FOR MAHESH UDHWANI & ASSOCIATES

Chartered Accountants

Firm Reg. No : 129738W

For and on Behalf of the Board of Directors

MANGALAM INDUSTRIAL FINANCE LIMITED

CIN: L65993WB1983PLC035815

CA. MAHESH UDHWANI

(Partner)

M. No. : 047328

UDIN:24047328BJZYOV6709

Date: 29/05/2024

Place: Vadodara

VENKATA RAMANA REVURU

Managing Director

(DIN : 02809108)

YATIN SANJAY GUPTA

Non-Executive Non-Independent  
Director

(DIN :07261150)

ARUN PILLAI

Chief Financial Officer

BMZPP9042B

SAMOIL AKILBHAI LOKHANDWALA

Company Secretary

ASLPL1459M

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

**A Equity Share Capital**

**(1) Current Reporting Period**

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
9616.44	-	9616.44	-	9616.44

**(2) Previous reporting period**

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
9616.44	-	9616.44	-	9616.44

**B Other Equity**

**(1) Current reporting period**

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Fair Valuation of Equity Investments	Money received against share warrants	Total
			Capital Reserve	Reserve Fund	Special Reserve (Pursuant to Section 45IC of The Reserve Bank of India Act, 1934 )	Retained Earnings	Amalgamation Reserve	ECL							
Balance at the beginning of the current reporting period	-	-	3.71	1.09	33.05	(735.46)	10.50	-	-	-	-	-	(6095.05)	-	(6782.17)
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	3.71	1.09	33.05	(735.46)	10.50	-	-	-	-	-	(6095.05)	-	(6782.17)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	9.51	-	-	-	-	-	-	-	-	9.51
<b>Profit of the year</b>	-	-	-	-	-	-	-	9.34	-	-	-	-	-	-	9.34
Amount Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Special Reserve	-	-	-	-	3.75	(3.75)	-	-	-	-	-	-	-	-	-
Transfer to Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the current reporting period</b>	-	-	<b>3.71</b>	<b>1.09</b>	<b>36.80</b>	<b>(729.70)</b>	<b>10.50</b>	<b>9.34</b>	-	-	-	-	<b>(6095.05)</b>	-	<b>(6763.32)</b>

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Fair Valuation of Equity Investments	Money received against share warrants	Total
			Capital Reserve	Reserve Fund	Special Reserve (Pursuant to Section 451C of The Reserve Bank of India Act, 1934 )	Retained Earnings	Amalgamation Reserve	ECL							
Balance at the beginning of the current reporting period	-	-	3.71	1.09	33.05	(231.10)	10.50	-	-	-	-	(6095.05)	-	(6277.80)	
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income for the current year	-	-	3.71	1.09	33.05	(231.10)	10.50	-	-	-	-	-6095.05	-	(6277.80)	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	(504.37)	-	-	-	-	-	-	-	(504.37)	
<b>Profit of the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Addition during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to Special Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer from Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contingent Provision for Standard Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the end of the current reporting period	-	-	3.71	1.09	33.05	(735.46)	10.50	-	-	-	-	(6095.05)	-	(6782.17)	

As per our Report of even date.  
FOR MAHESH UDHWANI & ASSOCIATES  
Chartered Accountants  
Firm Reg. No : 129738W

For and on behalf of the Board  
MANGALAM INDUSTRIAL FINANCE LIMITED  
CIN : L65993WB1983PLC035815

CA. MAHESH UDHWANI  
(Partner)  
M. No. : 047328  
UDIN: 24047328BJZYOV6709  
Date: 29/05/2024  
Place: Vadodara

VENKATA RAMANA REVURU  
Managing Director  
(DIN : 02809108)

YATIN SANJAY GUPTA  
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(DIN : 07261150)

ARUN PILLAI  
Chief Financial Officer  
BMZPP9042B

SAMOIL AKILBHAI LOKHANDWALA  
Company Secretary  
ASLPL1459M



# **MANGALAM INDUSTRIAL FINANCE LIMITED.**

## **Significant Accounting Policies and Notes to Financial Statements**

### **1 CORPORATE INFORMATION**

MANGALAM INDUSTRIAL FINANCE LIMITED (the "Company") was incorporated on February 8, 1983 is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and is listed at Bombay Stock Exchange Limited (BSE). The Company is registered under section 45-IA of The Reserve Bank of India Act, 1934 to commence/carry on the business of a Non-Banking Financial Institution. The Company is registered with the Reserve Bank of India ("RBI") as Non-Deposit taking Non-Systemically Important (NBFC-ND-NSI), Investment and Credit Company ("ICC"). The registration details are as follows:

RBI	B.05.02961 /21.08.2001
Corporate Identity Number (CIN)	L65993WB1983PLC035815

Under Scale Based Regulations (SBR), the RBI categorized the Company in Base Layer (NBFC-BL) Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation)Directions,2023.

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 29, 2024.

### **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### **i Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (INDAS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the "Act"), other relevant provisions of the Act, guidelines issued by the Reserve Bank of India as applicable and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

#### **ii Presentation of financial statements**

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Companies Act,2013 (the 'Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS.

Amounts in the financial statements are presented in Indian ₹ (Rupees), which also the company's functional currency, and all amounts have been rounded off to the nearest lakhs unless otherwise indicated.

### iii Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

#### Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Property, plant and equipment	Value in use under Ind AS 36

Fair value for measurement and/or disclosure purposes for certain items in these financial statements is determined considering following methods: Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date. For details relating to valuation model and framework used for fair value measurement and disclosure of financial instrument refer to note 28.

#### **iv Use of estimates and judgements**

The preparation of financial statements requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### **Judgements:**

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognised in the financial statements is included following Notes:

- classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

##### **Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year ending March 31, 2023 is included in the following Notes:

Note (10) - useful life of property, plant, equipment and intangibles.

Note (9) - recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be setoff

Note (28) - determination of the fair value of financial instruments with significant unobservable inputs.

#### **v Recognition of Income**

Revenue generated from the business transactions (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Company. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer

- Step 2: Identify performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

## **Recognition of interest income**

Interest consists of consideration for (i) the time value of money; (ii) for the credit risk associated with the principal amount outstanding; (iii) for other basic lending risks and costs; and (iv) profit margin. a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss); Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit impaired financial assets (i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)). The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

The interest cost is calculated by applying the EIR to the amortised cost of the financial liability. The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

## **vi Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

## **vii Syndication, advisory & other fees**

Syndication, advisory & other fees are recognized as income when the performance obligation as per the contract with customer is fulfilled and when the right to receive the payment against the services has been established.

## **viii Origination fees**

Origination fees, which the Company has received/recovered at time of granting of a loan, is considered as a component for computation of the effective rate of interest (EIR) for the purpose of computing interest income, except when it is not an integral part of loan.

## **ix Net gain/(loss) on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain or loss as a gain or expense respectively.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

## **x Recoveries of Financial assets written off**

The company recognizes income on recoveries of financial assets written off on realization or when the right to receive the same without any uncertainties of recovery is established.

## **xi Leases**

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease is retained by the lessor.

Leases of assets under which substantially all the risks and rewards of ownership are effectively retained by the lessee are classified as finance lease.

### **Asset given on lease:**

Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue. Under operating leases (excluding amount for services such as insurance and maintenance), lease rentals are recognised on a straight-line basis over the lease term, except for increase in line with expected inflationary cost increases.

### **Asset taken on lease:**

The Company's assets taken on lease primarily consist of leases for properties.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all the risks and rewards of ownership. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for certain type of its leases.

The Company presents right-of-use assets and lease liabilities separately on the face of the Balance sheet. Lease payments (including interest) have been classified as financing cashflows.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and accumulated impairment loss, if any, and adjusted for certain re-measurements of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

When a right-of-use asset meets the definition of investment property, it is presented in investment property.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised.

The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

## **xii Finance Costs**

The Company recognises interest expense on the borrowings as per EIR methodology which is calculated by considering any ancillary costs incurred and any premium payable on its maturity.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also include expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

## **xiii Financial Instruments**

Financial assets and financial liabilities are recognised in the Company's balance sheet on trade date when the Company becomes a party to the contractual provisions of the instrument. A loan is recorded upon remittance of the funds to the counterparty/obligor. Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit and Loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

b) in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability

### **(1) Financial assets**

#### **Classification**

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at:

- 1) amortised cost;
- 2) fair value through other comprehensive income (FVTOCI); or

3) fair value through profit and loss (FVTPL).

### **Initial recognition and measurement**

A financial asset is recognised on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. A financial asset measured at amortised cost and a financial asset measured at fair value through other comprehensive income is presented at gross carrying value in the Financial Statements. Unamortised transaction cost and incomes and impairment allowance on financial asset is shown separately under the heading “Other non-financial asset”, “Other non-financial liability” and “Provisions” respectively.

### **Assessment of Business model**

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company’s business model does not depend on management’s intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by instrument basis. The Company could have more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company’s business models determine whether cashflows will result from collecting contractual cash flows, selling financial assets or both. The Company considers all relevant information available when making the business model assessment. The Company takes into account all relevant evidence available such as:

- 1) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity’s key management personnel and board of directors;
  - 2) the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
  - 3) how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- 4) At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models at each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

- a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows (“Asset held to collect contractual cash-flows”), and that have contractual cash flows that are solely payments of principal and interest on then principal amount outstanding (SPPI), are measured at amortised cost;



- b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, (“Contractual cash flows of Asset collected through hold and sell model”) and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI.
- c) All other financial assets (e.g. managed on a fair value basis, or held for sale and equity investments are subsequently measured at FVTPL.

### **Assessment whether contractual cash flows are solely payments of principal and Interest.**

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. That principal amount may change over the life of the financial assets (e.g. if there are payments of principal). Amount of ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable interest rate features;
- Prepayment and extension features; and
- Terms that limit the Company’s claim to cash flows from specified assets.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### **Financial asset at amortised cost**

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of testing SPPI, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of

principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form. The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement

### **Financial asset at Fair Value through Other Comprehensive Income (FVTOCI)**

#### **Loans & Advances:**

After initial measurement, basis assessment of the business model as “Contractual cash flows of asset collected through hold and sell model and SPPI”, & equity instruments such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI. The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realised is recorded in the profit and loss statement and the unrealised gain/ loss recorded in OCI are recycled to the statement of profit and loss.

#### **Investments in equity instruments:**

At initial recognition an entity at its sole option may irrevocably designate an investment in an equity instrument as FVOCI, unless the asset is:

- Held for trading, or
- Contingent consideration in a business combination.

Dividends are recognized when the entity’s right to receive payment is established, it is probable the economic benefits will flow to the entity and the amount can be measured reliably. Dividends are recognized in profit and loss unless they clearly represent recovery of a part of the cost of the investment, in which case they are included in OCI. Changes in fair value are recognized in OCI and are never recycled to profit and loss, even if the asset is sold or impaired.

### **Financial asset at fair value through profit and loss (FVTPL)**

Financial asset, which does not meet the criteria for categorization at amortized cost or FVTOCI, is classified as FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

## **Investment in security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares**

Investment in security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognised in the statement of profit and loss. Upon initial recognition, the Company, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such election is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the gains or losses from OCI to the statement of profit and loss, even upon sale of investment. However, the Company may transfer the cumulative gain or loss within other equity upon realisation.

## **Reclassifications within classes of financial assets**

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

## **Undrawn loan commitments**

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

## **Financial guarantee contract:**

A financial guarantee contract requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the Company's revenue recognition policies.

The company has not designated any financial guarantee contracts as FVTPL.

Company's ECL for financial guarantee is estimated based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the interest rate relevant to the exposure.

## The Measurement of ECLs

The Company records allowance for expected credit losses for all loans and other financial assets not held at fair value through profit or loss (FVTPL) in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

**Exposure-At-Default (EAD):** The Exposure at Default is the amount the Company is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

**Probability of Default (PD):** The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**Loss Given Default (LGD):** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

**12-month ECL:** 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

**Lifetime ECL:** Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets.

The Company computes the ECL allowance either on individual basis or on collective basis, depending on the nature of the underlying portfolio of financial instruments.

For Financial assets as required under applicable RBI Directions for its credit portfolio/Loans are impaired as per the directions (Non-Systemically Important Non-Deposit taking Company(Reserve Bank) Directions,2016). The Company has grouped its loan portfolio into corporate loans, SME loans and Commercial vehicle loans.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/ 2019-20 dated March 13, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc.,

the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable

### **Impairment of Financial Assets:**

The Company is required to recognise Expected Credit Losses (ECLs) based on forward looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required on stage 1 assets at 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3)

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

### **Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties

### **Impairment of Trade receivables**

Impairment allowance on trade receivables is made on the basis of lifetime credit loss method, in addition to specific provisions considering the uncertainty of recoverability of certain receivables.

## **Write-off**

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

## **Modification and De-recognition of financial assets**

### **Modification of financial assets**

A modification of a financial asset occurs when the contractual terms governing the cash flows of financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as Stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as a renegotiation and is not subjected to deterioration in staging.

### **De-recognition of financial assets**

A financial asset or a part of financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the Risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Off-setting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

## **(2) Financial Liabilities & Equity**

### Classification as debt or equity

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Equity Instruments**

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **Financial Liabilities**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments".

## **Financial liabilities measured at amortised cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

Derecognition of financial Liabilities in following circumstances:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

## **xiv Cash and cash equivalents**

Cash, Cash equivalents and bank balances include fixed deposits (with an original maturity of three months or less from the date of placement), margin money deposits, and earmarked balances with banks which are carried at amortised cost. Short term and liquid investments which are not subject to more than insignificant risk of change in value, are included as part of cash and cash equivalents.

## **xv Property plant and equipment (PPE)**

### **PPE**

#### **Recognition and measurement**

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Estimated cost of dismantling and removing the item and restoring the site on which its located does not arise for owned assets. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price. Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.



## **Subsequent expenditure**

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

## **Depreciation**

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of assets less their residual values over their useful lives, using the straight-line method basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule II to the Companies Act, 2013.

Depreciation on assets purchased / sold during the period is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

## **Intangible assets**

### **a) Recognition and Measurement**

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

### **b) Intangible assets under development**

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

### **c) Amortisation**

Intangible assets are amortised using the straight line method over a period of 10 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

### **Capital work-in-progress**

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### **Investment Property**

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and are reported at cost, including transaction costs. Subsequent to initial recognition it's measured at cost less accumulated depreciation and accumulated impairment losses, if any. When the use of an existing property changes from owner - occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on the de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

### **Impairment of Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible, intangible assets & Investment property to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of Profit and Loss.

### **De-recognition of property, plant and equipment and intangible asset**

An item of property, plant, and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss.

### **Right of Use**

Under Ind AS 116, the company recognises right-of-use assets and lease liabilities for certain types of leases.

The Company presents right-of-use assets and lease liabilities separately on the face of the Balance sheet. The Company recognises a right-of-use asset & a lease liability at the leases commence date. The right-of-use assets is initially measured at cost and subsequently at cost less any accumulated depreciation and accumulated impairment loss, if any, and adjusted for certain re-measurement of the lease liability. When a right-of-use asset meets the definition of Investment property, it is presented in investment property. The right-of-use asset is initially measured at cost and subsequently measured at fair value, in accordance with the Company's accounting policies.

### **xvi Non-Current Assets held for sale**

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as Held for sale, the assets are no longer amortised or depreciated.

## **xvii Retirement and other employee benefits**

### **Defined Contribution Plans**

Contribution as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Pension Fund is not applicable to the company. Hence no provision made for this and other employee benefits.

### **Defined Benefit Plans:**

Gratuity in respect of all the employees are accounted for on cash basis.

### **Short-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of salaries in the period in which related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## **xviii Provisions, Contingent Liabilities and Contingent Assets**

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

## **Contingent Liabilities**

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. Company does not recognise contingent liability but discloses its existence in the financial statements.

## **Contingent Assets**

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

## **xix Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiaries / associate;

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

e) other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

## **xx Taxation**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income, or directly in equity when they relate to items that are recognized in the respective line items.

## **Current tax**

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## **Deferred tax**

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## **xxi Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing, and financing activities. Cash flow from operating activities is reported using an indirect method adjusting the net profit for the effects of:

- a) Change during the period in operating receivables and payables transactions of a non-cash nature;
- b) non-cash items such as depreciation, impairment, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- c) all other items for which the cash effects are investing or financing cash flows.

## **xxii Segment Reporting**

The Company is predominantly engaged in a single reportable segment of 'Investment and Credit Company (ICC) as per Ind AS 108 - Segment Reporting.

## **xxiii Earnings per Share ('EPS')**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS 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 the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

#### Note:3 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Cash on hand	0.75	0.73
Balances with banks (in the nature of cash and cash equivalents)	84.70	1229.26
Cheques, drafts on hand	-	-
Fixed Deposit with Bank	-	-
<b>Total</b>	<b>85.45</b>	<b>1229.99</b>

#### Note 4. Other Receivables

(₹ in lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
(Unsecured unless otherwise stated)		
Trade Receivables considered good – Secured	-	-
Trade Receivables considered good – Unsecured	2.75	3.05
Trade Receivables which have significant increase in Credit Risk; and	-	-
Trade Receivables – credit impaired	-	-
<b>Total</b>	<b>2.75</b>	<b>3.05</b>

#### Other Receivables ageing schedule

As at March 31, 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade receivables – considered good	1.90	0.85	-	-	-	2.75
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v)Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

#### Other Receivables ageing schedule

As at March 31, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade receivables – considered good	-	3.05	-	-	-	3.05
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v)Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Note: Trade Receivables are subject to confirmation and reconciliation. Management believes that any discrepancies, if they exist, will be immaterial



Note:5 Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2024						As at 31st March, 2023							
	Amortised cost	At Fair Value				Sub- Total	Total	Amortised cost	At Fair Value				Sub- total	Total
		Through OCI	Through P or L	Designated at fair value through P or L					Through OCI	Through P or L	Designated at fair value through P or L			
	1	2	3	4	5=(2+3+4)	6 = (1 + 5)	7	8	9	10	11=(8+9+10)	12=(7+11)		
<b>Loans</b>														
<b>(A)</b>														
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-		
(ii) Loans repayable on Demand	3382.84	-	-	-	-	3382.84	2261.67	-	-	-	-	2261.67		
(iii) Term Loans	-	-	-	-	-	-	-	-	-	-	-	-		
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-		
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-		
(vi) Others(to be specified)	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total (A) -Gross</b>	<b>3382.84</b>	-	-	-	-	<b>3382.84</b>	<b>2261.67</b>	-	-	-	-	<b>2261.67</b>		
Less:Impairment lossallowance	697.15	-	-	-	-	697.15	666.84	-	-	-	-	666.84		
<b>Total (A)- Net</b>	<b>2685.69</b>	-	-	-	-	<b>2685.69</b>	<b>1594.83</b>	-	-	-	-	<b>1594.83</b>		
<b>(B)</b>														
(i) Secured by tangibleassets	-	-	-	-	-	-	-	-	-	-	-	-		
(ii)Secured by intangibleassets	-	-	-	-	-	-	-	-	-	-	-	-		
(iii)Covered byBank/GovernmentGuarantees	-	-	-	-	-	-	-	-	-	-	-	-		
(iv)Unsecured	3382.84	-	-	-	-	3382.84	2261.67	-	-	-	-	2261.67		
<b>Total (B)- Gross</b>	<b>3382.84</b>	-	-	-	-	<b>3382.84</b>	<b>2261.67</b>	-	-	-	-	<b>2261.67</b>		
Less:Impairment lossallowance	697.15	-	-	-	-	697.15	666.84	-	-	-	-	666.84		
<b>Total (B)- Net</b>	<b>2685.69</b>	-	-	-	-	<b>2685.69</b>	<b>1594.83</b>	-	-	-	-	<b>1594.83</b>		
<b>(C) (I)</b>														
Loans in India														
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-		
(ii) Others (to be specified)	3382.84	-	-	-	-	3382.84	2261.67	-	-	-	-	2261.67		
<b>Total (C)-Gross</b>	<b>3382.84</b>	-	-	-	-	<b>3382.84</b>	<b>2261.67</b>	-	-	-	-	<b>2261.67</b>		
Less:Impairment lossallowance	697.15	-	-	-	-	697.15	666.84	-	-	-	-	666.84		
<b>Total(C)(I)-Net</b>	<b>2685.69</b>	-	-	-	-	<b>2685.69</b>	<b>1594.83</b>	-	-	-	-	<b>1594.83</b>		
<b>(C)(II)</b>														
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-		
Less:Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total (C)(II)- Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total C(I)and C(II)</b>	<b>2685.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2685.69</b>	<b>1594.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1594.83</b>		

Following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

(₹ in lakhs)

Type of Borrower	As at 31st March, 2024		As at 31st March, 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties*	852.70	25.21	426.75	18.87

\*Refer note No.33

Note: None of the loans are measured at fair value at each reporting date. Accordingly the above disclosure has been given for loans carried at Amortised Cost in lines with format as prescribed in Division III of Schedule III to the Companies Act, 2013.

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note:6 Investments

(₹ in Lakhs)

Particulars	Face value per unit	As at March 31, 2024		As at March 31, 2023	
		No. of units	Amount	No. of units	Amount
<b>(A)</b>					
Mutual Funds	-	-	-	-	-
Government Securities	-	-	-	-	-
Other Approved Securities	-	-	-	-	-
IRB Inv Fund	-	-	-	-	-
Debt Securities	-	-	-	-	-
Equity Instruments:	-	-	-	-	-
-Subsidiaries	-	-	-	-	-
-Associates	-	-	-	-	-
-Joint Venure	-	-	-	-	-
-Others:	-	-	-	-	-
- Investments in Equity Shares (Valued at Fair Value throught OCI) (Unquoted)					
-Brg Iron & Steel Co Pvt Ltd	-	2,000,000	0.00	2,000,000	0.00
-Bhuvée Stenovate Pvt Ltd	-	1,225,000	0.00	1,225,000	0.00
-Rabirun Vinimay Pvt Ltd	-	13,887,500	0.00	13,887,500	0.00
<b>Total</b>	-	<b>17112500.00</b>	<b>0.00</b>	<b>17112500.00</b>	<b>0.00</b>
Less: Allowance for Impairment loss	-				
<b>Total (A)</b>	-	-	<b>0.00</b>	-	<b>0.00</b>
<b>(B)</b>					
(a) Investment in India	-	-	0.00	-	0.00
(b) Investment Outside India	-	-	-	-	-
<b>Total (B)</b>					
<b>Total</b>	-	-	<b>0.00</b>	-	<b>0.00</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note:7 Other Financial assets

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
BSE DEPOSIT	49.00	-
<b>Total</b>	<b>49.00</b>	<b>-</b>

### Note:8 Current Tax Assets

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Tax Deducted at Source	27.24	10.46
MAT Credit	-	-
<b>Total</b>	<b>27.24</b>	<b>10.46</b>

### Note:9 The Major Components of Deferred Tax Assets and Liabilities as at March 31, 2024 are as follows:

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Deferred Tax Asset (Net)	4.03	4.23
<b>Deferred Tax Asset (net)</b>	<b>4.03</b>	<b>4.23</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

Note: 10 Property, Plant and Equipments

(₹ in Lakhs)

Particulars	PPE		
	Computer & Peripherals	Office Equipment	Total Tangible Assets
<b>Balance as on 31st March, 2023</b>	<b>3.37</b>	<b>0.38</b>	<b>3.75</b>
Additions	4.92	-	4.92
Disposals	-	-	-
Reclassification / Adjustments	-	-	-
<b>Balance as on 31st March, 2024</b>	<b>8.29</b>	<b>0.38</b>	<b>8.67</b>
<b>Accumalated Depreciation And Amortisation</b>			
<b>Balance as on 31st March, 2023</b>	<b>0.3</b>	<b>0.01</b>	<b>0.31</b>
Charge for the year	1.21	0.07	1.28
Disposals	-	-	-
Reclassification / Adjustments	-	-	-
<b>Balance as on 31st March, 2024</b>	<b>1.51</b>	<b>0.08</b>	<b>1.59</b>
<b>NET CARRYING VALUE</b>			
<b>As At 31st March, 2023</b>	<b>3.07</b>	<b>0.37</b>	<b>3.44</b>
<b>As At 31st March, 2024</b>	<b>6.78</b>	<b>0.30</b>	<b>7.08</b>

Note: 11 Intangible Asset

(₹ in Lakhs)

Particulars	Intangible Asset	
	Software	Total Intangible Assets
<b>Balance as on 31st March, 2023</b>	<b>17.00</b>	<b>17.00</b>
Additions	6.75	6.75
Disposals	9.97	9.97
Reclassification / Adjustments	-	-
<b>Balance as on 31st March, 2024</b>	<b>13.78</b>	<b>13.78</b>
<b>Accumalated Depreciation And Amortisation</b>		
<b>Balance as on 31st March, 2023</b>	<b>1.39</b>	<b>1.39</b>
Charge for the year	2.12	2.12
Disposals	-	-
Reclassification / Adjustments	-	-
<b>Balance as on 31st March, 2024</b>	<b>3.51</b>	<b>3.51</b>
<b>NET CARRYING VALUE</b>		
<b>As At 31st March, 2023</b>	<b>15.61</b>	<b>15.61</b>
<b>As At 31st March, 2024</b>	<b>10.28</b>	<b>10.28</b>

Note:12 Other Non-Financial Assets

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Duties and Taxes	11.36	4.02
Advance for Expense	0.40	0.06
<b>Total</b>	<b>11.76</b>	<b>4.08</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note:13 : Payables

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Other Payables		
total outstanding dues of micro enterprises and small enterprises (refer Note No. 12.1)	5.80	7.59
total outstanding dues of creditors other than micro enterprises and small enterprises	8.39	4.67
<b>Total</b>	<b>14.19</b>	<b>12.25</b>

### 13.1 Dues of Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
- Principal	5.80	7.59
- Interest on above Principal	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
<b>Total</b>	<b>5.80</b>	<b>7.59</b>

Disclosure of payable to vendors as defined under the " Micro, Small and Medium Enterprises Development Act, 2006, is based on the information available with the company regarding the status of registration of such vendors under the said Act.

Note: Trade Payables are subject to confirmation and reconciliation. Management believes that any discrepancies, if they exist, will be immaterial

### Note:14 : Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Income Tax Provision	8.13	12.66
<b>Total</b>	<b>8.13</b>	<b>12.66</b>

### Note:15 : Provisions

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Outstanding Liabilities for Expenses	3.38	4.76
<b>Total</b>	<b>3.38</b>	<b>4.76</b>

### Note:16 : Other Non-Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Professional Tax Payable	0.13	0.06
Liabilities For Expenses	-	-
GST/RCM Payable	0.18	-
TDS Payable	4.14	1.70
<b>Total</b>	<b>4.45</b>	<b>1.76</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

Note:17 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
<b>Authorised:</b>		
1,26,17,00,000 Equity Shares of (₹) 1/- each	12617.00	9617.00
<b>Total</b>	<b>12617.00</b>	<b>9617.00</b>
<b>Issued Subscribed and Paid Up:</b>		
96,16,43,500 Equity Shares of (₹) 1/- each	9616.44	9616.44
<b>Total</b>	<b>9616.44</b>	<b>9616.44</b>

**(a) Reconciliation of the number of equity shares outstanding**

(₹ in Lakhs)

Equity Shares	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
At the beginning of the year	96,16,43,500	9616.44	96,16,43,500	9616.44
Add: Issued during the year	-	-	-	-
At the end of the year	<b>96,16,43,500</b>	<b>9616.44</b>	<b>96,16,43,500</b>	<b>9616.44</b>

(b) The Company has only one class of equity share having par value of Re 1/- 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, if any. The Distribution will be in proportion to the number of equity share held by the shareholders.

(c) No equity shares have been issued for consideration other than cash.

(d) The outcomes of Board meeting held as on 17/01/2024 was submitted to BSE Ltd for right issue size of 12,38,92,721 Equity shares of face value of Rs.1 and premium of Rs 2.95 per equity shares in ratio of 21:163. As informed to BSE on 16/03/2024 the company had resolved to refund to the applicant of the Right Issue due to issue being undersubscribed by 5.45%

**e) Details of shareholders holding more than 5% shares in the company**

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	% Holding	Number of Shares	% Holding
Sojan V Avirachan	25,00,27,310	26.00%	25,00,27,310	26.00%
Yatin Sanjay Gupte	10,55,52,952	10.98%	12,61,52,952	13.12%
Venkata Ramana Revuru	13,46,30,090	14.00%	13,46,30,090	14.00%
Wardwizard Solutions India Private Limited	12,66,94,780	13.17%	13,97,94,780	14.54%
Garuda Mart India Private Limited	4,76,98,610	4.96%	5,76,98,610	6.00%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

**Disclosure of shareholding of promoters as at March 31, 2024 is as follows:**

Promoter name	As at 31.03.2024		As at 31.03.2023		% Change during the year
	No. of Shares	%of total shares	No. of Shares	%of total shares	
Sojan V Avirachan	25,00,27,310	26.00%	25,00,27,310	26.00%	0.00%
Yatin Sanjay Gupte	10,55,52,952	10.98%	12,61,52,952	13.12%	(16.33)%
Venkata Ramana Revuru	13,46,30,090	14.00%	13,46,30,090	14.00%	0.00%
Wardwizard Solutions India Private Limited	12,66,94,780	13.17%	13,97,94,780	14.54%	(9.37)%
Garuda Mart India Private Limited	4,76,98,610	4.96%	5,76,98,610	6.00%	(17.33)%
<b>TOTAL</b>	<b>66,46,03,742</b>		<b>70,83,03,742</b>		

**Disclosure of shareholding of promoters as at March 31, 2023 is as follows:**

Promoter name	As at 31.03.2023		As at 31.03.2022		% Change during the year
	No. of Shares	%	No. of Shares	%	
Sojan V Avirachan	25,00,27,310	26.00%	25,00,27,310	26.00%	0.00%
Yatin Sanjay Gupte	12,61,52,952	13.12%	13,46,30,090	14.00%	(6.30)%
Venkata Ramana Revuru	13,46,30,090	14.00%	13,46,30,090	14.00%	0.00%
Wardwizard Solutions India Private Limited	13,97,94,780	14.54%	13,97,94,780	14.54%	0.00%
Garuda Mart India Private Limited	5,76,98,610	6.00%	5,76,98,610	6.00%	0.00%
<b>TOTAL</b>	<b>70,83,03,742</b>		<b>71,67,80,880</b>		

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note:18 Other Equity

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
Capital Reserve	3.71	3.71
Reserve Fund	1.09	1.09
Special Reserve (RBI)	36.80	33.05
General Reserve (Amalgamation Reserve)	10.50	10.50
Retained Earnings	(729.70)	(735.46)
Fair Valuation of Equity Instrument	(6095.05)	(6095.05)
ECL	9.34	-
<b>Total</b>	<b>(6763.32)</b>	<b>(6782.17)</b>

(₹ in Lakhs)

a) Capital Reserve	As at March 31st, 2024	As at March 31st, 2023
Opening	3.71	3.71
Addition during the year	-	-
<b>Total</b>	<b>3.71</b>	<b>3.71</b>

(₹ in Lakhs)

b) Reserve Fund	As at March 31st, 2024	As at March 31st, 2023
Opening	1.09	1.09
Addition during the year	-	-
<b>Total</b>	<b>1.09</b>	<b>1.09</b>

(₹ in Lakhs)

c) Special Reserve (RBI)	As at March 31st, 2024	As at March 31st, 2023
Opening	33.05	33.05
Addition during the year	3.75	-
<b>Total</b>	<b>36.80</b>	<b>33.05</b>

(₹ in Lakhs)

d) General Reserve (Amalgamation Reserve)	As at March 31st, 2024	As at March 31st, 2023
Opening	10.50	10.50
Addition during the year	-	-
<b>Total</b>	<b>10.50</b>	<b>10.50</b>

(₹ in Lakhs)

e) Retained Earnings	As at March 31st, 2024	As at March 31st, 2023
Opening	(735.46)	(231.10)
Profit before tax during the year	25.64	(489.01)
Add: Profit on Sale of Equity Instruments Fair Valued through OCI	-	-
Less: Provision of Income Tax	6.58	11.20
Less: Other Adjustment	9.34	3.42
Less: Deferred Tax	0.21	0.73
Less: Contingent Provision for Standard Assets	-	-
Less: Transfer to Statutory Reserve	3.75	-
<b>Total</b>	<b>(729.70)</b>	<b>(735.46)</b>

(₹ in Lakhs)

f) Fair valuation of Equity Instruments	As at March 31st, 2024	As at March 31st, 2023
Opening	(6095.05)	(6095.05)
Addition during the year	-	-
Transfer to Retained Earnings	-	-
<b>Total</b>	<b>(6095.05)</b>	<b>(6095.05)</b>

(₹ in Lakhs)

g) ECL	As at March 31st, 2024	As at March 31st, 2023
Opening	-	-
Addition during the year	9.34	-
Transfer to Retained Earnings	-	-
<b>Total</b>	<b>9.34</b>	<b>0.00</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note: 19 :Revenue From Operations

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
<b>On Financial Asset measured at Amortised Cost</b>		
Interest on Loans	258.16	131.25
Loan Processing & Documentation charges including amortization cost	3.14	0.72
Dividend Income	0.10	0.90
<b>Total</b>	<b>261.40</b>	<b>132.88</b>

### Note: 20 :Other Income

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
Other Misc Income	0.06	0.03
Interest on IT Refund	-	0.21
<b>Total</b>	<b>0.06</b>	<b>0.25</b>

### Note: 21 :Impairment Provisions (Loans)

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
*Provision against Stage 3 assets (Unquoted Equity Instruments Valued through FVOCI)	30.30	524.34
<b>Total</b>	<b>30.30</b>	<b>524.34</b>

### Note: 22 : Employee Benefit Expenses

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
Salary and Wages	60.56	27.40
<b>Total</b>	<b>60.56</b>	<b>27.40</b>

### Note: 23 : Depreciation, amortization and impairment

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
Tangible Asset	1.28	0.20
Intangible Asset	2.12	1.39
<b>Total</b>	<b>3.40</b>	<b>1.58</b>

### Note:24 : Other Expenses

(₹ in Lakhs)

Particulars	For Year ended March 31st, 2024	For Year ended March 31st, 2023
Advertisement Expenses	4.04	0.96
Internal Audit Fees	7.00	7.88
Audit Fees and expenses (refer note 22.1)	5.60	4.60
Annual Custody Fees	1.00	-
Annual Fees	0.20	-
Asset Written Off	9.97	-
Bank Charges	0.04	0.02
Boarding & Lodging Exp	0.07	-
Director Sitting Fees	4.39	3.60
Interest on TDS/ Prof Tax /GST/IncomeTax	0.34	10.49
Legal and Professional Fees	48.28	19.19
Postage & Courier	0.02	0.01
Printing & Stationery	0.61	0.20
Rent, Rates & Taxes	13.27	12.74
Travelling Expenses	0.44	0.17
ROC listing fees & Compliance cost	43.76	5.53
IT Expenses	1.11	2.04
Other Expenses	1.42	1.38
<b>Total</b>	<b>141.56</b>	<b>68.81</b>

### Note:24.1 : Auditor's Fees and Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Statutory Audit Fees	3.50	3.00
Other Professional Services	2.10	1.60
<b>Total</b>	<b>5.60</b>	<b>4.60</b>



**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
Notes forming part of the Financial Statements for the year ended 31st March, 2024

**Note :25. Earnings Per Equity Share**

(Amount in Rs.)

Particulars	Year ended	
	31st March, 2024	31st March, 2023
(a) Profit after tax attributable to Equity Shareholders (₹)	18,76,508	(5,00,94,309)
(b) Weighted average number of Equity Shares	96,16,43,500	96,16,43,500
(c) Nominal Value of Equity per share (₹)	1.00	1.00
(d) Basic Earnings per share (a)/(b) (₹)	0.002	(0.052)

**Earnings per share (EPS)**

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**Note :26. Maturity Analysis of Assets and Liabilities**

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

(₹ in lakhs)

Assets	As at 31st March, 2024			As at 31st March, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Cash and Cash Equivalents	85.45	-	85.45	1229.99	-	1229.99
Receivables	2.75	-	2.75	3.05	-	3.05
Loans	427.85	2257.84	2685.69	39.13	1555.70	1594.83
Other Financial Assets	49.00	-	49.00	-	-	-
Current Tax Assets (Net)/ Deferred tax asset	31.27	-	31.27	14.69	-	14.69
Property, Plant and Equipment including intangibles	-	17.36	17.36	-	19.06	19.06
Other Non-Financial Assets	11.76	-	11.76	4.08	-	4.08

(₹ in lakhs)

Liabilities	As at 31st March, 2024			As at 31st March, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Payables	14.19	-	14.19	12.25	-	12.25
Other Financial Liabilities	-	-	-	-	-	-
Other Non-Financial Liabilities including Provisions	15.96	-	15.96	19.19	-	19.19

**Note :27. Capital Management & Disclosure**

The Company maintains adequate capital to cover risks inherent in the business and is meeting the capital adequacy requirements of regulator, Reserve Bank of India ('RBI'). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

#### Note :28.Risk Management

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is mainly exposed to market risk, Operational Risk, liquidity risk and credit risk. It is also subject to various operating and business risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

#### (a) Market Risk

The Company is exposed to equity price risk arising from its equity instruments held as stock in trade. Equity price risk is related to the change in market reference price of the investment in equity securities. The Company considers factors such as track record, market reputation, fundamental and technical analysis for dealing in such instruments.

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company continuously monitors these risks and manages them through appropriate risk limits.

#### (b) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Company are managed through comprehensive internal control systems and procedures. Failure of managing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Company has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal audit on a periodic basis.

#### (c) Liquidity Risk

Liquidity is the Company's capacity to fund increase in assets and meet both the expected and unexpected obligations without incurring unacceptable losses. Liquidity risk is the inability to meet such obligations as they become due without adversely affecting the company's financial conditions. The Asset Liability Management Policy of the Company stipulates a broad framework for Liquidity risk management to ensure that the Company can meet its liquidity obligations.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The liquidity position of the company is assessed under a variety of scenarios giving due consideration to stress factors relating to both the market in general and risk specific to the Company. Basis the liquidity position assessed under various stress scenarios; the Company reviews the following to effectively handle any liquidity crisis:

- \* Adequacy of contingency funding plan in terms of depth of various funding sources, time to activate, cost of borrowing, etc
- \* Availability of unencumbered eligible assets.

Maturity profile of undiscounted cash flows for financial liabilities as on balance sheet date have been provided below:

(₹ in lakhs)

Particulars	As at 31st March, 2024			
	Less than 3 months	3 to 12 months	> 12 months	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	85.45	-	-	85.45
Receivables	2.75	-	-	2.75
Investments	0.00	-	-	0.00
Loans	92.47	335.38	2257.84	2685.69
Other Financial Assets	-	49.00	-	49.00
<b>Total</b>	<b>180.67</b>	<b>384.38</b>	<b>2257.84</b>	<b>2822.89</b>
<b>Financial Liabilities</b>				
Payables	14.19	-	-	14.19
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>14.19</b>	<b>-</b>	<b>-</b>	<b>14.19</b>

(₹ in lakhs)

Particulars	As at 31st March, 2023			
	Less than 3 months	3 to 12 months	> 12 months	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	1229.99	-	-	1229.99
Receivables	3.05	-	-	3.05
Loans	-	39.13	1555.70	1594.83
Other Financial Assets	-	-	-	-
<b>Total</b>	<b>1233.04</b>	<b>39.13</b>	<b>1555.70</b>	<b>2827.87</b>
<b>Financial Liabilities</b>				
Payables	12.25	-	-	12.25
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>12.25</b>	<b>-</b>	<b>-</b>	<b>12.25</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

#### (d) Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

#### Write off policy

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument in statement of profit and loss.

#### Reconciliation of Expected Credit Loss (ECL) allowance on loans is given below:

(₹ in lakhs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
ECL allowance - opening balance	128.70	538.14	666.84	142.50	-	142.50
Additions	(127.35)	157.66	30.30	(13.80)	538.14	524.34
Amounts written off						
<b>ECL allowance - closing balance</b>	<b>1.34</b>	<b>695.80</b>	<b>697.15</b>	<b>128.70</b>	<b>538.14</b>	<b>666.84</b>

#### Note :29. Disclosure pursuant to Indian Accounting Standard 12 - "Income Tax"

(₹ in lakhs)

Particulars	Year ended	Year ended
	31st March, 2024	31st March, 2023
Profit/(Loss) Before Tax	25.64	(489.01)
Less : Brought Forward Losse and Unabsorbed Depreciation of Previous Years	-	-
Profit Chargable to Tax	25.64	(489.01)
Statutory Income Tax Rate	26.00%	26.00%
Expected income tax expense as statutory income tax rate	6.67	-
Effect of expenses that are not deductible in determining taxable profit	20.60	138.25
<b>Tax as per Normal Provision of Income Tax</b>	<b>27.27</b>	<b>138.26</b>
Impact of MAT Credit	-	-
Provision for Tax	6.66	11.2
Deferred Tax	0.21	0.73
<b>Total Tax Expenes recognised in statement of Profit and loss</b>	<b>6.87</b>	<b>11.93</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### Note: 30 :Financial instruments by category

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(xiii) to the financial statements.

(₹ in Lakhs)

Particulars	As at 31st March, 2024				As at 31st March, 2023			
	Carrying Amount	Levels of Input used in Fair valuation			Carrying Amount	Levels of Input used in Fair valuation		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Cash and Cash Equivalants	85.45	-	-	-	1229.99	-	-	-
Loans	2685.69	-	-	-	1594.83	-	-	-
Other Receivables	2.75	-	-	-	3.05	-	-	-
Other Financial assets	49.00	-	-	-	-	-	-	-
<b>At FVTPL:</b>								
Investment in Mutual Fund	-	-	-	-	-	-	-	-
Investment in Equity (Quoted)	-	-	-	-	-	-	-	-
Other Approved Securities (Quoted)	-	-	-	-	-	-	-	-
<b>AT FVTOCI:</b>								
Investment in Equity (Unquoted)	0.00	-	-	-	0.00	-	-	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Other Payables	14.19	-	-	-	12.25	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**MANGALAM INDUSTRIAL FINANCE LIMITED.**

**Notes forming part of the Financial Statements for the year ended 31st March, 2024**

**Note: 31 :Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures"**

**a) List of Related Parties and Relationship:**

<b>Key Management Personnel &amp; Other Director:</b>	
Venketa Ramana Revuru	Managing Director & Chairperson (Appointed on 03rd June 2021)
Sojan Avirachan	Non-Executive - Non Independent Director (Appointed on 03rd June 2021)
Yatin Sanjay Gupte	Non-Executive - Non Independent Director (Appointed on 03rd June 2021)
Deepakkumar Mineshkumar Doshi	Chief Financial Officer (Resigned on 27th September 2022)
Manisha Sharma	Company Secretary & Compliance Officer (Resigned on 01 July 2022)
Sakina Lokhandwala	Company Secretary and Compliance officer (Resigned on 22nd November 2023)
Kashish Purohit	Company Secretary and Compliance officer (Resigned on 30th March 2024)
Samoil Akilbhai Lokhandwala	Company Secretary and Compliance officer (Appointed on 1st April 2024)
Sohinderpal Singh Teja	Chief Financial Officer (Resigned on 28th June 2023)
Akhtar Khatri	Chief Financial Officer (Resigned on 10th April 2024)
Arun Pillai	Chief Financial Officer (Appointed on 24th April 2024)
Wardwizard Solutions India Pvt Ltd.	Promoter company (Promoter from 19th November,2020)
Garuda Mart India Private Limited	Promoter company (Promoter from 19th November,2020)
Wardwizard Medicare Private Limited	Company in which the director has an interest
I Secure Credit & Capital Services Limited	Company in which the director has an interest
Wardwizard Foods and Beverages Ltd	Company in which the director has an interest

**b) Related Party Disclosure**

(₹ in Lakhs)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023	As at March 31st, 2024	As at March 31st, 2023
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Taken	-	-	-	-	-	-	1.42	1.93	-	-	-	-	1.42	1.93
Loan Repaid	-	-	-	-	-	-	1.24	1.93	-	-	-	-	1.24	1.93
Equity Investments Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Salary Paid	-	-	-	-	-	-	33.82	14.13	-	-	-	-	33.82	14.13
Loans Given	-	-	-	-	-	-	-	-	560.00	450.00	-	-	560.00	450.00
Loans Recovered	-	-	-	-	-	-	-	-	125.72	-	-	-	125.72	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Received	-	-	-	-	-	-	-	-	62.97	13.90	-	-	62.97	13.90
Processing Fees & Documentation Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services Received	-	-	-	-	-	-	-	-	4.29	5.29	-	-	4.29	5.29
Advance	-	-	-	-	-	-	-	-	0.25	-	-	-	0.25	-
Director Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

c) The related party balances and transactions for the year ended March 31, 2024 are summarized as follows:

(₹ in Lakhs)

Particulars	Relationship	As at March 31st, 2024	As at March 31st, 2023
Deepakkumar Mineshkumar Doshi	Chief Financial Officer	-	-
Manisha Sharma	Company Secretary	-	-
Sakina Lokhandwala	Company Secretary	-	0.26
Yatin Gupte	Director & Promoter	0.17	-
Sohinderpal Teja	Chief Financial Officer	-	0.93
Akhtar Khatri	Chief Financial Officer	0.95	-
Kashish Purohit	Company Secretary	0.30	-
Wardwizard Foods and Beverages Ltd_Rent	Promoter	0.32	-
Wardwizard Medicare Private Limited_Loan	Promoter	132.59	-
Wardwizard Solutions India Pvt Ltd (Loan Given)	Promoter	400.85	426.75
Wardwizard Solutions India Pvt Ltd Debtors	Promoter	-	1.49
I Secure Credit & Capital Services Limited	Company in which the director has an interest	319.26	-
I Secure Credit & Capital Services Limited Debtor	Company in which the director has an interest	1.90	-
Wardwizard Solutions India Pvt Ltd Creditor (Rent)	Promoter	1.37	-
		<b>857.71</b>	<b>429.43</b>

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

**Note: 32 Additional Regulatory information as per Division III of Schedule III of Companies Act, 2013**

Title deeds of Immovable Property not held in name of the Company	There is no immovable property hence this clause is not applicable.
Capital-Work-in Progress (CWIP)	There is no CWIP hence this clause is not applicable.
Intangible assets under development	There is no any Intangible assets under development hence this clause is not applicable.
Details of Benami Property held	There is no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder hence this clause is not applicable.
Wilful Defaulter	Any bank or financial Institution or other lender is not declared company as Wilful Defaulter in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India till date hence this clause is not applicable to the said company.
Relationship with Struck off Companies	There is no relationship with stuck off companies. Hence, this clause is not applicable.
Registration of charges or satisfaction with Registrar of Companies	The Company is regularly updated with ROC for any registration or satisfaction of charges.
Compliance with number of layers of companies	This clause is not applicable to the said company.
Ratio Calculations	Refer following table for details
Compliance with approved Scheme(s) of Arrangements	This clause is not applicable.
Utilisation of Borrowed funds and share premium	No such advanced or loaned or invested funds by company

#### Analytical Ratios

Ratio	Numerator	Denominator	As at March 31st, 2024	As at March 31st, 2023	% Variance	Reason for Variance (If Above 25%)
<b>Capital to Risk-Weighted assets ratio (CRAR)</b>	Adjusted Networth	Risk Weighted Assets	100.85	149.57	(48.72)	The decrease in CRAR reflects the company's strategic investments in growth and market expansion, which temporarily increased risk-weighted assets. This proactive approach aims to enhance long-term profitability and market position. Despite the short-term impact on CRAR, these investments are expected to drive future stability and growth.
<b>Tier I CRAR</b>	NA	NA	NA	NA	NA	NA
<b>Tier II CRAR</b>	NA	NA	NA	NA	NA	NA
<b>Liquidity Coverage Ratio</b>	NA	NA	NA	NA	NA	NA

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

NOTE-33. DISCLOSURE OF DETAILS AS REQUIRED BY RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 - DISCLOSURES IN FINANCIAL STATEMENTS- NOTES TO ACCOUNTS OF NBFCs DATED APRIL 19, 2022

#### A) Exposure

##### 1) Exposure to real estate sector

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
i) Direct exposure		
a) Residential Mortgages –	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
b) Commercial Real Estate	-	-
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits		
c) Investments in Mortgage - Backed Securities (MBS) and other securitized exposures –		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>-</b>	<b>-</b>

##### 2) Exposure to capital market

(₹ in Lakhs)

Particulars	As at March 31st, 2024	As at March 31st, 2023
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds: (i) Category I		
(ii) Category II	-	-
(iii) Category III	-	-
<b>Total exposure to capital market</b>	<b>-</b>	<b>-</b>



**MANGALAM INDUSTRIAL FINANCE LIMITED.**

Notes forming part of the Financial Statements for the year ended 31st March, 2024

3) Sectoral exposure

(₹ in Lakhs)

Particulars		As at March 31st, 2024			As at March 31st, 2023		
No.	Sectors	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1)	Agriculture and Allied Activities	-	-	-	-	-	-
2)	Industry						
i	MSME	684.57	-	-	426.75	18.42	4%
ii	Trading	-	-	-	-	-	-
iii	others-Manufacturing	255.26	255.26	100%	435.01	273.24	63%
	<b>Total of Industry (i + ii +..)</b>	<b>939.83</b>	<b>255.26</b>	<b>27%</b>	<b>861.77</b>	<b>291.66</b>	<b>33.84%</b>
3)	Services						
i	Shipping	57.67	57.67	100%	57.67	57.67	100%
ii	NBFC	1498.94	20.08	1%	526.14	52.61	10%
iii	others-Whole sale trade (Other than food procurement)	333.99	-	-	378.74	18.47	5%
iv	Commercial Real Estate	80.31	1.90	2%	1.90	1.90	100%
	<b>Total of Service (i + ii +..)</b>	<b>1970.91</b>	<b>79.65</b>	<b>4%</b>	<b>964.45</b>	<b>130.66</b>	<b>14%</b>
4)	Personal Loans						
i	Individual	472.10	380.97	80.70%	435.45	244.52	56%
ii	others	-	-	-	-	-	-
	<b>Total of personal Loan (i + ii +..)</b>	<b>472.10</b>	<b>380.97</b>	<b>80.70%</b>	<b>435.45</b>	<b>244.52</b>	<b>56%</b>
5)	Others, if any (please specify)	-	-	-	-	-	-

Note :

- i. The disclosures as above is based on the sector-wise and industry-wise bank credit (SIBC) return submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.

4) Intra-group exposures

(₹ in Lakhs)

NBFCs shall make the following disclosures for the current year with comparatives for the previous year		As at March 31st, 2024	As at March 31st, 2023
i)	Total amount of intra-group exposures	852.70	426.75
ii)	Total amount of top 20 intra-group exposures	852.70	426.75
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	25.21%	18.87%
<b>5) Unhedged foreign currency exposure</b>		As at March 31st, 2024	As at March 31st, 2023
NBFCs shall disclose details of its unhedged foreign currency exposures. Further, it shall also disclose their policies to manage currency induced risk.		NA	NA

## MANGALAM INDUSTRIAL FINANCE LIMITED.

Notes forming part of the Financial Statements for the year ended 31st March, 2024

### B) Disclosure of complaints

#### 1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Particulars	As at March 31st, 2024	As at March 31st, 2023
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	NA	NA
2	Number of complaints received during the year	NA	NA
3	Number of complaints disposed during the year	NA	NA
3.1	Of which, number of complaints rejected by the NBFC	NA	NA
4	Number of complaints pending at beginning of the year	NA	NA
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman		
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	NA
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA
		NA	NA
<p>Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambi of the Scheme.</p> <p>It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021</p>			

## MANGALAM INDUSTRIAL FINANCE LIMITED.

### Notes forming part of the Financial Statements for the year ended 31st March, 2024

#### 2 Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to )	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30days
1	2	3	4	5	6
<b>As at March 31st, 2024</b>					
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4			NA		
Ground - 5					
Other					
Total					
<b>As at March 31st, 2023</b>					
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4			NA		
Ground - 5					
Other					
Total					

**Note: 34:** Provision for Gratuity is not made since Payment of Gratuity Act, 1972 is not applicable on the company since the number of employees in our company is below ten.

**Note: 35 :** The company has not recognised any Deferred Tax Assets on Fair Value Changes of Investments as there is no reasonable certainty that there will be sufficient taxable income / gain that would arise in future that could be set off against the unabsorbed capital loss.

**Note: 36 :** Previous year figures have been regrouped or rearranged wherever necessary.

**Note 37.** Disclosure as required under Annexure II of Master Direction - Core Investment Companies (Reserve Bank), Direction, 2016 - "Schedule to the Balance Sheet of a non-deposit taking Core Investment Company" is enclosed separately under Annexure A.

Disclosure as required by RBI circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 is enclosed separately under Annexure B.

As per our Report of even date.

**FOR MAHESH UDHWANI & ASSOCIATES**

*Chartered Accountants*

Firm Reg. No : 129738W

For and on Behalf of the Board of Directors

**MANGALAM INDUSTRIAL FINANCE LIMITED**

CIN: L65993WB1983PLC035815

**CA. MAHESH UDHWANI**

(Partner)

M. No. : 047328

UDIN: 24047328BJZYOV6709

Date: 29/05/2024

Place: Vadodara

**VENKATA RAMANA REVURU**

Managing Director

(DIN : 02809108)

**YATIN SANJAY GUPTA**

Non-Executive Non-Independent Director

(DIN :07261150)

**ARUN PILLAI**

Chief Financial Officer

BMZPP9042B

**SAMOIL AKILBHAI LOKHANDWALA**

Company Secretary

ASLPL1459M

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
Notes to the Financial Statements for the year ended 31st March, 2024

Annexure A

(₹ in lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>				
1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a) Debentures:				
Secured	-	-	-	-
Unsecured	-	-	-	-
(other than falling within the meaning of Public Deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate Loans and Borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans	-	-	-	-

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Amount outstanding	Amount outstanding
<b>Asset side:</b>		
2. Break up of Loans and Advances including bills receivables (other than those included in (3) below):		
(a) Secured	-	-
(b) Unsecured ( <b>Refer Note 1</b> )	2685.69	1594.83
3. Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities:		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities:		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
4. Break-up of Investments: ( <b>Refer Note 2</b> )		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
Long Term Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures & Bonds	-	-
(iii) Units of Mutual Fund	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures & Bonds	-	-
(iii) Units of Mutual Fund	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
Notes to the Financial Statements for the year ended 31st March, 2024

Annexure A (continued)

5. Borrow group-wise classification of all leased assets, stock on hire and loans and advances: (₹ in lakhs)

Category	As at 31st March, 2024 Amount of net of Provisions			As at 31st March, 2023 Amount of net of Provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties**						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	852.56	852.56	-	408.33	408.33
2. Other than related parties	-	1833.13	1833.13	-	1186.50	1186.50
<b>Total</b>	-	<b>2685.69</b>	<b>2685.69</b>	-	<b>1594.83</b>	<b>1594.83</b>

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): (₹ in lakhs)

Category	As at 31st March, 2024		As at 31st March, 2023	
	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
<b>Total</b>	-	-	-	-

\*\* As per Ind AS of ICAI

7. Other Information (₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	715.88	538.14
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	19.27	-
(iii) Assets acquired in satisfaction of debt	-	-

**Notes:**

- Pursuant to implementation of Ind AS, all disclosures are in compliance of the same. Loans are disclosed net of ECL.
- The same as disclosed in the Balance Sheet under Other Financial Assets in compliance with Ind AS 109.
- Previous years' figures have been disclosed as per Ind AS.

**MANGALAM INDUSTRIAL FINANCE LIMITED.**  
Notes to the Financial Statements for the year ended 31st March, 2024

Annexure B

Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 is given below:

(₹ in lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP Norms	Difference between Ind AS 109 and IRACP Norms
<b>Performing Assets</b>						
Standard	Stage 1	2666.96	0.54	2666.42	6.67	(6.13)
	Stage 2			-		-
<b>Subtotal (A)</b>		<b>2666.96</b>	<b>0.54</b>	<b>2666.42</b>	<b>6.67</b>	<b>(6.13)</b>
<b>Non- Performing Assets(NPA)</b>						
Substandard	Stage 2	20.08	0.80	19.27	4.02	(3.21)
<b>Subtotal for sub-standard (B)</b>		<b>20.08</b>	<b>0.80</b>	<b>19.27</b>	<b>4.02</b>	<b>(3.21)</b>
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	695.80	695.80	-	695.80	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful (C)</b>		<b>695.80</b>	<b>695.80</b>	<b>-</b>	<b>695.80</b>	<b>-</b>
<b>Loss (D)</b>	Stage 3	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subtotal for NPA (E) = (B)+(C)</b>		<b>715.88</b>	<b>696.60</b>	<b>19.27</b>	<b>699.82</b>	<b>(3.21)</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	<b>2666.96</b>	<b>0.54</b>	<b>2666.42</b>	<b>6.67</b>	<b>(6.13)</b>
	Stage 2	<b>20.08</b>	<b>0.80</b>	<b>19.27</b>	<b>4.02</b>	<b>(3.21)</b>
	Stage 3	<b>695.80</b>	<b>695.80</b>	<b>-</b>	<b>695.80</b>	<b>-</b>
	<b>Total</b>	<b>3382.84</b>	<b>697.15</b>	<b>2685.69</b>	<b>706.48</b>	<b>(9.34)</b>

As per our Report of even date.  
FOR MAHESH UDHWANI & ASSOCIATES  
Chartered Accountants  
Firm Reg. No : 129738W

For and on Behalf of the Board of Directors  
MANGALAM INDUSTRIAL FINANCE LIMITED  
CIN: L65993WB1983PLC035815

CA. MAHESH UDHWANI  
(Partner)  
M. No. : 047328  
UDIN:24047328BJYOV6709  
Date: 29/05/2024

VENKATA RAMANA REVURU  
Managing Director  
(DIN : 02809108)

YATIN SANJAY GUPTA  
Non-Executive Non-Independent Director  
(DIN : 07261150)

ARUN PILLAI  
BMZPP9042B

SAMOIL AKILBHAI LOKHANDWALA  
ASLPL1459M