

MANGAL

CREDIT & FINCORP LIMITED

Date: 02.09.2024

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001. Scrip Code: 505850	To, National Stock Exchange of India Limited, Exchange Plaza, C-1, Bandra-Kurla Complex, Bandra (East), Mumbai: 400051. Scrip Symbol : MANCREDIT
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Dear Sir / Madam,

Sub.: Notice convening the 62nd Annual General Meeting ("AGM") and Annual Report of Mangal Credit and Fincorp Limited ("the Company").

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report for the Financial Year 2023-24 along with the Notice convening the 62nd AGM of the Company to be held on Wednesday, 25th September, 2024 at 11.30 am (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

The Annual Report and the Notice for the 62nd AGM of the Company is being sent electronically to those shareholders whose email IDs are registered with the Company/Registrar and Share Transfer Agent and the Depositories. The aforesaid Annual Report and the Notice is also available on the Company's website at www.mangalfincorp.com and on the website of National Securities Depository Limited ("NSDL") at <https://www.evoting.nsdl.com>.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For Mangal Credit and Fincorp Limited

Hardik Jain
Executive Director
DIN: 07871480

Encl: As above

Consistency meets Efficiency:

The Gateway to Boundless Opportunities



MANGAL
CREDIT & FINCORP LIMITED

ANNUAL REPORT
2023-24



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Disclaimer:

In this Annual Report, we have disclosed forward looking information to help our investors comprehend our prospectus and take informed investment decisions. This report is based on certain forward looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated or estimated projected. We undertake no obligation to publicly update any forward looking statements, whether as a results of new information, future events or otherwise.

Investor Information

CIN: L65990MH1961PLC012227
 NSE Symbol: 505850 / MANCREDIT
 Dividend Proposed: ₹0.60/- per Equity Share
 AGM Date: : 25th September, 2024, 11:30 A.M. IST

Paperless version of this report is available online at:
<https://mangalfincorp.com/investorZone.aspx>

Website link and QR Code



Corporate Information

Board of Directors

Shri Meghraj Sohanlal Jain
 Chairman and Managing Director

Shri Nilesh Jain
 Executive Director and Chief Financial Officer

Shri Hardik Jain
 Executive Director

Shri Sujan Sinha
 Non-Executive Non-Independent Director

Shri Subramanyam Ganesh
 Independent Director

Shri Ramanathan Annamalai
 Independent Director

Smt Vineeta Piyush Patel
 Independent Director

Shri Sriram Sankarnarayanan
 Independent Director

Key Managerial Personnel

Shri Meghraj Sohanlal Jain
 Chairman and Managing Director

Shri Hardik Jain
 Executive Director

Shri Nilesh Jain
 Executive Director and Chief Financial Officer

Shri Chirag Parmar
 Company Secretary & Compliance Officer

Statutory Auditors

M/S Bhagwagar Dalal & Doshi, Chartered Accountants

Secretarial Auditors

M/S. Vijay S Tiwari and Associates, PCS

Registered & Corporate Office

Mangal Credit and Fincorp Ltd.
 1701/1702, 17th Floor, A-Wing, Lotus Corporate Park, Western Express Highway, Goregaon (East), Mumbai-400063
 Tel no.+91 22 4246 1300
 Email Id: compliance@mangalfincorp.com

Registrar and Transfer Agent

Link InTime India Pvt Ltd.
 C-101, 247 Park, LBS Marg, Vikroli West, Mumbai-400083
 Tel No.+91 22 4918 6000
 Fax No.+91 22 4918 6060
 Email Id: rnt.helpdesk@linkintime.co.in

Debenture Trustee

Catalyst Trusteeship Ltd.
 Windsor, 6th Floor, office no. 604, C.S.T. Road, Kalina, Santacruz East, Mumbai - 400098
 Tel No. +91 022 4922 0555
 Email ID: ComplianceCTL-Mumbai@ctltrustee.com
 SEBI Registration Number: IND000000034

Credit Rating Agency

CRISIL Ratings Ltd.
 CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400076
 Tel No. +91 022 3342 3000
 Email: CRISILratinghelpdesk@crisil.com

Bankers

State Bank of India
 HDFC Bank
 Federal Bank
 Bharat Bank
 South Indian Bank
 City Union Bank
 Indian Overseas Bank
 ICICI Bank
 Catholic Syrian Bank





GROWTH

43%
AUM

56%
Revenue

33%
Operating Profit

45%
Net Interest Income

75%
Branch

103%
Customer Base

Consistency Meets Efficiency:

The Gateway to Boundless Opportunities

At Mangal Credit and Fincorp Limited, we believe that true success is not a matter of chance, but a result of unwavering commitment and precision in execution. This year's theme, "Consistency meets Efficiency: The Gateway to Boundless Opportunities," encapsulates the essence of our journey over the past year and our vision for the future.

Consistency has always been the cornerstone of our operations. Whether in our interactions with clients, the stability of our financial offerings, or the steady growth we have achieved, our commitment to reliability has created a solid foundation. This steadfast approach ensures that our stakeholders can always count on us, knowing that we are guided by principles that do not waver, even in the face of challenges.

Efficiency is the driving force that transforms our consistent efforts into impactful results. By optimizing our processes, embracing innovative technologies, and maintaining a sharp focus on delivering value, we have streamlined our operations to achieve more with precision. Efficiency is not just about doing things faster; it's about doing them smarter, ensuring that every action we take contributes meaningfully to our goals.

Together, Consistency and Efficiency form the gateway to boundless opportunities. As we continue

to build on our strong foundation and enhance our operations, we are unlocking new avenues for growth and innovation. These opportunities are not confined to a single area—they span across the diverse services we offer, from SME Business Loans to Gold Loans, Loan Against Property, and Personal Loans. Each of these services is a testament to our ability to adapt, grow, and lead in an ever-evolving financial landscape.

Looking ahead, Mangal Credit and Fincorp Limited is poised to explore these boundless opportunities with the same dedication and focus that have brought us this far. We are committed to driving sustainable growth, empowering our customers, and delivering long-term value to our shareholders. As we navigate the future, we do so with the confidence that comes from knowing our path is guided by the powerful combination of consistency and efficiency.

This annual report reflects our journey over the past year, the milestones we've achieved, and the strategies we've employed to remain resilient and forward-thinking. We invite you to explore how "Consistency meets Efficiency" continues to be the gateway through which Mangal Credit and Fincorp Limited unlocks the boundless opportunities that lie ahead.



CORPORATE OVERVIEW:

Shaping a Future of Boundless Potential

Mangal Credit and Fincorp Ltd. (MCFL) is a prominent non-banking financial Company listed on the stock exchange, dedicated to providing a broad spectrum of financial services, including Gold Loans, Personal Loans, SME Loans, and Loans Against Property. With a strong foothold in Maharashtra and with an asset base of ₹22,870 Lakhs, MCFL is committed to empowering individuals and businesses by delivering tailored financial solutions. The Company focus on customer-centricity, innovation, and excellence drives us to continually enhance our offerings, ensuring we meet the evolving needs of our clients.



Mission

Our mission is to revolutionise the way credit works in India with our flexible loans. We deliver credit to a wide spectrum of MSMEs and individuals with limited credit history to drive a financial and social impact for our customers and society at large

Vision

Our vision is to address the needs of the underserved by deploying capital that facilitates a change for good

Core Values



Honesty And Integrity:

Led by exemplary governance, Company maintains high integrity in its delivery, products and processes. Company has zero tolerance for unethical practices. It strives to behave with honesty and integrity in all its internal and external communication, and dealings with all stakeholders



Transparency:

Company's products and processes are transparent to its clients such that the information communicated to them is clear, sufficient and in a timely manner and language which clients can understand, so that the clients can make informed decisions. It is also transparent in its communication to, and transactions with all other stakeholders, and employees



Innovation:

Company strives to maintain a creative culture in the organisation, where employees are encouraged to learn and innovate in their day-to-day work, while adhering to the Company's standards of business and conduct. Also, product, process and business model innovation are integral to the Company



Excellence:

Company treats its employees as a major stakeholder and hence its processes and systems are designed to ensure employee satisfaction, development and high morale. We each have a unique role to play as we work towards delivering opportunities for change



Customer Centricity:

Since customers are considered important stakeholders, Company's products and processes are designed keeping customer needs and realities in mind. Company strives to serve customer needs in an effective and efficient manner and always behave in a dignified and respectful manner with its customers



JOURNEY:

Charting the Course to Unbounded Opportunities

2012

Acquires a 50-year-old Company-TAK Machineries and Leasing Limited (TMLL)

2018

Shifted focus to retail lending thereby venturing into Business Loans, Loan Against Property and Personal Loans

2020

Divested all its subsidiaries by March, 2020 and Continued its business & started focusing on the retail lending segment as a Standalone entity

Disbursed 100 Loan Cases

Launched its new product - Loan against Jewellery

Inaugurated its Gold Loan Branch at Vile Parle

2021

Crossed 750 active loan accounts

Opened its first branch in Surat, Gujarat



2022

Closed the book above ₹10,000 Lakhs

2023

Raised fund through Non-Convertible Debenture (NCDs) other than bank Borrowings

Closed the books above ₹15,000 Lakhs

Crossed its branch network to 12 branches

Awarded Upcoming Lending NBFC of the year at India NBFC Summit and awards 2022

2024

Closed the book above ₹22,800 Lakhs with more than 5,800 Customer

Reached network of 21 branches as on March, 2024

Got listed on the National Stock Exchange (NSE)





KEY HIGHLIGHTS:

MCFL Business at a glance





Chairperson's Letter



“Our vision is centered on geographical expansion, achieving ambitious financial targets, and upholding our values of transparency, excellence, and customer-centricity”

Dear Shareholders,

As I reflect on the past year, I am filled with a deep sense of pride in the progress Mangal Credit and Fincorp Limited (“MCFL”) has made. Our recent listing on the platform of National Stock Exchange of India Limited marks a proud moment in the Company's journey. The year FY 2023-24 has been transformative for the Company as we have successfully navigated challenges, seized opportunities, and reinforced our position as a trusted financial partner in the industry. Our focus on consistency, efficiency, and unlocking potential has driven our accomplishments and set a solid foundation for future growth.

Economic Landscape

The economic landscape this past year has been characterized by buoyant conditions that have greatly benefited our operations. Government initiatives like Make in India and Vocal for Local have positively influenced the demand for credit, particularly within the MSME sector, which continues to thrive. Additionally, the significant increase in gold and silver prices, coupled with a booming stock market, has sustained strong demand for our financial products. These favorable economic trends have enabled us to align our strategies with market needs, ensuring sustained growth and resilience in an ever-evolving environment.

The Non-Banking Financial Companies (NBFC) sector has continued to assert its significance within the Indian financial ecosystem, playing a pivotal role in fostering financial inclusion and driving economic growth. Despite the challenging macroeconomic environment, marked by inflationary pressures and fluctuating interest rates, NBFCs have demonstrated remarkable resilience and adaptability.

Our sector's ability to cater to the diverse financial needs of individuals and businesses alike has been instrumental in expanding credit access to underserved and unbanked segments, particularly in rural and semi-urban areas. By offering a wide array of financial products, including MSME loans, gold loans, personal loans, and loans against property, NBFCs have become key enablers of entrepreneurship, job creation, and economic empowerment.

As we navigate an evolving regulatory landscape, marked by increased scrutiny and a focus on responsible lending, NBFCs continue to strengthen their operational frameworks and adopt innovative technological solutions. These initiatives not only enhance customer experience but also ensure the sustainability and growth of our industry.

The future of the NBFC sector looks promising, with significant opportunities arising from the increasing demand for credit, digital financial inclusion, and the untapped potential in emerging markets. As we move forward, our commitment to

innovation, customer-centricity, and prudent risk management will remain the cornerstone of our strategy, enabling us to drive value for our stakeholders and contribute meaningfully to India's financial growth story.

Major Achievements

This year, MCFL has emerged as a trusted partner for customers across four states—Maharashtra, Gujarat, Rajasthan, and West Bengal—through our diverse product portfolio, which includes SME Loans, Gold Loans, Loans Against Property and Personal Loans. We now operate 21 branches and are actively planning further expansion, both within existing locations and across new territories, aiming for a PAN India presence.

Our financial performance has been nothing short of remarkable. We achieved significant improvement in the scale of operations while maintaining asset quality and profitability. As of March 2024, our AUM stood at ₹228.70 Crores, surpassing the estimated AUM of ₹225 Crores and representing a 43% growth over the previous year. Our topline grew by 56% to ₹33.28 Crores, while our PAT increased by 33% to ₹10.55 Crores. Our GNPA was managed at a commendable 1.31%, with NNPA at 0.75%. Furthermore, we maintain a healthy CRAR, reflecting our commitment to prudent financial management.

We have also diversified our funding sources, strengthening relationships with a mix of PSU Banks, Private Banks, and NBFCs, including prestigious institutions such as State Bank of India, Indian Overseas Bank, ICICI Bank, and Chola Investment & Finance Ltd. Our comfortable capital position, supported by a net worth of ₹127.35 Crores and a gearing ratio of 1.07x, provides a robust platform for continued growth. Additionally, our promoters have demonstrated their confidence in our business by infusing ₹7 Crores in FY 2023-24, with plans for an additional ₹20 Crores in the coming years.

Overcoming Challenges

The journey this year has not been without its challenges. We encountered hurdles in technology integration and the overall cost of credit within the industry, alongside the complexities of transitioning from traditional systems to API/Digital-based operations. However, our commitment to innovation and adaptability enabled us to address these challenges effectively, ensuring that we remain at the forefront of industry developments.

Strategic Initiatives

In line with our strategic shift from wholesale to retail, we have refined our product offerings, introducing SME Loans and Personal Loans post-COVID. We made significant enhancements to our existing portfolio, such as reducing ticket sizes and introducing a negative list to better cater to our customers' needs.

We have also embraced technological advancements, with initiatives like the Mangal App, which is actively utilized by our sales team, and the integration of Nelito's fully customized LOS and LMS Fincraft systems. Our HR system is now live, streamlining processes such as User Onboarding, Exit Management, and Leave Management. Additionally, we onboarded new vendors like Surepass and IRIS for API-based ITR and GST report extraction, further enhancing our operational efficiency.

Enhancing the customer experience remains a top priority. We have improved branch infrastructure, eliminated processing fees for gold loans, and minimized TAT time, all while ensuring robust internal controls. Our commitment to customer satisfaction is further exemplified by our ongoing efforts to build an in-house app designed to enhance the customer experience.

Corporate Social Responsibility

Our dedication to creating a social impact continues through various CSR initiatives. Notable projects include the restoration and expansion of a government school in Rajasthan, mobile medical facilities for remote areas, and our COVID-19 response efforts, which included sanitization measures, vaccine drives, and food distribution programs. We are also proud to support the proposal for Terapanth Bhavan at Kandivali West, Mumbai.

Vision for the Future

Looking ahead, our vision is centered on geographical expansion, achieving ambitious financial targets, and upholding our values of transparency, excellence, and customer-centricity. We are committed to continuing our journey of growth and innovation, ensuring that MCFL remains a trusted partner for all our stakeholders.

In conclusion, I would like to express my deepest gratitude to our shareholders, customers, employees, and partners for their unwavering support. Together, we will continue to build on our successes and create lasting value in the years to come.

Warm regards,
Meghraj Sohanlal Jain
Chairman & Managing Director



VALUE PROPOSITION:

Strategic Pillars for Sustainable Success



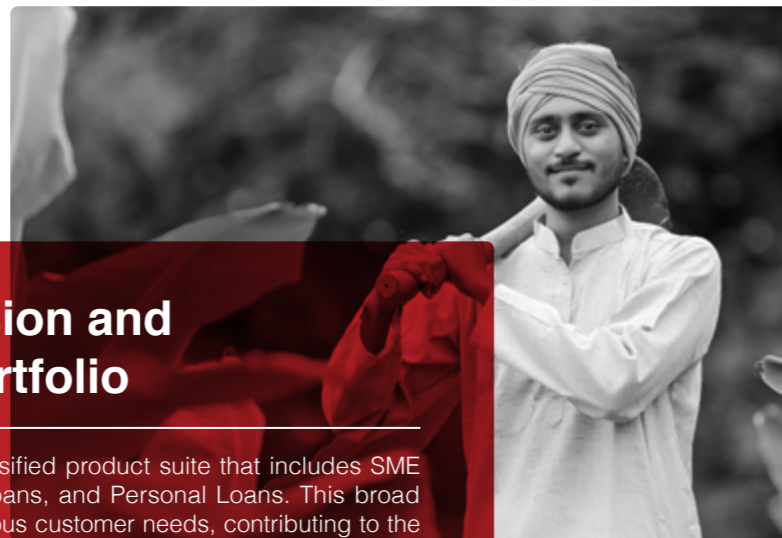
Strong Financial Foundation

Mangal Credit and Fincorp Limited (MCFL) is built on a strong financial foundation, highlighted by a low gearing ratio of 1.07x and a robust Capital Adequacy Ratio (CAR) of 47.23% as of 31st March, 2024. The Company's well-managed liquidity framework ensures it consistently meets debt obligations while supporting balance sheet growth. With a positive Asset-liability Management (ALM) position and a strong cash reserve (incl. Bank balance) of ₹1,550 Lakhs (7% of total AUM) as of 31st March, 2024, MCFL is well-equipped to sustain and drive its growth ambitions.



Technological Advancements and Digitalisation

MCFL is at the forefront of technological innovation, investing significantly in digital infrastructure to enhance operational efficiency and customer experience. The Company has launched a mobile application on the Google Play Store, enabling seamless loan inquiries and processing. Moreover, with the implementation of fully customised LOS & LMS Fincraft systems and the integration of advanced CRM solutions, MCFL is poised to offer superior service and streamlined operations, positioning itself as a leader in digital financial services.



Geographic Expansion and Diverse Product Portfolio

MCFL offers a comprehensive and diversified product suite that includes SME Loans, Loans Against Property, Gold Loans, and Personal Loans. This broad range of financial solutions caters to various customer needs, contributing to the Company's mission of supporting India's economic growth and risk diversification. Additionally, the Company's strategic focus on retail business and reducing the average ticket size further enhances risk diversification and customer reach. MCFL's focus on geographical expansion strengthens its ability to navigate market volatility and secure sustainable growth.



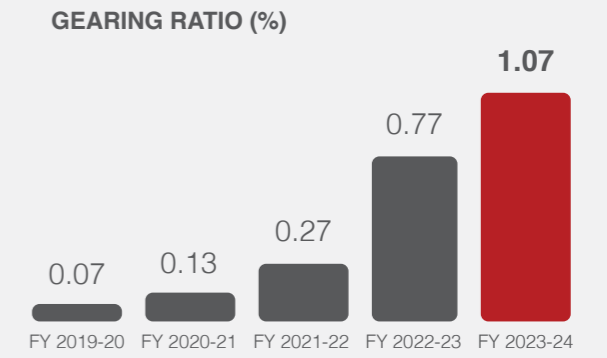
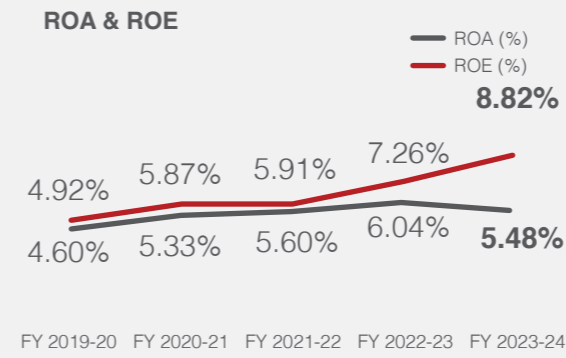
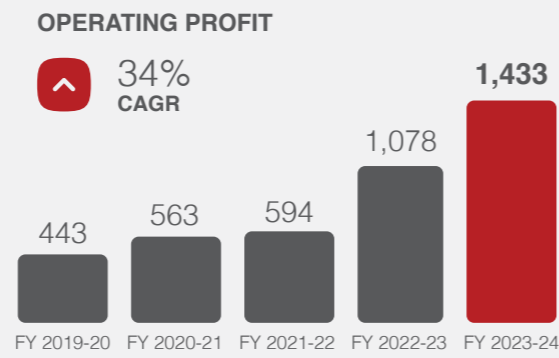
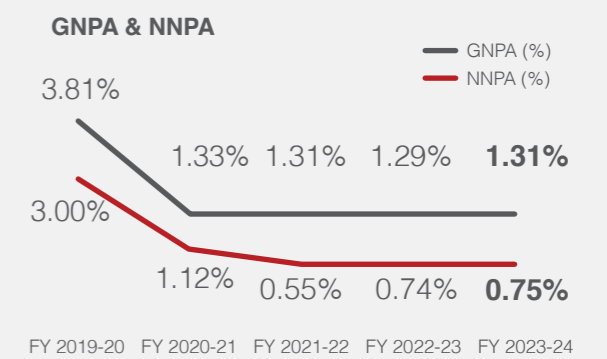
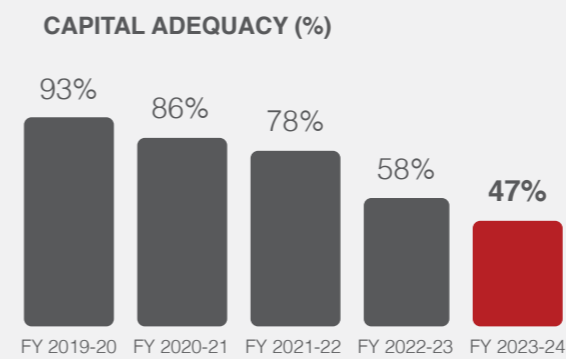
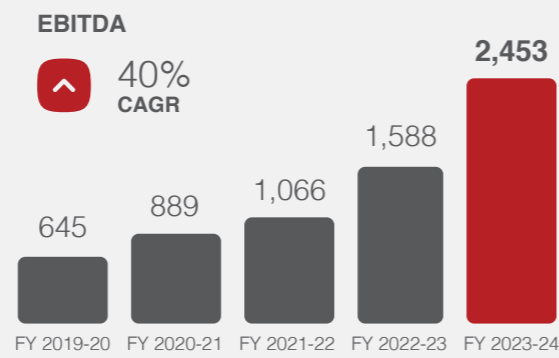
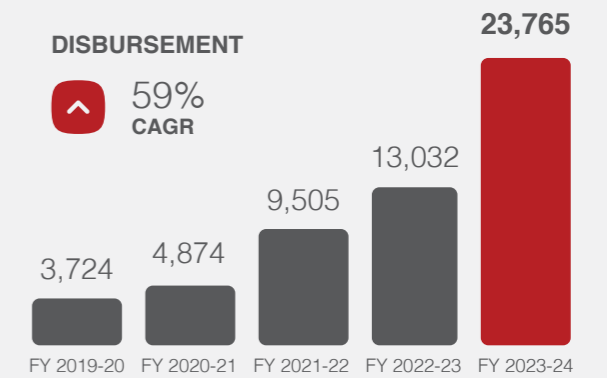
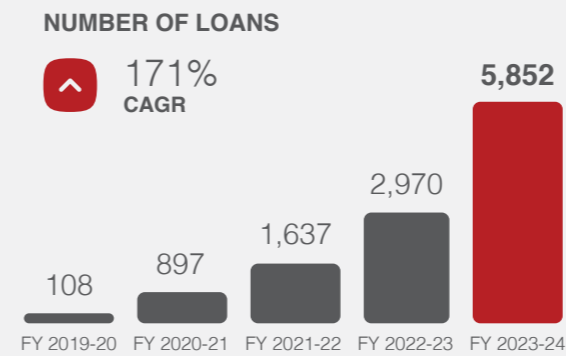
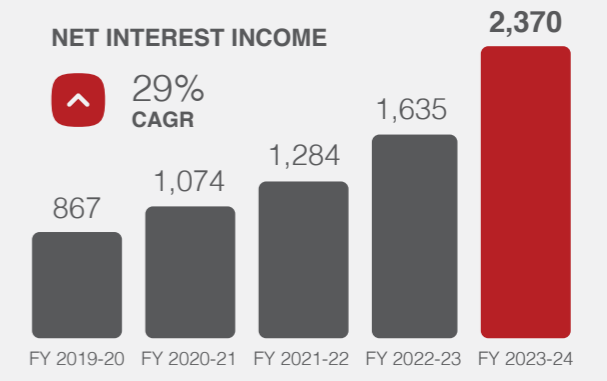
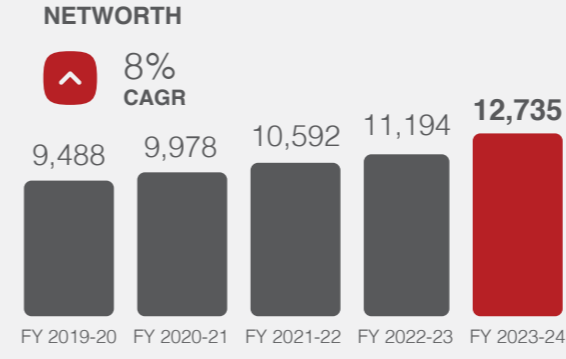
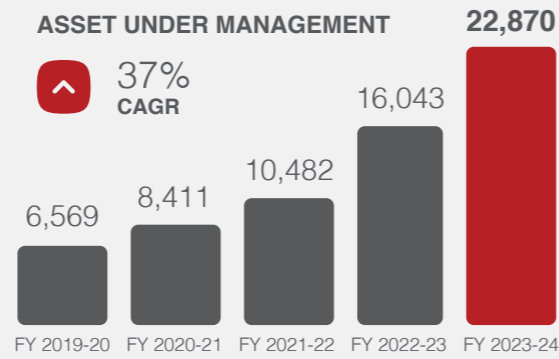
Visionary Leadership

The Company benefits from the guidance of a highly experienced and reliable leadership team, whose expertise in the financial services industry drives MCFL's strategic initiatives. The board's strong oversight and adherence to prudent lending practices have been instrumental in building a trusted brand and fostering long-term customer relationships.



Strong Financial Foundation

Our Key Performance Indicators (KPIs) reflect our commitment to growth and efficiency. With robust financial metrics, including revenue growth and strong asset quality, we continue to deliver consistent value and drive strategic objectives. These indicators showcase our operational excellence and financial health, underscoring our dedication to achieving our business goals and sustaining long-term success.



Note:

For FY 2019-20 numbers are excluding exceptional items in the Return ratios

All numbers are in ₹Lakhs unless otherwise mentioned

EBITDA : Earnings Before Interest, Taxes, Depreciation & Amortisation

GNPA : Gross Non-Performing Assets

NNPA : Net Non-Performing Assets

ROA : Return on Asset

ROE : Return on Equity



GEOGRAPHIC EXPANSION

And Diverse Product Portfolio

Mangal Credit and Fincorp Limited (MCFL) has demonstrated significant geographical expansion, achieving a remarkable 76% growth in the number of branches within just one year. Currently operational across key states such as Maharashtra, Gujarat, and West Bengal, the Company now operates 21 branches. This rapid expansion underscores MCFL's commitment to broadening its footprint and enhancing accessibility across India, thereby strengthening the Company's customer base and laying the groundwork for a more extensive PAN-India presence in the near future.



Mangal Credit and Fincorp Limited (MCFL) has strategically developed a diversified product portfolio that meets the evolving financial needs of its customers. Starting with a single offering, MCFL now provides a wide range of financial solutions, including SME Loans, Gold Loans, Loan Against Property (LAP) and Personal Loans.

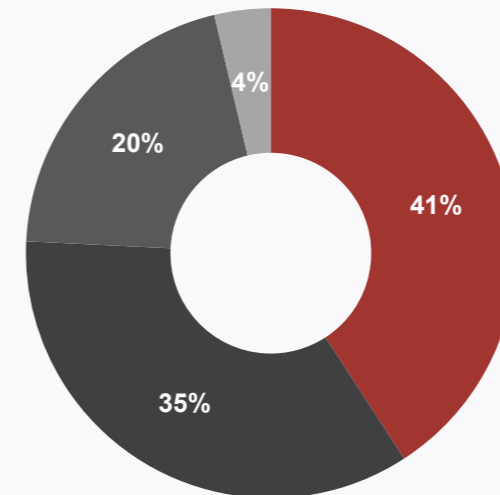
In FY 2023-24, the Company has demonstrated stellar growth, with its Assets Under Management (AUM) increasing by 43% year-on-year and a remarkable increase of 97% in Active Loan Accounts. During the year, strategic enhancements such as reducing loan ticket sizes and refining credit parameters were implemented to strengthen risk management and align products with market demand. This well-rounded portfolio not only drives customer growth but also positions MCFL as a key player in promoting financial empowerment and inclusion across multiple sectors.

Portfolio AUM
₹22,870 Lakhs

GNPA / NNPA
1.31% / 0.75%

Active Loan Accounts
5,852

In response to the growing demand for NBFC services, particularly in the MSME sector, MCFL has positioned itself as a key player by leveraging existing property assets to provide capital for business expansion. Their approach includes offering relatively small-ticket-sized loans with flexible interest rates and quick turnaround times, making them an attractive option for borrowers seeking immediate financial solutions.



■ SME Loan ■ Gold Loan
■ Loan Against Property ■ Personal Loan





SME Loans

Business Overview

Mangal Credit and Fincorp Limited (MCFL) recognizes the crucial role of Micro, Small, and Medium Enterprises (MSMEs) in driving India's economic growth. Our SME Loans are tailored to meet the unique financial needs of businesses, offering loan amounts from ₹20 Lakhs. These loans are designed to support working capital, business expansion, and other financial requirements. With flexible tenures and a quick turnaround time, MCFL ensures businesses can access the funds they need promptly and efficiently.

Key Features



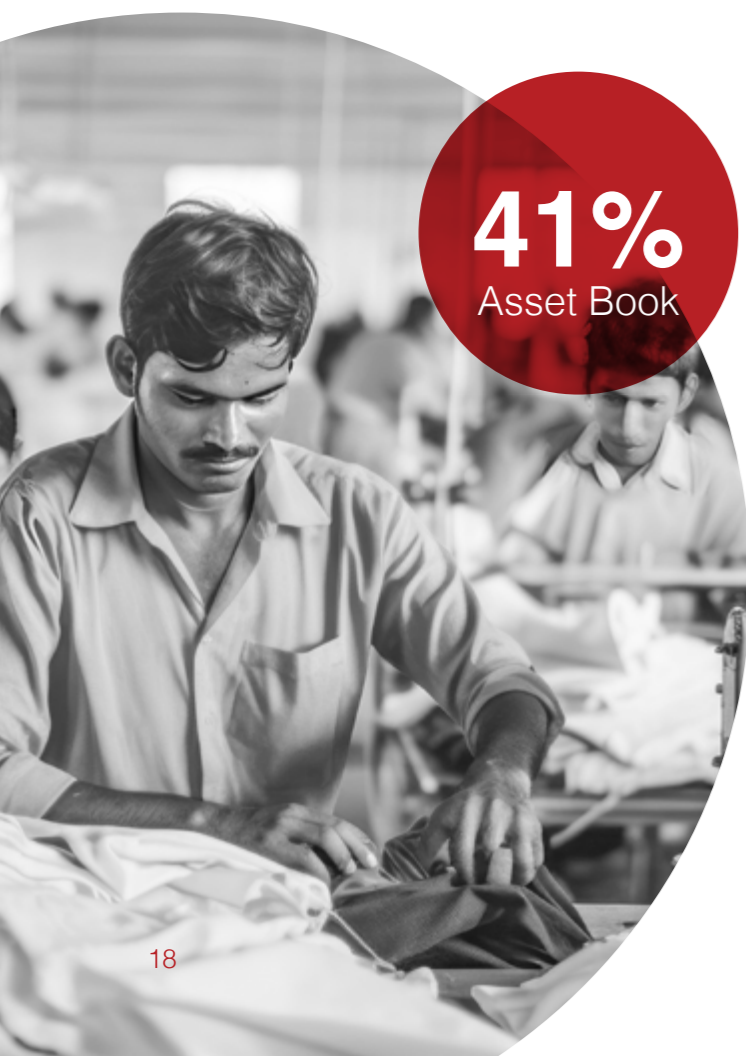
Quick sanction



Attractive interest rates



Flexible repayments



41%
Asset Book

Performance During the Year

During the year under review, our SME business demonstrated impressive performance this financial year, achieving an AUM of ₹9,340 Lakhs. This marks a significant 19% growth compared to the previous year's AUM of ₹7,840 Lakhs

Our annual disbursement to the segment increased from ₹4,155 Lakhs to ₹7,671 Lakhs, reflecting an 85% growth in disbursement and our active loan accounts expanding to over 260 accounts, a 31% growth as compared to FY 2022-23

Portfolio AUM
₹9,340 Lakhs

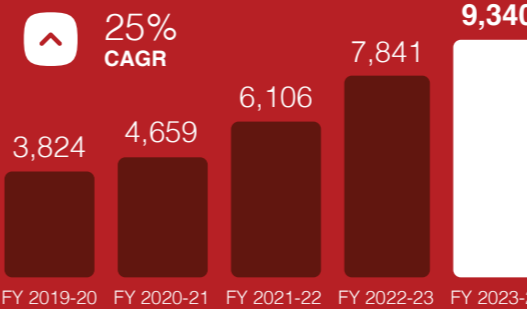
GNPA / NNPA
0.73% / 0.24%

Ticket Size Range
₹20 - ₹50 Lakhs

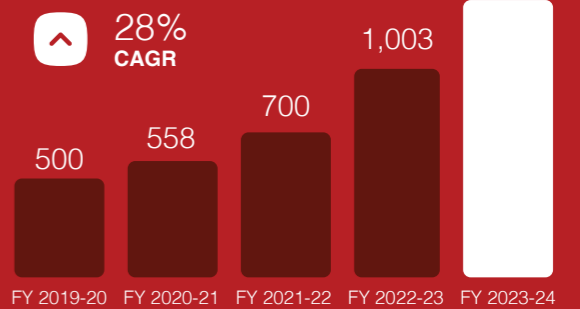
Average Ticket Size
Upto ₹35 Lakhs

Tenure
Upto 3 Years

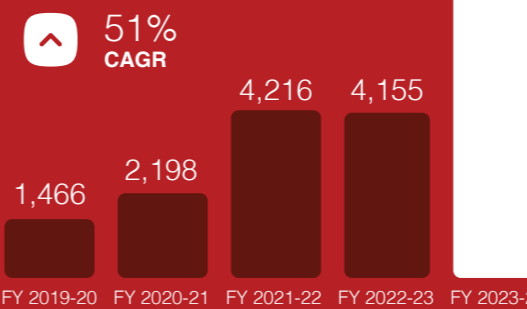
PORTFOLIO AUM



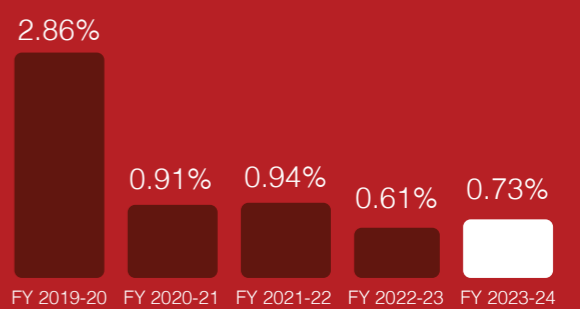
INCOME



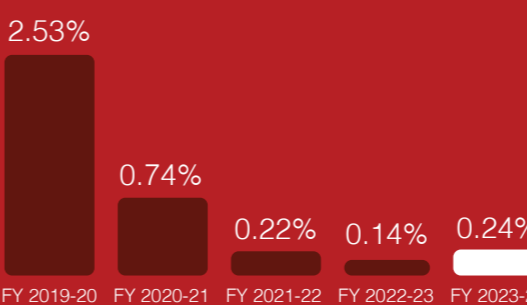
DISBURSEMENTS



GNPA (%)



NNPA (%)



Note:
All numbers are rounded off to the nearest value
All numbers are in ₹Lakhs unless otherwise mentioned





Gold Loans

Business Overview

At Mangal Credit and Fincorp Limited (MCFL), we offer secure and flexible Gold Loan services designed to meet diverse financial needs. Leveraging our deep expertise, we provide hassle-free loans with minimal documentation and quick disbursement, ensuring that customers can unlock the value of their gold assets efficiently. Our offerings include competitive interest rates, flexible repayment options, and a secure appraisal process, making us a trusted partner for individuals seeking to leverage their gold for immediate financial requirements.

Key Features



Quick disbursal and minimal documentation



Best loan to value



Nil PF and foreclosure



Lowest ROI and best gold rate



Zero processing fees or any valuation charges



35%
Asset Book

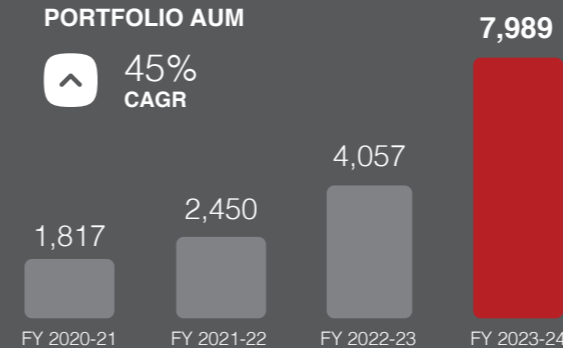
Performance During the Year

During the year under review, our business demonstrated robust performance, evidenced by a remarkable 97% growth in AUM, reaching ₹7,989 Lakhs compared to the previous fiscal year

Our annual disbursement to the segment increased from ₹5,355 Lakhs to ₹12,933 Lakhs, reflecting an 142% growth in disbursement and our active loan accounts expanding to over 5,320 accounts, a 107% growth as compared to FY 2022-23

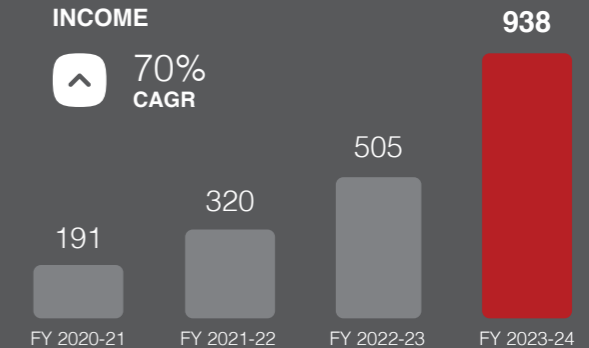
PORTFOLIO AUM

45% CAGR



INCOME

70% CAGR



Portfolio AUM

₹7,989 Lakhs

GNPA / NNPA

0.41% / 0.37%

Ticket Size Range

Upto ₹100 Lakhs

Average Ticket Size

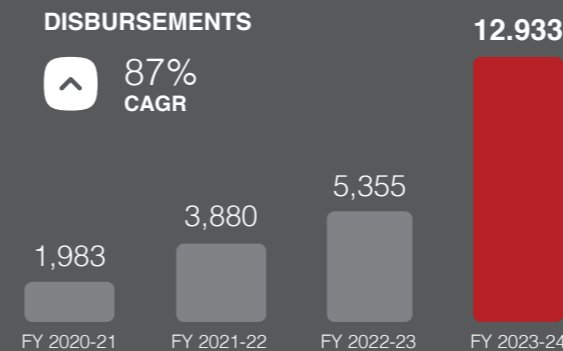
Upto ₹2 Lakhs

Tenure

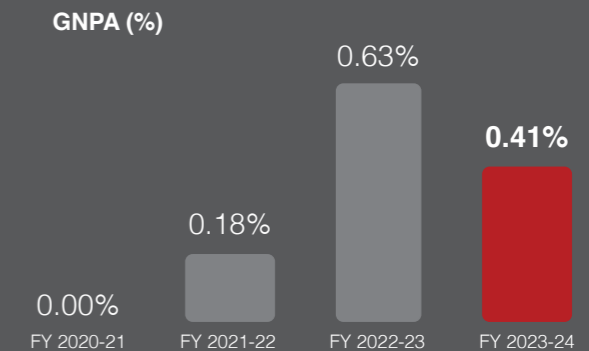
Upto 2 Years*

DISBURSEMENTS

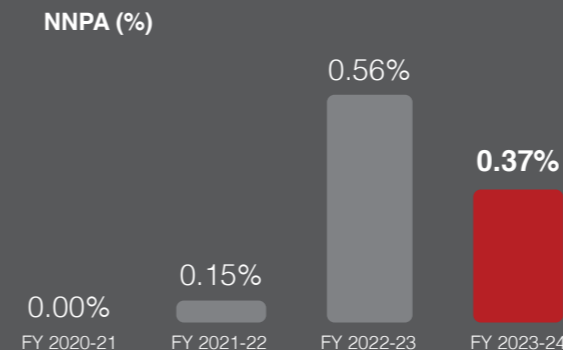
87% CAGR



GNPA (%)



NNPA (%)



Note:
All numbers are rounded off to the nearest value
All numbers are in ₹Lakhs unless otherwise mentioned
*Modify as per schemes




Loan Against Property

Business Overview

Our Loan Against Property (LAP) solutions empower individuals and businesses to unlock the value of their property. Our LAP product is designed to cater to various financial needs, whether for business expansion, working capital, or personal requirements. With competitive interest rates, flexible repayment tenures, and a quick approval process, MCFL ensures that our clients can access substantial funds against their residential or commercial property with ease and confidence.

Key Features

-  Quick sanction
-  Attractive interest rates
-  Available for a longer-term
-  Higher loan amount



Performance During the Year

During the year under review, our LAP business demonstrated impressive performance this financial year, achieving an AUM of ₹4,692 Lakhs. This marks a significant 21% growth compared to the previous year's AUM of ₹3,864 Lakhs

Our annual disbursement to the segment decreased from ₹3,204 Lakhs to ₹2,255 Lakhs, reflecting a 30% decline in disbursement and our active loan accounts expanding to over 85 accounts, a 4% growth as compared to FY 2022-23

Portfolio AUM
₹4,692 Lakhs

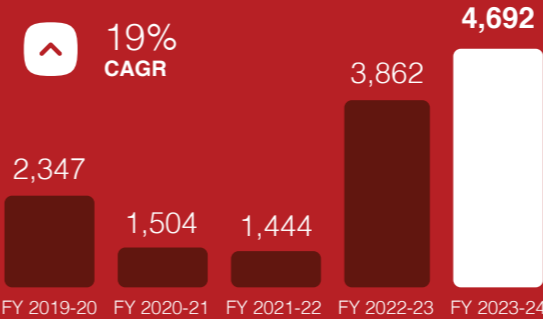
GNPA / NNPA
0.15% / 0.13%

Ticket Size Range
Upto ₹3 crores

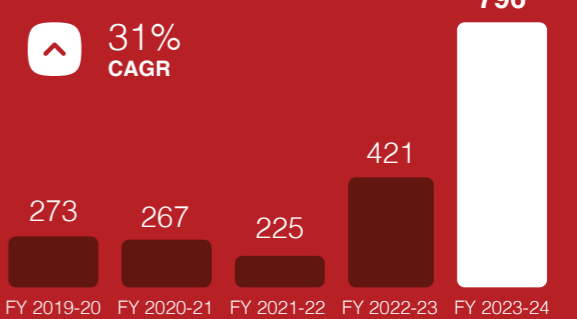
Average Ticket Size
Upto ₹35 Lakhs

Tenure
Upto 10 Years

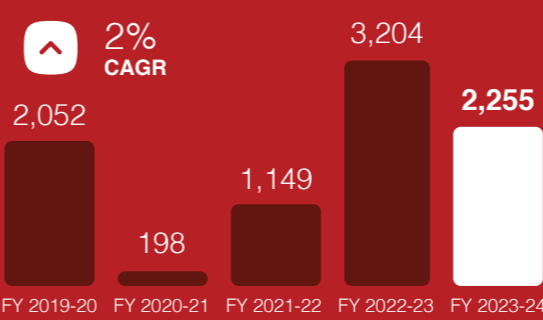
PORTFOLIO AUM



INCOME



DISBURSEMENTS



GNPA (%)



NNPA (%)



Note:
All numbers are rounded off to the nearest value
All numbers are in ₹Lakhs unless otherwise mentioned





Personal Loans

Business Overview

Personal Loans provide a practical solution for managing various financial needs, from medical expenses to home improvements. Offering flexibility in repayment and competitive interest rates, these loans are designed to support individuals without the need for collateral. The streamlined application process ensures that funds are available quickly, helping borrowers address urgent or planned financial requirements efficiently.

Key Features



Quick disbursement & minimal documentation



Attractive interest rates



No collateral



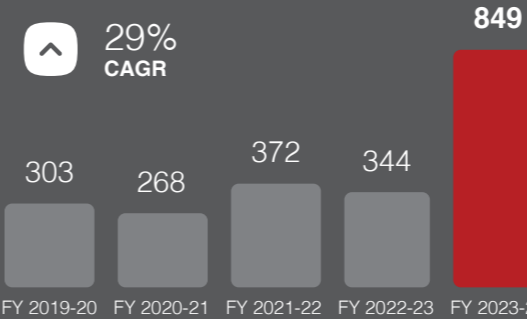
4%
Asset Book

Performance During the Year

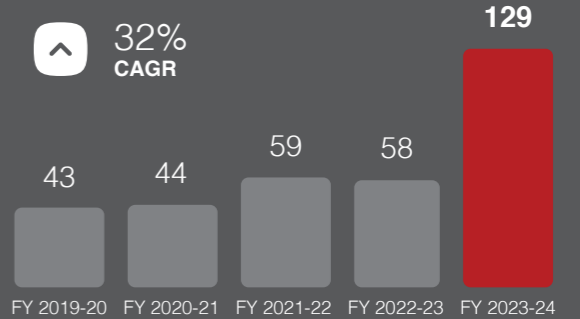
During the year under review, our business demonstrated robust performance, evidenced by a remarkable 147% growth in AUM, reaching ₹849 Lakhs compared to the previous fiscal year

Our annual disbursement to the segment increased from ₹906 Lakhs to ₹318 Lakhs, reflecting an 185% growth in disbursement and our active loan accounts expanding to over 185 accounts, a 62% growth as compared to FY 2022-23

PORTFOLIO AUM



INCOME



Portfolio AUM

₹849 Lakhs

GNPA / NNPA

0.02% / 0.01%

Ticket Size Range

upto ₹10 Lakhs

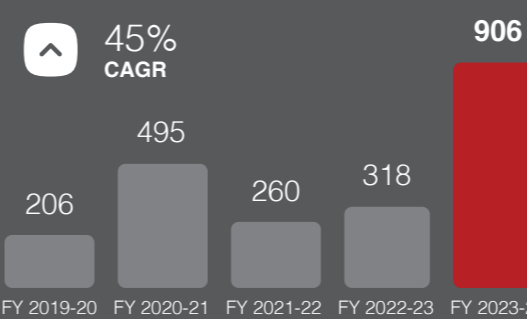
Average Ticket Size

Upto ₹4 Lakhs

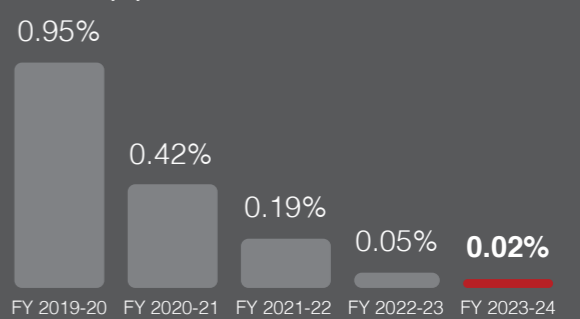
Tenure

Upto 3 Years

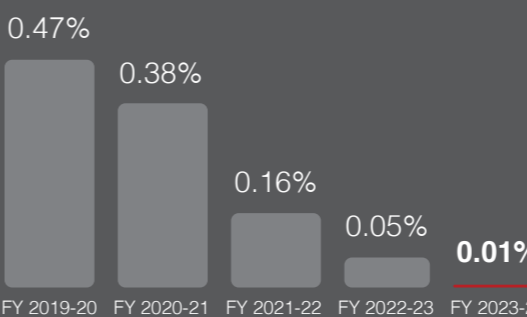
DISBURSEMENTS



GNPA (%)



NNPA (%)



Note:
All numbers are rounded off to the nearest value
All numbers are in ₹Lakhs unless otherwise mentioned





TECHNOLOGICAL INITIATIVE:

Leveraging Tech to Transform Customer Experience

The Mangal App is designed to revolutionize the loan application process by offering a seamless, user-friendly, and efficient platform that caters to the diverse financial needs of our customers. The primary objective is to enhance customer convenience, improve accessibility, and streamline the loan approval process, ensuring that financial support is just a few taps away.

The Mangal Fincorp app is a mobile application tailored for both new and existing customers, as well as channels of Mangal Credit and Fincorp Limited. This app allows users to easily enquire about and apply for SME Loans, Gold Loans and Loan Against Property (LAP). Additionally, it provides a unique feature for customers to verify the authenticity of Mangal officers during door-to-door Gold Loan application processing. Designed with user experience in mind, the app offers a convenient process, easy navigation, and simplicity of use.

KEY FEATURES:

Easy loan application process:

- Customers can effortlessly apply for various loan products, including gold loans, sme loans, business loans, loan against property, and personal loans
- The intuitive interface guides users step-by-step through the application, reducing the time and effort required to complete the process

Real-time application tracking:

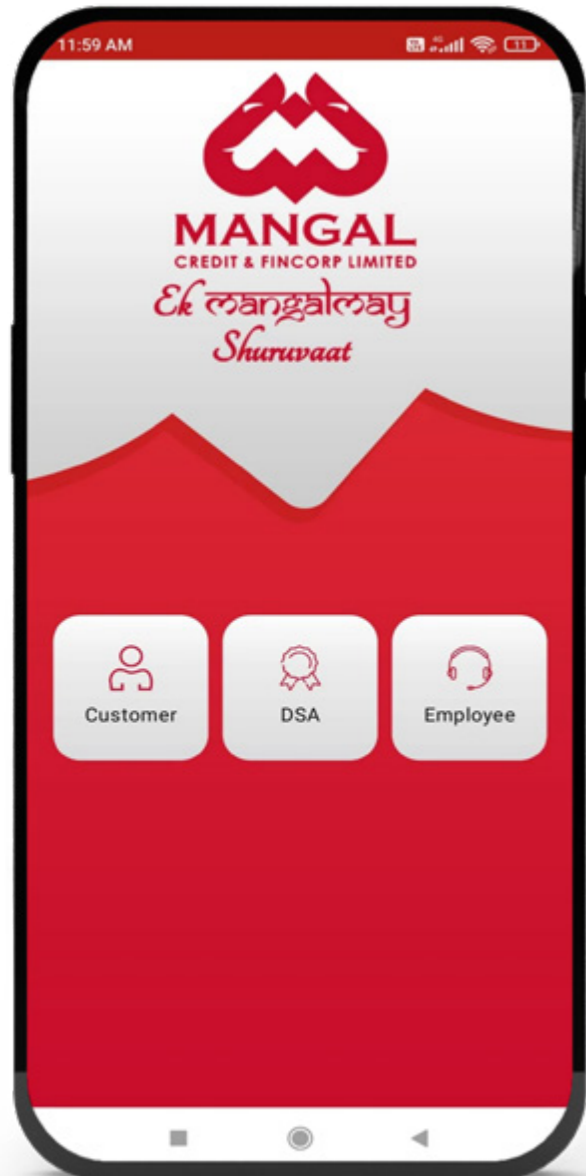
- Customers can track the status of their loan applications in real-time, receiving instant notifications on approval, disbursement, and any additional steps required
- Transparency is maintained throughout the process, keeping customers informed at every stage

Customer support integration:

- Users have access to 24/7 customer support through the app, including chat, call, and email options
- A dedicated faq section provides answers to common queries, enhancing user experience and reducing response times

Authenticity verification:

- During door-to-door Gold Loan application processing, the app helps customers verify the authenticity of Mangal officers, adding an extra layer of security and trust to the loan process



The Mangal App is a testament to Mangal Credit and Fincorp Limited's commitment to leveraging technology for customer-centric innovation. By providing a comprehensive, secure, and accessible platform, the app empowers customers to manage their financial needs efficiently, ensuring that Mangal Credit remains a trusted partner in their financial journey.





Visionary Leadership

Our Board of Directors at Mangal Credit and Fincorp Limited is a powerhouse of industry expertise and strategic foresight. Comprised of seasoned professionals, their leadership ensures robust governance, drives our growth, and helps us seize

opportunities in a dynamic financial landscape. Their commitment to transparency and excellence strengthens our position as a trusted financial partner, delivering consistent value to our stakeholders.

Shri Subramanyam Ganesh

Independent Director



Smt Vineeta Piyush Patel*

Independent Director



Shri Meghraj Sohanlal Jain

Chairman and Managing Director



Shri Hardik Jain*

Executive Director

Shri Ramanathan Annamalai

Independent Director



Shri Sriram Sankarnarayanan

Independent Director



Shri Nilesh Jain

Executive Director and Chief Financial Officer



Shri Sujan Sinha

Non-Executive Non-Independent Director

(Standing from left to right)



- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

C = Chairperson M = Member



Board Composition



Executive Directors

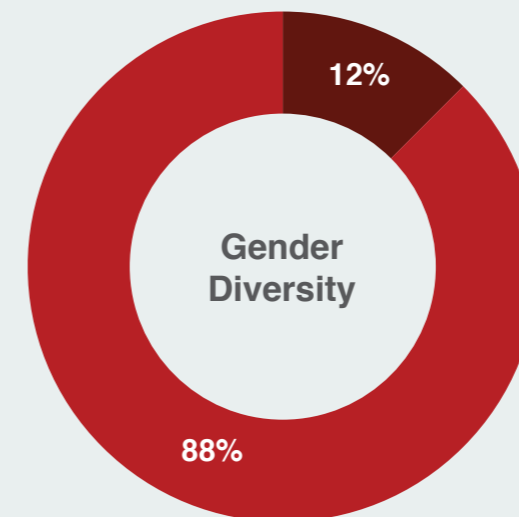


Independent Directors

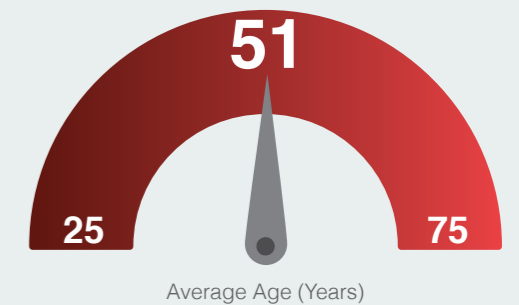


Non-Executive, Non-Independent Director

Board Demographics



- Female
- Male



*Appointed as director w.e.f. 10th January, 2024



CORPORATE SOCIAL RESPONSIBILITY:

Our Commitment to Positive Change

The Company is dedicated to creating a meaningful and enduring positive impact on society by supporting underprivileged, disadvantaged, and marginalized communities. Through its comprehensive Corporate Social Responsibility (CSR) policy, The Company undertakes various initiatives aimed at promoting sustainable livelihoods and nurturing a culture of human development.

₹19.31 Lakhs
Total CSR Spent

Understanding the significance of tackling the unique challenges experienced by various communities, The Company has identified crucial areas for improvement to boost overall living standards and foster a more equitable society. To successfully reach these objectives, The Company has established collaborations with reputable trusts and non-governmental organisations (NGOs) to finance and execute CSR initiatives. These initiatives include a variety of projects, such as healthcare and educational support programs.

Restoring and Expanding a Government School that offer classes up to 12th Grade

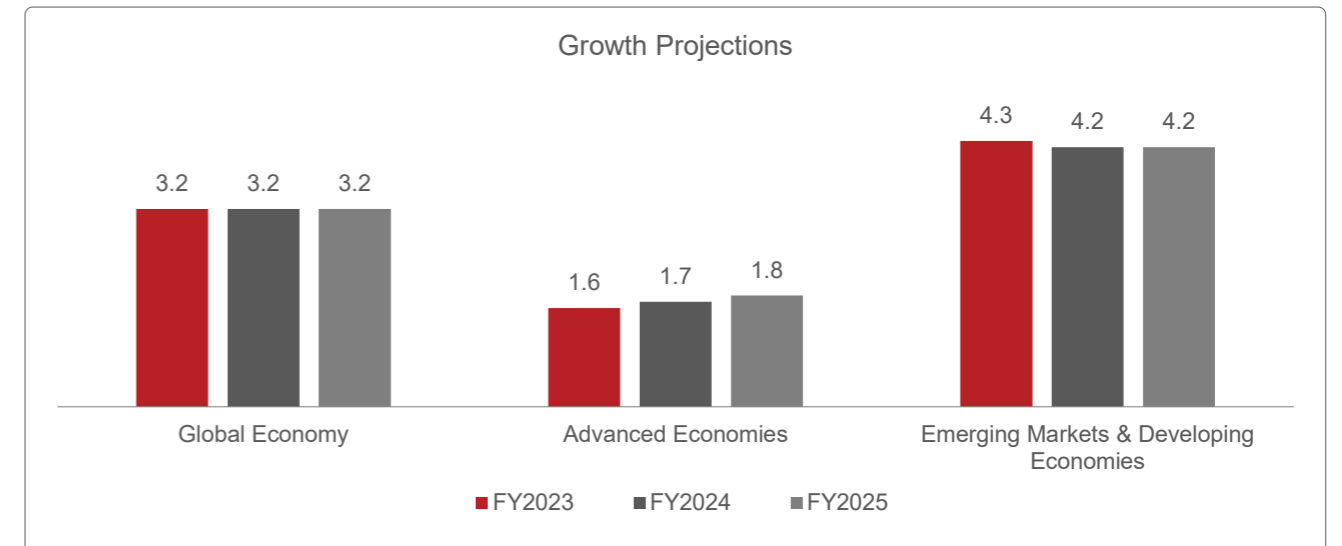
Management Discussion and Analysis

Global Economy

In FY 2023-24, the global economy demonstrated remarkable demand resilience despite tightening financial conditions, geopolitical tensions, and adverse weather patterns. Unexpectedly strong global growth, driven by robust performances in the US, emerging markets, and developing economies, bolstered the overall economic outlook. Expansionary fiscal policies in advanced economies, strong labor markets, rising incomes, and normalizing supply chains mitigated the impacts of geopolitical strife in the Middle East and the Russia-Ukraine conflict. However, the Euro area

continued to grapple with high energy prices and subdued consumer sentiment.

Central banks worldwide were compelled to implement restrictive interest rates to manage persistent inflation. This led to tighter credit conditions and higher borrowing costs, exerting pressure on commercial real estate in some regions. Prolonged high interest rates, supply chain disruptions, and price spikes are likely to maintain tight global financial conditions. Additionally, challenges in China's property sector and local government financing could dampen global growth prospects.



Source: International Monetary Fund (IMF), April 2024

Outlook

Despite ongoing challenges, inflation is gradually aligning with target levels across various regions, fueling expectations of eventual rate reductions. Central banks are focused on achieving a 'soft landing' by avoiding premature rate cuts while ensuring they don't delay adjustments unnecessarily. The International Monetary Fund (IMF) projects global growth at 3.2% for both 2024 and 2025, with inflation anticipated to decrease to 5.9% in 2024 (from 6.8% in 2023) and further to 4.5% in 2025. Nevertheless, potential commodity price spikes from geopolitical conflicts and issues in China's property sector could sustain tight monetary conditions and pose risks to growth forecasts. Overall, while the risk of a 'hard landing' diminishes as adverse supply shocks ease, the global economic outlook remains broadly balanced.

Bank of India (RBI) and IMF projections support high growth rates for India, underscoring a positive economic outlook. Strong GST collections, significant growth in the manufacturing and services sectors, and record stock market performance highlight India's resilience in navigating global challenges.

India's commitment to economic growth is evident in its substantial investment efforts, dedicating around 30% of GDP to development. Consistent GDP growth rates exceeding 7% reflect a proactive approach to fostering sustainable progress. As per RBI's survey, manufacturing sector capacity utilization stood above the long-term average at 74.7% for Q4 FY 2023, with prospects for sustained high levels as consumer and business sentiment improve.

A global slowdown led to a moderation in India's merchandise exports and imports, narrowing the merchandise trade deficit in FY 2024, with exports contracting less than imports. Services exports surged, particularly in software and business services, improving India's current account deficit to 1.2% of GDP in the first nine months of FY 2024, compared to the previous year.

Indian Economy

In FY 2023-24, India maintained a strong economic trajectory, bolstered by robust domestic and rural demand, substantial investments, and ongoing manufacturing growth. The Reserve



Statutory Reports

Retail inflation in FY 2024 significantly declined to its lowest point since the COVID-19 pandemic. With price pressures easing, the RBI's Monetary Policy Committee (MPC) maintained current policy rates, focusing on aligning inflation with its 4.0% target on a durable basis. Given geopolitical conflicts, potential adverse domestic weather shocks, and predictions of an above-normal monsoon by the IMD, the RBI projects CPI inflation for FY 2025 at 4.5%.

Domestic Macro Economic Scenario

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025E
Real GDP growth (%)	8.3	6.8	6.5	3.9	-5.8	9.7	7	7.6	7.2
CPI inflation (%)	4.5	3.6	3.4	4.8	6.2	5.5	6.7	5.1	4.5
WPI inflation (%)	1.7	2.9	4.3	1.7	1.3	13	9.4	0.4	3.5
Merchandise exports (% G&S)	5.2	10.3	9.1	-5	-7.5	44.8	6.3	-3.7	3.3
Merchandise imports (% G&S)	-1	19.5	10.3	-7.6	-16.6	55.3	16.6	-5.5	4.8
Current account balance (% of GDP)	-0.6	-1.8	-2.1	-0.9	0.9	-1.2	-2	-1	-1.2
Exchange rate (INR/\$ - avg.)	67.1	64.5	69.9	70.9	74.2	74.5	80.4	83	82.7
10-year yield (% - March-end)	6.7	7.3	7.5	6.9	6.3	6.8	7.3	7.1	6.8

Source: Department of Economic Affairs

Outlook

India's growth momentum remains robust, driven by an investment cycle upturn, a revival in manufacturing and services, government capital expenditure, positive business and consumer sentiments, and strong corporate and bank balance sheets. FY 2025 is expected to see GDP growth near 7.2%, supported by continued consumption and investment. Early indications of a normal or above-normal monsoon are likely to enhance agricultural income and temper inflation. Although improving consumer sentiment and a resurgence in corporate sector project announcements are promising for job creation, volatile food prices and geopolitical uncertainties may cloud the inflation outlook. The ongoing effects of monetary policy are helping to keep core inflation muted, but global financial market volatility and climate shocks remain key risks to growth and inflation projections.

Industry Overview

Indian Financial Services Industry

Introduction

India's financial services sector is currently witnessing rapid and robust expansion, driven by both the strong growth of established firms and the influx of new entities into the market. This diverse sector includes commercial banks, insurance companies, non-banking financial companies (NBFCs), fintech startups, co-operatives, housing finance firms, pension funds, mutual funds, and other smaller financial entities. The sector's growth is underpinned by the government's regulatory initiatives, technological innovations, and rising income levels, creating a favorable environment for both corporate and individual wealth growth.

Sector Composition and Evolution

The Indian financial sector is a vibrant ecosystem that offers a wide range of services to meet the diverse needs of its customers. The financial entities are adapting quickly to the evolving market dynamics:

- **Commercial Banks:** These continue to dominate the sector, holding over 64% of the total assets, reflecting their significant influence and reach in the industry.
- **Insurance Companies and Pension Funds:** With growing awareness of financial security and risk management, these entities are expanding their footprint across the country.
- **Non-Banking Financial Companies (NBFCs) and Co-operatives:** These play a crucial role in catering to the underserved and unbanked populations, thereby fostering financial inclusion.
- **Fintech Startups and Payment Banks:** These are leading the digital revolution, driving innovation in financial services through digital payments, lending platforms, and financial management tools.

Post-Pandemic Transformation

In the wake of the pandemic, the financial services industry underwent significant changes. The pandemic acted as a catalyst for digital transformation and disrupted traditional business models, compelling the sector to adapt to new customer behaviors. Customers now prefer to manage their finances digitally, with a notable shift towards online payments and digital banking services.

Growth Drivers

The financial services industry in India is on a trajectory of significant growth, driven by several key factors:

1. Rising Income Levels

The increasing disposable incomes across various segments, especially among the affluent youth, are generating higher demand for financial services. This includes a broad range of offerings from insurance to retail banking, presenting new growth opportunities.

2. Financial Inclusion

India's Financial Inclusion Index (FI-index) has shown remarkable improvement, rising to 60.1 in March 2023 from 56.4 in March 2022. This progress is primarily attributed to the enhanced "usage" and "quality" dimensions, indicating a deepening of financial inclusion and a reduction in the unbanked population.

3. Fintech Innovations

Massive investments, technological advancements, and growing internet penetration have fueled the fintech sector's growth. The adoption of the Unified Payments Interface (UPI)

and partnerships between fintechs, banks, and government entities have made financial services more accessible and efficient.

4. Financialization of Savings

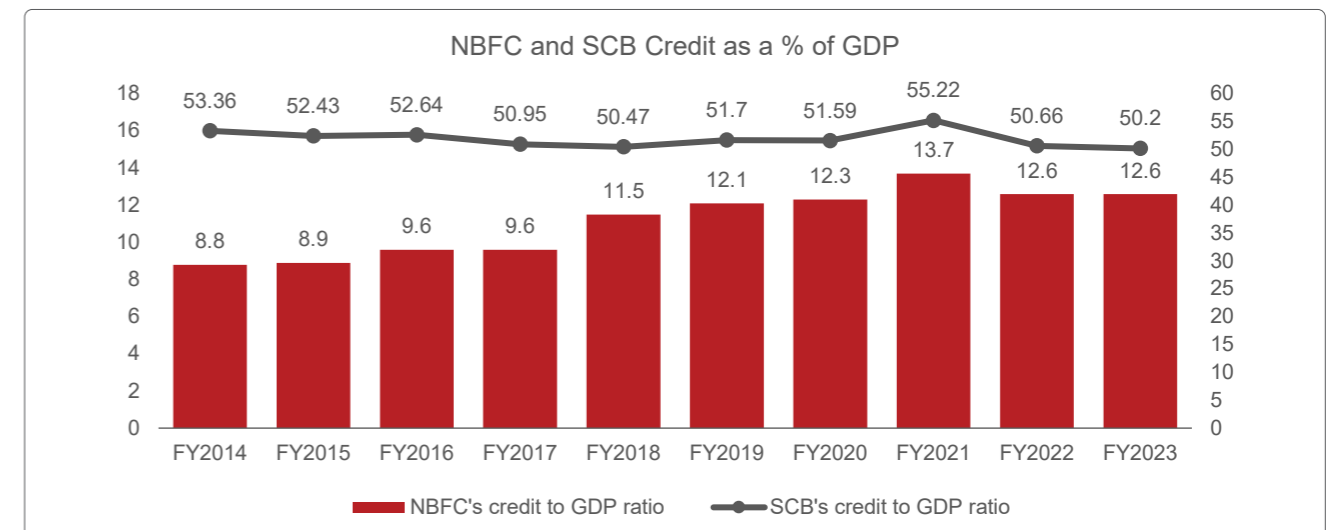
India's gross savings rate stands at 29% of GDP, translating to over \$1 trillion. The mutual fund industry, in particular, has witnessed significant growth, with a substantial increase in the number of Systematic Investment Plan (SIP) accounts, indicating a shift towards organized savings.

5. Government Initiatives

The government has implemented several initiatives to foster the growth of the financial sector. These include a revamped credit guarantee scheme, increased FDI limits in the insurance sector, and a substantial inflow into the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Such measures have improved access to collateral-free loans for MSMEs, thus bolstering their financial health.

Non-Banking Financial Companies (NBFC) Industry

The Non-Banking Financial Companies (NBFC) industry in India continues to play a pivotal role in the country's financial ecosystem by catering to the credit needs of underserved segments. With a contribution of 12.60% to India's gross domestic product (GDP), NBFCs have become a crucial component of the economic engine. The industry, currently valued at approximately US\$ 326 billion, has seen significant growth propelled by various factors such as housing finance, microfinance, consumer finance, and the increasing demand for credit from Micro, Small, and Medium Enterprises (MSMEs).



Source: Report on trend and progress of banking in India, RBI





Sector Composition and Evolution

NBFCs in India offer a wide array of financial services, which include loans and advances, acquisition of shares, leasing, hire-purchase, and insurance business, among others. They have become a vital source of capital for start-up companies and the trade and commerce industry. NBFCs also play a significant role in the financial inclusion of individuals and groups who are partially or completely excluded from traditional banking services. Operating in locations where banking services are unavailable, NBFCs provide the last-mile connection to the unorganized sector of society, thus aiding in fund mobilization and contributing significantly to the state exchequer.

Growth Drivers

The NBFC industry's growth is underpinned by multiple factors that have contributed to its expansion and success:

1. Burgeoning Middle Class and Financial Inclusion

The growing middle class and improved financial inclusion have significantly boosted the demand for NBFC services. According to a 2023 report by the Centre for Advanced Financial Research and Learning (CAFRAL), NBFCs and fintechs are the primary drivers of credit demand among the younger demographic, constituting 70% of lending to individuals below the age of 35. This indicates a strong potential for growth in the coming years.

2. Digital Transformation and Innovation

Leveraging widespread technology adoption and seamless integration with the fintech ecosystem, NBFCs have maintained healthy growth in disbursements across various product lines. The sector has embraced digitization, providing alternative financing options, especially to MSMEs, which often face challenges in obtaining loans from traditional banks. Product innovations by NBFCs have catered to the specific needs of different customer segments, thereby offering niche products.

3. Expansion of Credit Intermediation

NBFCs have emerged as crucial players in credit intermediation, providing last-mile credit delivery with the help of technology. They complement the banking system by supporting the growth of millions of MSMEs and independently employing people. Over the years, NBFCs have seen a rising credit-to-GDP ratio and a growing role in credit provisioning vis-à-vis scheduled commercial banks. The sector witnessed a strong increase in personal loans (32.5% growth) and lending to the agriculture industry (43.7% growth) between September 2022 and September 2023.

4. Leveraging Technology and Financial Inclusion

NBFCs have successfully leveraged technology to enhance their reach and provide tailored financial solutions to various segments of the population. By focusing on the unbanked and underserved, they have facilitated greater financial inclusion across different regions in India. Their vast geographical scope, understanding of diverse financial requirements, and extremely fast turnaround times have enabled them to cater to the diverse needs of borrowers efficiently.

Challenges and Opportunities

Despite the positive outlook, NBFCs face competition from banks and higher interest rates, which could impact their growth. Additionally, higher-than-expected interest rates and inflation are factors that will play a vital role in altering the dynamics of the industry. However, the sector's focus on higher-yield segments and the continued demand for credit from various industries present opportunities for sustained growth.

The NBFC industry in India is a critical driver of financial inclusion and economic growth. With its vast geographical scope, understanding of various financial requirements, and extremely fast turnaround times, NBFCs have emerged as a crucial source of finance for a large segment of the population, including SMEs and economically underserved individuals. As the industry continues to evolve, it is well-positioned to capitalize on the growing demand for credit and contribute to the country's overall economic development.

SME Finance

Introduction

The Micro, Small, and Medium Enterprises (MSME) sector is a vital component of India's socio-economic landscape. It significantly contributes to the country's Gross Domestic Product (GDP) and exports, while also offering substantial opportunities for entrepreneurship development, particularly in semi-urban and rural areas. With the sector's rising importance, there is a growing opportunity for financial institutions to expand their credit portfolios and support the growth of this dynamic sector.

Sectoral Significance and Impact

The MSME sector accounts for a significant portion of India's industrial production and employment. It is estimated that the sector currently contributes to about 33% of India's GDP and employs nearly 45% of the total workforce, creating approximately 120 million jobs across various industries. Small companies alone account for 40% of the nation's overall industrial production and 42% of all Indian exports. This underscores the sector's crucial role in driving economic growth and development.

Growth Drivers

The growth of the MSME sector in India is propelled by several key factors:

1. Rising Demand and Improved Credit Performance

The increasing demand for goods and services, coupled with improved credit performance, presents a favorable environment for lenders to expand their MSME credit portfolios. The number of MSMEs in the country is expected to grow from 6.3 crore to approximately 7.5 crore in the coming years, with a projected Compound Annual Growth Rate (CAGR) of 2.5%. This growth is largely driven by the sector's ability to adapt to changing market dynamics and leverage opportunities for expansion.

2. Role of Non-Banking Financial Companies (NBFCs)

While traditional banks have focused on MSME lending through models such as co-lending, NBFCs have emerged as key players in providing custom-fit financing solutions. These solutions are particularly advantageous for MSMEs with unique needs, as NBFCs have been able to grow their MSME loans over three times faster than traditional banks. By leveraging digitization and innovative financial products, NBFCs offer term loans, working capital loans, cash credit, and equipment financing tailored to the specific needs of MSMEs.

3. Government Initiatives and Policy Support

The Indian government has introduced several initiatives and policies to support the growth of the MSME sector. Notable among these is the digitization of MSME loans, which has enabled end-to-end digital processing of loans and improved accessibility to credit for MSMEs. Additionally, the Emergency Credit Line Guarantee Scheme (ECLGS) has provided collateral-free resources, facilitating easier access to credit for MSME units. The scheme has been instrumental in supporting MSMEs during challenging times and fostering their growth.

4. Lean Manufacturing and Cluster Development

To enhance the competitiveness of MSMEs, the government has launched the Lean Manufacturing Competitiveness Scheme. This initiative aims to assist MSMEs in reducing their manufacturing costs through better personnel management, efficient space utilization, and scientific inventory management. Furthermore, the Micro and Small Enterprises Cluster Development Programme (MSE-CDP) addresses challenges related to information technology, skills, and market access, providing MSMEs with the necessary infrastructure and support for sustainable growth.

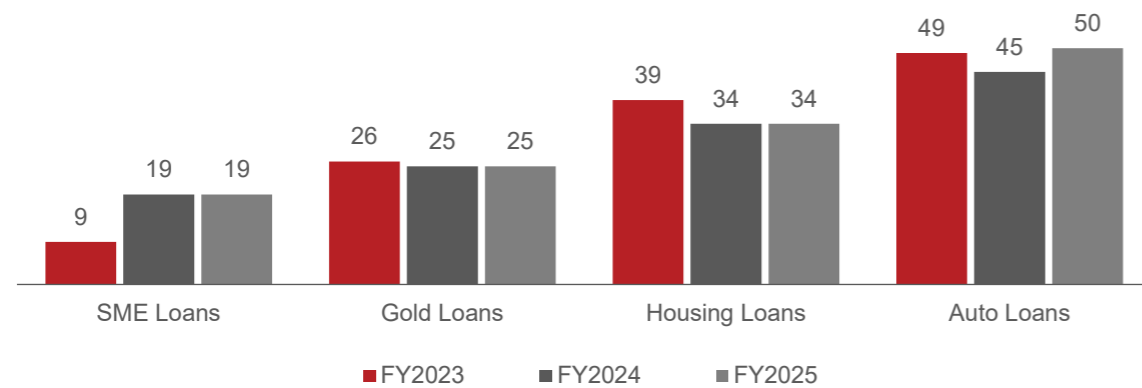
Opportunities and Challenges

As the MSME sector continues to evolve, it presents both opportunities and challenges for stakeholders. On one hand, the sector's growth potential and ability to drive economic development offer significant opportunities for financial institutions, investors, and entrepreneurs. On the other hand, challenges such as access to credit, technological adoption, and market competition need to be addressed to ensure the sector's sustained growth and development.

Conclusion

The MSME sector in India is a key driver of socio-economic development, contributing significantly to the country's GDP, exports, and employment. With the government's continued support and the sector's ability to adapt and innovate, the MSME industry is well-positioned to capitalize on emerging opportunities and overcome challenges. As the sector continues to grow, it will play an increasingly important role in shaping India's economic landscape and driving inclusive growth.

Market share of NBFCs in overall credit across select asset classes (%)



Source: RBI





Gold Loan

Introduction

Amidst global market and currency volatility, gold continues to uphold its position as a reliable financial instrument. Renowned for its cultural significance and historical reverence for gold, India stands as one of the largest global consumers, holding an estimated 27,000 metric tonnes of gold—approximately 14% of the world's total gold reserves, as per the Reserve Bank of India. The Indian gold loan market, valued at USD 55.52 billion in 2022, is experiencing robust growth, projected to expand at a Compound Annual Growth Rate (CAGR) of 12.22% to reach USD 124.45 billion by 2029. This growth reflects the increasing demand for gold loans among individuals and Micro, Small, and Medium Enterprises (MSMEs).

Sector Dynamics and Market Composition

1. Organized and Unorganized Sectors

The gold loan market in India is bifurcated into the organized and unorganized segments. The organized segment, comprising public banks, private banks, small finance banks, cooperative banks, non-banking financial companies (NBFCs), and Nidhi companies, accounts for 37% of the market. It provides borrowers with a formal, structured credit solution that ensures a more transparent and efficient borrowing process. Conversely, the unorganized segment, dominated by local moneylenders and pawnbrokers, makes up 63% of the market and primarily operates in rural and semi-urban areas, often lacking regulatory oversight, thereby posing risks to borrowers due to potential exploitation and exorbitant interest rates.

2. Role of NBFCs and Banks

Despite facing fierce competition from banks, NBFCs specializing in gold loans have maintained a resilient market share, accounting for over 60% of the organized gold loan market. Their success is attributed to several factors:

- **Customer Retention and Accessibility:** NBFCs have shown remarkable capability in retaining customers by focusing on small and mid-sized loans and expanding their branch networks, particularly in rural geographies. This expansion enhances their reach and accessibility, enabling them to cater to a broader customer base.
- **Product and Service Innovation:** NBFCs have strategically adapted to sustain growth by enhancing process efficiency, expanding branch networks, and adopting digital platforms. They offer relatively small-ticket-sized loans with flexible interest rates and quick turnaround times, making them attractive to borrowers seeking immediate financial solutions.
- **Strategic Partnerships and Technology Adoption:** Several NBFCs have partnered with FinTech companies to enhance customer acquisition, generate more cross-selling opportunities, and digitize the gold loan process. This collaboration has enabled NBFCs to address challenges

such as fraud prevention, assessing gold purity, and effectively targeting the right customers.

- **Banks' Strategic Focus:** Banks have shifted their focus towards gold loans, particularly non-agricultural gold loans for personal use, in ticket sizes of ₹3 lakh and above. This strategic shift is driven by the increased risk weightage for unsecured loans, prompting banks to reduce their capital allocation towards unsecured lending and pivot towards secured lending options like gold loans.

Growth Drivers and Opportunities

The gold loan industry in India is poised for sustained growth, driven by several key factors:

1. Cultural Significance and Household Reserves

The cultural significance of gold in India has resulted in a vast reserve of gold in Indian households, estimated at over 27,000 tonnes, with 5,300 tonnes pledged as loan collateral. This cultural affinity towards gold provides a strong foundation for the gold loan market, as individuals and MSMEs continue to leverage gold assets to fulfill immediate financial needs.

2. Government Initiatives and Policy Support

The Indian government has initiated measures to mobilize gold held by households and institutions through the Revamped Gold Monetization Scheme (R-GMS). This scheme encourages individuals to deposit their gold in return for interest payments, thereby increasing the availability of gold for lending purposes.

3. Economic Conditions and Gold Prices

The growth of the gold loan industry is significantly impacted by fluctuations in gold prices. Domestic gold prices surged to all-time highs, reaching ₹66,529 per 10 grams in March 2024. While the soaring prices may dampen consumer sentiment and suppress gold demand, they are anticipated to encourage increased investment in gold-linked financial products as investors seek to capitalize on market dynamics.

Challenges and Regulatory Landscape

1. Regulatory Scrutiny and Compliance Costs

The Reserve Bank of India (RBI) has increased scrutiny of NBFCs, banks, and FinTechs operating in the gold loan sector. While this development aims to improve governance and mitigate exuberant lending practices, it may also escalate operational costs for industry players due to higher compliance requirements. The heightened scrutiny is expected to give banks a competitive advantage in the market, as they exhibit a remarkable growth rate in their gold loan portfolios.

2. Competition and Market Dynamics

The growing competition in the gold loan market has been further intensified by FinTech companies redirecting their focus towards secured loans, such as gold loans, following the RBI's decision to raise risk weights on unsecured loans. Consequently, several FinTech firms have diversified their product portfolios to include gold loans, thereby increasing the competitive landscape. This competition has led to a

moderation in the growth trajectory of banks' gold loan portfolios, as evidenced by the decline in the year-on-year growth rate from 26% in June 2023 to 15% in February 2024.

Conclusion and Outlook

The gold loan market in India is set for further growth, driven by the sustained increase in per-gram gold rates and customer demand. As the industry continues to evolve, there is ample room for growth for both banks and NBFCs. While banks are expected to increase their market share by leveraging their established infrastructure and customer base, NBFCs will continue to play a significant role, offering additional services such as quick turnaround times for disbursement and doorstep services. The gold loan industry's growth trajectory will be influenced by regulatory developments, economic conditions, and the ability of industry players to adapt to changing market dynamics. Overall, the gold loan market remains a vital component of India's financial ecosystem, contributing to financial inclusion and providing a valuable source of credit for individuals and MSMEs.

Personal Loan

Introduction

The personal loan market in India has witnessed a significant surge, playing a pivotal role in driving the country's consumer credit growth. With the easing of pandemic restrictions and a robust economic rebound, personal loans have emerged as a major component of bank credit portfolios, making up about one-third of the total credit extended by banks. This trend is expected to continue, bolstered by various factors including technological advancements, the expansion of financial services, and evolving consumer credit behaviors.

Market Dynamics and Key Drivers

1. Surge in Personal Loan Disbursements

The personal loan segment has seen a notable increase in disbursements, reaching ₹16.5 lakh crore in September 2024. The segment experienced a robust 32% growth in the second quarter of 2024, with an additional surge of 10% in loan counts during the same period. This significant growth is attributed to the increasing reliance on personal loans for diverse needs such as medical emergencies, education expenses, home renovations, and discretionary spending.

2. Contribution to Overall Bank Credit

Personal loans have become a substantial part of the bank credit portfolio, accounting for approximately 30% of the total credit extended by banks in India. This highlights the growing significance of personal loans in the overall banking sector, reflecting changing consumer preferences and the increasing propensity to borrow for personal needs.

3. Technological Advancements and Digital Lending

The rise of digital lending platforms has played a crucial role in driving the growth of personal loans. Banks and

Non-Banking Financial Companies (NBFCs) have adopted advanced technologies such as artificial intelligence, machine learning, and data analytics to streamline the loan approval process, enhance customer experience, and mitigate risks. The integration of these technologies has enabled lenders to offer instant loan approvals and disbursements, making personal loans more accessible and convenient for borrowers.

4. Changing Consumer Credit Behavior

The changing consumer credit behavior, particularly among millennials and Gen Z, has contributed to the growth of the personal loan market. With increasing financial literacy and awareness, consumers are more inclined to leverage credit for various needs, shifting away from traditional borrowing patterns. This shift is further supported by the availability of competitive interest rates, flexible repayment options, and customized loan products tailored to meet individual requirements.

Challenges and Regulatory Landscape

1. Rising Debt Levels and Credit Risk

The rapid growth of the personal loan segment has raised concerns about rising debt levels and credit risk in the banking sector. The increase in unsecured lending, coupled with the growing reliance on digital platforms for loan approvals, poses challenges in assessing the creditworthiness of borrowers. To address these concerns, regulatory authorities have implemented measures to enhance risk management practices and ensure responsible lending.

2. Regulatory Measures and Compliance

The Reserve Bank of India (RBI) has introduced various regulatory measures to ensure the stability and integrity of the personal loan market. These measures include stricter compliance requirements, enhanced credit risk assessment protocols, and periodic monitoring of loan portfolios. The regulatory focus on maintaining transparency and accountability in the lending process aims to protect the interests of borrowers and promote sustainable growth in the personal loan segment.

Opportunities and Future Outlook

1. Expansion of Customer Base

The personal loan market in India presents significant opportunities for expansion, driven by the untapped potential in rural and semi-urban areas. The expansion of financial services and the integration of digital technologies are expected to facilitate greater access to credit for underserved segments of the population, thereby contributing to financial inclusion and economic growth.

2. Innovation in Product Offerings

Lenders are increasingly focusing on innovation in product offerings to cater to the evolving needs of consumers. The introduction of innovative loan products, such as instant loans, buy-now-pay-later (BNPL) options, and customized repayment plans, is expected to drive the growth of the personal loan market. These innovative solutions aim to enhance customer



satisfaction and loyalty, thereby strengthening the position of lenders in the competitive market.

3. Collaboration with FinTech Companies

Collaboration between traditional lenders and FinTech companies is expected to play a pivotal role in shaping the future of the personal loan market. By leveraging the technological expertise and customer-centric approach of FinTech firms, banks and NBFCs can enhance their service offerings, improve operational efficiency, and expand their market reach. This collaboration is poised to drive innovation and foster a more inclusive and dynamic financial ecosystem.

Conclusion

The personal loan industry in India is set for continued growth, driven by favorable economic conditions, technological advancements, and changing consumer credit behaviors. As lenders adapt to the evolving market dynamics and regulatory landscape, the personal loan segment is expected to play a crucial role in supporting consumer spending and economic development. With a focus on innovation, customer-centricity, and responsible lending, the personal loan industry is poised to unlock new opportunities and drive sustainable growth in the years ahead.

Loan Against Property

Introduction

The Loan Against Property (LAP) segment has emerged as a significant component of the Indian mortgage market, offering a versatile financing solution for individuals and businesses. Despite the challenges posed by elevated interest rates and inflationary pressures, the LAP segment has shown resilience and robust growth, supported by favorable economic conditions and strategic shifts in consumer preferences.

Market Dynamics and Key Drivers

1. Size and Growth of the Industry

The Loan Against Property segment stands at approximately ₹10 lakh crore, reflecting its substantial contribution to the overall mortgage market, which currently amounts to ₹44 lakh crore. Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs) hold a 46% market share in the LAP segment. Within the broader context of the mortgage market, NBFCs have shown impressive growth, with the overall NBFC market reaching ₹22 lakh crore. This growth underscores the significant role of NBFCs in the LAP sector, with a projected expansion of the NBFC LAP portfolio by 21-23% in FY25, driven by favorable economic conditions and increased business activities.

2. Strategic Shift in Customer Mix

The LAP segment has seen a strategic shift in its customer mix, focusing more on self-employed non-professionals (SENP) rather than the traditionally dominant salaried segment. This shift has led to better yields and enabled lenders to diversify

their customer base, thereby reducing risks associated with dependence on a single customer segment. The strategic realignment towards SENP customers is expected to continue, further propelling the growth of the LAP segment.

3. Increased Demand for Small-Ticket Loans

A key trend driving the LAP market is the increasing demand for small-ticket loans, particularly among micro, small, and medium enterprises (MSMEs). The Economic Times article highlights the opportunity in this segment, with NBFCs spotting a big opportunity in the small-ticket LAP market. This demand is fueled by the need for working capital and business expansion, especially in the MSME sector, which is a key driver of economic growth in India. The LAP segment is becoming a preferred financing solution for businesses seeking to leverage their existing property assets to access capital for expansion and other financial needs.

4. Capitalizing on Market Stability and Strategic Initiatives

Lenders have capitalized on the stability of the mortgage market to achieve impressive growth in disbursements and loan book size. For instance, a leading lender reported a remarkable year-on-year growth of 59% in disbursements, reaching a milestone of ₹7,500 crore in Home Loans and LAP. The loan book also saw substantial growth of 38%, reaching ₹18,443 crore. This impressive performance was achieved through concerted efforts towards sourcing through direct and employee ecosystems, as well as the development of dedicated teams for Approved Project Finance (APF) and Developer channels.

Challenges and Regulatory Landscape

1. Elevated Interest Rates and Inflationary Pressures

Despite the resilience and growth of the LAP segment, the industry continues to face challenges posed by elevated interest rates and inflationary pressures. These macroeconomic factors have the potential to impact borrowing costs and consumer affordability, necessitating cautious risk management practices and prudent lending policies.

2. Regulatory Measures and Compliance

The Reserve Bank of India (RBI) and other regulatory authorities have implemented measures to ensure the stability and integrity of the LAP market. These measures include enhanced credit risk assessment protocols, stricter compliance requirements, and periodic monitoring of loan portfolios. The regulatory focus on maintaining transparency and accountability in the lending process aims to protect the interests of borrowers and promote sustainable growth in the LAP segment.

Opportunities and Future Outlook

1. Expansion of the Market

The LAP market in India presents significant opportunities for expansion, driven by the untapped potential in rural and semi-urban areas. The expansion of financial services and the integration of digital technologies are expected to facilitate

greater access to credit for underserved segments of the population, thereby contributing to financial inclusion and economic growth.

2. Innovation in Product Offerings

Lenders are increasingly focusing on innovation in product offerings to cater to the evolving needs of consumers. The introduction of innovative loan products, such as customized repayment plans, top-up loans, and flexible tenure options, is expected to drive the growth of the LAP market. These innovative solutions aim to enhance customer satisfaction and loyalty, thereby strengthening the position of lenders in the competitive market.

3. Collaboration with FinTech Companies

Collaboration between traditional lenders and FinTech companies is expected to play a pivotal role in shaping the future of the LAP market. By leveraging the technological expertise and customer-centric approach of FinTech firms, banks, and NBFCs can enhance their service offerings, improve operational efficiency, and expand their market reach. This collaboration is poised to drive innovation and foster a more inclusive and dynamic financial ecosystem.

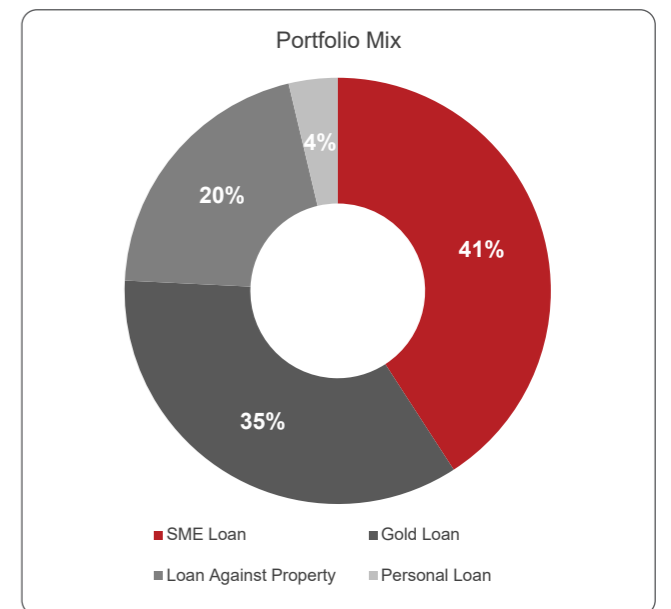
Conclusion

The Loan Against Property (LAP) industry in India is set for continued growth, driven by favorable economic conditions, strategic shifts in customer preferences, and technological advancements. As lenders adapt to the evolving market dynamics and regulatory landscape, the LAP segment is expected to play a crucial role in supporting business expansion and consumer financing needs. With a focus on innovation, customer-centricity, and responsible lending, the LAP industry is poised to unlock new opportunities and drive sustainable growth in the years ahead.

Company Overview

Mangal Credit and Fincorp Limited (MCFL) is an emerging trusted non-banking financial company based out of Mumbai, Maharashtra. In less than a decade of its presence, MCFL has emerged as a trusted partner of prosperity among its growing customer base.

Over the years the company evolved from Wholesale to Retail book and is now focused on MSME loan, Gold loan, Loan against property and Personal loan. It provides tailored credit services as per the consumer needs observing the credit demand pattern in the market. The Company maintains and follows the thumb rule of customer satisfaction that includes transparent & fair experience, providing high-quality services, customer-driven approach and high focus on collaborative growth.



SME Loans:

The company specializes in lending to MSE and SME sector including small businesses. The company has expanded its operations from one state to three states i.e., Maharashtra, Gujarat and West Bengal which are among the top ten MSME states in India and account for 31% of Registered MSMEs. AUM for this segment stood at around 9,340 Lakhs in FY 2023-24, which accounts for 41% of total AUM of the company. Further the company's collection efficiency in this segment remains robust which is reflected in the overall delinquency numbers of the company.

Gold Loan

During the short span of 4 years the gold loan portfolio has grown more than 4x. The Company is among very few companies who are able to offer Gold Loan through all available channels including Loan at Home Model, Digitally, and via Branches. The total Gold loan AUM as on 31st March 2024 was 7,989 Lakhs. The company is expected to grow its Gold loan portfolio rapidly in next couple of years to its multi-channel presence and increase in branch presence.

Loan Against Property

The company has expanded its footprints to 4 states via 21 branches and is targeting Tier 2 and 3 markets in these states to increase its LAP portfolio. The company presence in major MSME market with focus to extend credit to MSME and small businesses in Tier 2 and 3 markets should naturally help it to grow its LAP portfolio as borrower in these markets are unorganized, unstructured and with deficient papers are unable to raise money without collateral further offering property as security help borrowers to get better rate and longer tenure. Under this channel the company offers loans customized loans as per borrower requirement with flexible terms and easy repayment options at attractive rate of interest. The total portfolio outstanding under LAP stood at 4,692 Lakhs as on FY 2023-24. Further company collection efficiency in this segment remains robust which is reflected in the overall delinquency numbers of the company.



Personal Loan

The Company is extending personal loan to various sets of customers including self-employed person, professionals and salaried people on attractive terms. The company has strong policies and collection in place for Personal Loans which is reflected in its portfolio quality. The total Portfolio outstanding under personal loan segment is 849 Lakhs as on 31st March 2024. The company has started providing mobile application based personal loans under its digitalization initiative limiting human intervention.

Developments During the Year

Trusted Partner

The Company has strengthened its position as a trusted partner among its customers, reflecting the growing confidence in its services and products.

Geographical Presence

The Company has strategically expanded its geographical footprint, currently operating across four states: Maharashtra, Gujarat and West Bengal, with a network of 21 branches as of June 2024. In line with its growth strategy, MCFL plans to further expand its presence both in existing regions and across new locations, aiming for a PAN-India footprint and with focus on Tier 2 and Tier 3 cities.

Financial Performance

The year witnessed a significant improvement in the scale of operations while maintaining strong asset quality and profitability. The Asset Liability Management (ALM) position remains positive, underscoring the Company's prudent financial management.

Asset Quality: MCFL reported a Gross Non-Performing Asset (GNPA) ratio of 1.31% and a Net Non-Performing Asset (NNPA) ratio of 0.75% for FY24, demonstrating robust risk management practices.

Growth in Assets Under Management (AUM): As of March 2024, the AUM reached ₹228.70 crores, exceeding the estimated ₹225 crores and reflecting a remarkable growth of 41.99% compared to ₹160.43 crores as of March 2023.

Revenue and Profitability: The Company's topline grew by 55.46%, from ₹21.40 crores in FY23 to ₹33.27 crores in FY24, while Profit After Tax (PAT) increased by 33.38%, reaching ₹10.55 crores.

Capital Position

MCFL maintains a healthy Capital to Risk-Weighted Assets Ratio (CRAR), surpassing industry standards. With a strong capital base, the net worth stands at ₹127.35 crores as of March 2024. During FY24, the promoters infused an additional ₹7 crores, with plans to inject another ₹13 crores in the coming financial years. This infusion reinforces the Company's capital adequacy and supports future growth.

Diversified Lenders

The Company's funding profile remains robust, with a diversified mix of Public Sector Banks, Private Banks, and Non-Banking Financial Companies (NBFCs). MCFL has established and maintained strong relationships with leading financial institutions, including State Bank of India, ICICI Bank, Indian Overseas Bank, Federal Bank, City Union Bank, South Indian Bank, and Catholic Syrian Bank. Notably, the Company has also onboarded Chola Investment & Finance Ltd., a reputed NBFC, as part of its lender base.

Challenges During the Year

Technology Integration

MCFL faced significant challenges related to the integration of new technologies into its operations. As the financial services landscape evolves rapidly, the Company recognized the need to adopt advanced technologies to remain competitive and improve service delivery. However, the process of integrating these new systems was met with complexities, including aligning them with existing legacy systems, ensuring data integrity, and training employees to effectively utilize these tools. The Company remains committed to overcoming these hurdles to fully harness the potential of technological advancements.

Overall Cost of Credit within the Industry

The financial year saw fluctuations in the overall cost of credit within the industry, which posed a challenge for MCFL. Rising interest rates and tightening liquidity conditions impacted the borrowing costs, putting pressure on margins. The Company had to navigate these challenges carefully, balancing the need to maintain competitive pricing for its products while safeguarding profitability. Managing the cost of credit in such a volatile environment required prudent financial strategies and constant monitoring of market conditions.

Transitioning from Traditional Systems to API/Digital-Based Operations

MCFL is in the midst of a critical transition from traditional, manual systems to more advanced API and digital-based operations. This shift is essential for enhancing operational efficiency, improving customer experience, and staying ahead in an increasingly digital world. However, the transition process has not been without its challenges. The Company had to manage disruptions in workflow, address technical glitches, and ensure that all stakeholders, including employees and customers, adapted to the new digital environment. Despite these challenges, MCFL remains focused on completing this transition smoothly and reaping the long-term benefits of a more digitalized operation.

Financial Analysis

Particulars (₹ in Lakhs)	2024	2023*
Total Revenue	3,327	2,140
Interest Income	3,215	1,996
Interest Expense	950	458
Total Operating Expenditure	800	517
Profit Before Tax	1,433	1,078
Net profit after tax before OCI	1,055	791
Total PAT Inclusive OCI & Exceptional Item	936	699
EPS (In ₹)	5.45	4.10
Networth	12,735	11,194
Cash and Cash Equivalents	631	1,131
AUM	22,870	16,043
CRAR	47.23%	57.93%
Debt to Equity	1.07X	0.77X
Interest Income to Average Loan assets	16.72%	15.24%
Total Operating Expenditure to Average AUM	4.11%	3.88%
ROA	5.48%	6.04%
GNPA	1.31%	1.29%
NNPA	0.75%	0.74%
Provision Coverage Ratio (PCR)	80.13%	80.07%

*Previous year figures are reclassified

- Total Revenue increased to ₹3,327.49 Lakhs in FY 2023-24 from ₹2,139.98 Lakhs in FY 2022-23
- Interest Income from operations increased to ₹3,215.28 Lakhs in FY 2023-24 from ₹1,996.49 Lakhs in FY 2022-23
- Profit after tax (PAT) before OCI increased to ₹1,054.59 Lakhs in FY 2023-24 compared to ₹791.35 Lakhs in FY 2022-23
- Loan assets under management (AUM) increased by 43 % y-o-y to ₹2,2870 Lakhs in FY 2023-24 compared to ₹1,6043 Lakhs in FY 2022-23
- Net Interest Income (NII) increased by 45% to ₹2,370 Lakhs in FY 2023-24 compared to ₹1,635 Lakhs in FY 2022-23
- GNPA increased to 1.31% in FY 2023-24 as compared to 1.29 % in FY 2022-23
- NNPA is increased to 0.75 % in FY 2023-24 as compared to 0.74% in FY 2022-23

Risk Management

As a Non-Banking Financial Company (NBFC), MCFL is committed to maintaining a robust risk management framework that proactively addresses the significant risks inherent to our operations, ensuring resilience in a rapidly evolving environment. Our approach is centered on consistently

managing risks while striving to achieve an optimal balance between risk and return for both the organization and its shareholders.

MCFL faces risks related to credit, liquidity, operations, and market dynamics, including interest rate fluctuations. We are continuously investing in talent, processes, and cutting-edge technologies to enhance our risk management capabilities. Our ongoing efforts to fortify our risk framework have led to sustained stability in our risk metrics and financial health over the years

Credit Risk

MCFL operates under a rigorous governance framework, ensuring that risk strategies are approved by the Board of Directors and its committees, with clear delegation of credit authorities. Through robust underwriting practices and continuous risk monitoring, we maintain our portfolios within acceptable risk thresholds. To fortify our credit risk management, the company has invested in specialized resources, including a dedicated credit underwriting team, a fraud control unit, and advanced data analytics capabilities.

Liquidity Risk

MCFL effectively manages liquidity risk through a Board-approved Liquidity Risk Management Policy, fully aligned with RBI guidelines. This policy, along with operational parameters, is regularly reviewed by the Asset and Liability Management Committee (ALCO) to prevent material imbalances or excessive concentrations on either side of the balance sheet.

The Company follows a prudent approach to liquidity management, ensuring the availability of sufficient liquidity buffers to navigate potential mismatches, even in stressed market conditions.

Operational Risk

Operational risk arises from inadequate or failed internal processes, systems, human factors, or external events. As a lending company, MCFL inherently faces operational risk. Our objective is to manage operational risk at a level that is appropriate given the nature of our business, the markets we operate in, and the regulatory environment.

To address these risks, the Company has established well-defined procedures and loan approval processes. Internal controls are reinforced through the maker-checker principle, joint custody arrangements, exception monitoring, and the clear separation of roles and responsibilities. Additionally, a comprehensive system of internal controls is in place, including transaction monitoring guidelines, necessary backup procedures, and contingency planning, all aimed at mitigating operational risk.

For information technology risks, the Company has implemented a set of IT and security-related guidelines to ensure robust governance and secure information security practices.

Market Risk

Market risk arises from fluctuations in market variables such as interest rates, foreign exchange rates, and equity prices,





which impact the fair value of financial instruments and their future cash flows. The Company adheres to a prudent investment policy designed to effectively manage market risk within its investment portfolio. The Company carefully adjusts the duration of its investment portfolio to balance the dual objectives of maintaining liquidity and minimizing adverse changes in fair value.

Interest Rate Risk

The Company is exposed to interest rate risk primarily because it extends loans to clients at predetermined rates and for durations that may differ from those of its financing sources, which can have both fixed and variable interest rates. Interest rates are influenced by a variety of external factors, including inflation, RBI monetary policies, the liberalization of India's financial sector, and regional and global economic and political conditions.

To manage and mitigate interest rate risk, the Company carefully evaluates and balances its assets and liabilities. The Asset Liability Management Committee (ALCO) oversees the implementation of the Company's interest rate policy, liquidity risk management policy and Asset Liability Management (ALM) Policy. Interest rate sensitivity is assessed using duration gap analysis to understand the impact of interest rate fluctuations on the balance sheet. This analysis is performed monthly, with sensitivity of the market value of equity to varying interest rate changes regularly reviewed and monitored.

Portfolio Quality and Delinquency

The Company has implemented a rigorous risk management framework encompassing risk identification, assessment, treatment, monitoring, and reporting. This comprehensive approach has significantly reduced delinquencies.

The Company achieved a GNPA (Gross Non-Performing Assets) ratio of 1.31% in the current year against 1.29% in FY 2022-23, and a remarkable reduction in Net NPA from 0.75% in FY 2023-24 to 0.74% in FY 2022-23, reflecting the effectiveness of its strong risk management practices. Moving forward, MCFL is committed to further enhancing its portfolio monitoring, database management, and information reporting capabilities.

Human Resources

People are our key pillars of strength. This belief was further strengthened as our people showed tremendous resilience and extraordinary commitment during the pandemic times to bring the Company back to its core performance. The company has adopted people practices that enable us to attract and retain talent in an increasingly competitive market; and to foster a work culture that is always committed to providing the best opportunities to employees to realize their potential. The company is committed as an equal opportunity employer. The company works on concept of 'Do More Earn More' and rewards people for their performance and contribution — which are anchored on metricized work

deliverables and directly reflected in their earning potential.

MCFL has a strong orientation to learning and development. All employees, from a new joiner to a tenured one, are provided tailored learning opportunities as per their role, level, and specific focus area. In line with its business transformation strategy, the Company has made significant changes to its employee policies and practices. Performance Management is the most critical tool in the Company to drive performance and productivity & accordingly given utmost importance. This is the most important part of HR, where a manager gives his team members feedback, evaluates their work, and compensates them appropriately. Goal setting, self-assessment, managerial evaluation and review, and overall assessment with feedback are all parts of the annual performance management process. Along with its growth strategy, the Company is developing an effective human resource strategy to assist it in managing its growth.

Internal Control System and its Adequacy

The Company has adopted policies and procedures for the governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations. The internal control system is supported by an internal audit process for reviewing the design, adequacy, and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company.

Fulfilment of the RBI'S Norms and Standards

The company thrive hard to comply with various applicable RBI norms. The company is governed by Master Circular no RBI/DNBR/2016-17/44 Master Direction DNBR. PD.007/03.10.119/2016-17 dated September 1, 2016 and modified/amended from time to time. Further RBI has recently issued various circular important among them are Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated 22 October 2021 was issued by the RBI, which has given an implementation timeline of up to October 2022. Subject to some clarifications and detailed guidelines to be issued by the RBI, MCFL is confident of implementing these regulations on or before timeline; Prompt Corrective Action (PCA) Framework for NBFCs issued on 14 December 2021 – basis analysis of financial position and performance of the company and as per the PCA framework issued by the RBI, MCFL doesn't fall into any risk threshold category.

MCFL's key regulatory ratios compared to the minimum requirements of the RBI are provided

Key Regulators Ratios	Actual as on March 31,2023	As per RBI Stipulation
CRAR-Tier 1	47.23%	15%
CRAR-Overall	47.23%	15%
Leverage Ratio	1.07	7
ALM (Cumulative)		
1-7 Days	1196%	(10%)
8-14 Days	863%	(10%)
15-30 Days	310%	(20%)

Cautionary Statement

Some forward-looking statements in this Management Discussion and Analysis Report may be based on various assumptions about the company's current and future business strategies as well as the environment in which it operates. Due to risk and uncertainties, actual results could significantly or materially differ from those that were indicated or inferred. These risks and uncertainties include the impact of domestic and international political and economic circumstances, the volatility of interest rates and the stock market, new rules and government initiatives that could have an impact on the Company's businesses, and the capability to carry out its business strategies. The Company does not have any obligation to amend these statements; the information provided here is current as of the date indicated. Even though the accuracy or completeness cannot be guaranteed, the Company has gathered all market data and other information from sources it believes to be dependable or from its own internal estimations.





BOARD'S REPORT

Dear Shareholders,

The Board of Directors of Mangal Credit and Fincorp Limited ("the Company") have great pleasure in presenting the 62nd Annual Report along with the Audited Financial Statements for the Financial Year ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS

The key highlights of the audited financial statements of your Company for the financial year ended 31st March, 2024 and comparison with the previous financial year ended 31st March, 2023 are summarised below;

Particulars	₹ in Lakhs except EPS)	
	As at 31 st March, 2024	As at 31 st March, 2023
Total Revenue	3327.49	2139.98
Total expenditure	1894.99	1062.14
Profit before Tax and Exceptional items	1432.50	1077.84
Exceptional items	-	-
Profit Before Tax	1432.50	1077.84
Less: Provision for Taxation		
- Current tax	396.00	295.98
- Deferred tax asset	(20.23)	(15.19)
- Short provision for tax relating to prior years	2.14	5.70
Profit after tax	1054.59	791.35
Appropriations:		
- Transfer to Reserve Fund under Section 45-IC of the RBI Act, 1934	210.92	158.27
- Dividend	96.57	96.57
Earnings per share (Face Value ₹ 10/- each)		
- Basic	5.45	4.10
- Diluted	5.45	4.10

2. REVIEW OF OPERATIONS

- Total Revenue increased to ₹ 3327.49 Lakhs in FY 2023-24 from ₹ 2139.98 Lakhs in FY 2022-23.
- Interest Income from operations increased to ₹ 3215.28 Lakhs in FY 2023-24 from ₹ 1996.49 Lakhs in FY 2022-23.
- Profit after tax (PAT) before OCI increased to ₹ 1054.59 Lakhs in FY 2023-24 compared to ₹ 791.35 Lakhs in FY 2022-23.
- Loan assets under management (AUM) increased by 43 % y-o-y to ₹ 22870 Lakhs in FY 2023-24 compared to ₹ 16043 Lakhs in FY 2022-23.
- Net Interest Income (NII) increased by 45% to ₹ 2370 Lakhs in FY 2023-24 compared to ₹ 1635 Lakhs in FY 2022-23.
- GNPA increased to 1.31% in FY 2023-24 as compared to 1.29 % in FY 2022-23.

- NNPA is increased to 0.75 % in FY 2023-24 as compared to 0.74% in FY 2022-23.

3. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any subsidiary(ies), joint venture(s)/associate company(ies) within the meaning of Section 2(6) and 2(87) of the Companies Act, 2013 ("the Act") as at the end of the financial year 2023-24.

4. DIVIDEND

The Board of Directors of the Company have at their meeting held on 7th May, 2024, recommended final dividend @ 6% on equity shares i.e. ₹ 0.6/- per equity share of the face value of ₹ 10/- each for the financial year 2023-24. The dividend payment is subject to approval of members at the ensuing Annual General Meeting.

The dividend would be paid to all the equity shareholders, whose names would appear in the Register of Members / list of Beneficial Owners on the Record date fixed for this purpose.

Pursuant to the provisions of the Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April, 2020 and accordingly the Company would be required to deduct tax at source ("TDS") from such dividend at the prescribed rates under the Income Tax Act, 1961. All the required details regarding TDS on dividend are forming part of the Notice of 62nd AGM which forms part of this Annual Report.

As your Company is not falling under 1000 top listed entities, Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") is not applicable to the Company.

5. TRANSFER TO STATUTORY RESERVES

Pursuant to the requirement of Section 45-IC of the Reserve Bank of India Act, 1934, an amount of ₹ 210.92 Lakhs (previous year ended 31st March, 2023 was ₹ 158.27 Lakhs) was transferred to statutory reserve fund.

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly, an amount representing 20% of Net Profit for the period is transferred to the statutory reserve fund for the year.

6. CHANGES IN SHARE CAPITAL

During the year, your Company has allotted 2,50,000 Equity shares on Preferential Basis to Mr. Hardik Jain, Promoter and Executive director of the Company.

Post allotment of the aforesaid equity shares, the total issued, subscribed and paid-up share capital of the Company as of 31st March, 2024, stood at ₹ 19,56,39,860 /- comprising 1,95,63,986 equity shares of ₹ 10/- each. The new equity shares issued shall rank pari-passu with the existing equity shares of the Company in all respects.

7. PREFERENTIAL ALLOTMENT

During the year, your Company has allotted 15,50,000 Convertible Equity Warrants ("warrants") along with 2,50,000 Equity shares ("shares") on Preferential basis to Mr. Hardik Jain, Promoter and Executive Director of the Company, at the price of ₹ 110/- per warrant (including premium of ₹ 100/- per warrant).

The Company received upfront payment of 25% of warrants allotted at the time of subscription, from the said allottee. As per terms of issue of warrants, the

warrant holder shall deposit the balance 75% for conversion of warrants into equity shares while exercising right to subscribe.

The Company has also received the trading approval from BSE Limited on 12th April, 2024 for the said shares allotted. The proceeds of the preferential allotment have been utilised by the Company for object stated in the offer letter and explanatory statement forming part of the Notice of Extraordinary General Meeting held on 15th February, 2024.

8. RECLASSIFICATION OF PROMOTER INTO PUBLIC CATEGORY

During the year under review, your Company had received a request from Shree Jaisal Electronics and Industries Limited under Regulation 31A of the SEBI Listing Regulations for Reclassification of Promoter Shareholders to Public Shareholders. Accordingly, the Company received an approval on 10th November, 2023 from BSE Limited for the said reclassification and the same was implemented forthwith.

9. BORROWINGS AND REPAYMENT OF TERM LOANS

Your company being a Non-Banking Financial Company is required to raise funds for its business requirements. During the year under review, your Company has raised fresh secured term loans, Working Capital Demand Loans, Inter Corporate Loans of ₹ 63.11 Crore from banks for an average tenor of 6 to 36 Months.

As far as repayment of term loan and inter corporate loans are concerned, your Company has repaid ₹ 17.23 Crore, 12.61% of total outstanding term loans as of 31st March, 2024.

10. REDEMPTION OF DEBENTURES

During the year under review, your Company has redeemed, 95 Nos. Senior, Secured, Unlisted, Redeemable, Non-Convertible Debentures each having a face value of ₹ 5,00,000/- (bearing ISIN INE545L07028), on 23rd February, 2024, and also undertook premature redemption of 45 Nos. Senior, Secured, Unlisted, Redeemable, Non-Convertible Debentures each having a face value of ₹ 5,00,000/- (bearing ISIN INE545L07010) on 20th March, 2024, which were maturing on 23rd February, 2025.

11. CAPITAL ADEQUACY RATIO

Your Company's Capital Adequacy Ratio, as of 31st March, 2024, stood at 47.23 % (Tier I Capital to Risk Weighted Assets Ratio), which is well above the regulatory requirement of 15% as prescribed by the RBI for NBFCs.

**12. PUBLIC DEPOSITS**

Being a non-deposit taking Non-Banking Finance Company, your Company has not accepted any deposits from the public within the meaning of the provisions of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.

13. CREDIT RATING

Your Company's financial discipline and prudence are reflected in the strong credit rating ascribed by CRISIL Ratings Limited. CRISIL Ratings has assigned a CRISIL BBB/Stable (pronounced as CRISIL triple B rating with stable outlook) as stated below:

Rating Action	Date	Amount	Rating
Bank Loan Facilities	3 rd July, 2024	200 Crore (enhanced from ₹ 75 Crore)	CRISIL BBB/Stable
NCDs	3 rd July, 2024	18 Crore (Reaffirmed)	CRISIL BBB/Stable

14. CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business of the Company.

15. REPORT ON CORPORATE GOVERNANCE

Your company complies with the provisions laid down in Corporate Governance laws. It believes in and practices good corporate governance. The Company maintains transparency and also enhances corporate accountability. In terms of Regulation 34 of the SEBI Listing Regulations read with Schedule V, Corporate Governance Report for the year under review, including disclosures are annexed herewith as **Annexure A** to this Board's Report.

A certificate from M/s. Vijay S. Tiwari & Associates, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as prescribed under the SEBI Listing Regulations is annexed to the Corporate Governance Report.

16. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND POLICY ON DIRECTOR FAMILIARIZATION**Policy on Appointment and Remuneration of Directors**

On the recommendation of Nomination and Remuneration Committee (NRC), the Board has framed a Remuneration Policy. This policy, inter alia, provides;

- The criteria for determining qualifications, positive attributes and independence of directors; and
- Policy on remuneration of directors, key managerial personnel and other employees.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent; and that will be determined by considering short and long-term performance objectives appropriate to the working of the Company and its goals.

The Remuneration Policy of the Company is available on the Company's website under the web link <https://mangalfincorp.com/investorZone.aspx>

Familiarization programme for Independent Directors

In compliance with the requirement of Regulation 25 of the SEBI Listing Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors as well as Non-Executive Directors to familiarise them about the Company's operations and their roles, rights, responsibilities in the Company.

On a quarterly basis detailed presentations are made by Senior Management to provide an overview of the operations, various products offered by the company, financial performance fund raising strategy, various risks/challenges faced during the quarter, changes in IT infrastructure landscape etc. as part of the Board meetings. The suggestions received from Directors are noted for implementation.

The details of the Familiarisation Programme along with the number of hours spent by each of the Independent Directors during the Financial Year 2023-24 is explained in the Corporate Governance Report. The same is also available on the website of the Company under the web link <https://mangalfincorp.com/investorZone.aspx>

17. DIRECTORSHIP AND KEY MANAGERIAL PERSONNEL (KMP)

The Board of your Company comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparations. In terms of requirement of the SEBI Listing Regulations the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's businesses for effective functioning, which are detailed in the Corporate Governance Report.

As on 31st March 2024, the Board of Directors of your Company comprises 8 (Eight) Directors of which 1 (One) is Non-Executive Non Independent Director, 4 (Four) are Non-Executive Independent Directors and 3 (Three) are Executive Directors. The Chairman is an Executive Director. The Board composition is in compliance with the requirements of the Act, the SEBI Listing Regulations and the circulars / directions / notifications issued by the RBI ("RBI Directions"). Detailed composition of the Board of Directors has been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

Consequently, the Board underwent the following changes:

Changes in Directorship

All appointments of Directors are made in accordance with the relevant provisions of the Act, SEBI Listing Regulations, the RBI Directions and other laws, rules, guidelines as may be applicable to the Company. The Nomination & Remuneration Committee ("NRC") exercises due diligence *inter-alia* to ascertain the 'fit and proper' person status of person proposed to be appointed on the Board of Directors of the Company, and if deemed fit, recommends their candidature to the Board of Directors for consideration.

During the year under review,

- Ms. Nirupama Charuhas Khandke (DIN: 01605060) ceased to be Independent Director with effect from 27th December, 2023.
- Mr. Hardik Meghraj Jain (DIN: 07871480) was appointed as an Executive Director of the Company with effect from 10th January, 2024 and same was regularised by the members of the Company by passing special resolution at the Extra Ordinary General meeting held on 15th February, 2024.

- Ms. Vineeta Piyush Patel (DIN: 07151087) was appointed as an Independent Director of the Company with effect from 10th January, 2024 and same was regularised by the members of the Company by passing special resolution at the Extra Ordinary General meeting held on 15th February, 2024.

Retirement by Rotation of the Directors

In accordance with the provision of Section 152(6) of the Act, Mr. Nilesh Jain (DIN: 08788781) designated as Executive Director and Chief Financial Officer of the Company and Mr. Sujan Sinha (DIN- 02033322) Non- Executive Non Independent Director of the Company shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommends the same for the approval of the shareholders.

The necessary resolutions for reappointment of Mr. Nilesh Jain and Mr. Sujan Sinha form part of the Notice convening the Annual General Meeting. The profile and particulars of experience that qualify Mr. Nilesh Jain and Mr. Sujan Sinha for Board membership, are disclosed in the Notice convening ensuing Annual General Meeting.

Changes in Key Managerial Personnel

During the year, Mr. Manish Rathi ceased to be Chief Executive Officer of the Company with effect from 30th September, 2023.

Further, Mr. Chirag Parmar was appointed as Company Secretary and Compliance Officer of the Company with effect from 7th November, 2023, in place of Ms. Bhavika Mehta who resigned as Company Secretary and Compliance Officer of the Company with effect from 30th September, 2023.

18. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the declarations from all the Independent Directors as per the Section 149(7) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") vide its Notification dated 22nd October, 2019, regarding the requirement relating to enrolment in the data bank created by MCA for Independent Directors, had been received from all Independent Directors.

**19. DIRECTOR(S) DISCLOSURES**

Based on the declarations and confirmations received in terms of the provisions of the Act, the SEBI Listing Regulations and the RBI Directions none of the Directors on the Board of your Company are disqualified from being appointed as Directors.

A certificate from M/s. Vijay S. Tiwari & Associates, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Director on the Board of the Company by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such statutory authority forms part of the Corporate Governance Report which is annexed to and forms an integral part of this Directors' Report.

20. CODE OF CONDUCT

Your Company has formulated a code of conduct for Board of Directors and Senior Managerial Personnel. The Declaration duly signed by the Managing Director and Chairman is given under Corporate Governance Report as a separate section in this Annual Report. The Code of Conduct for Board of Directors and Senior Management Personnel is also posted on the website of the Company and can be access at <https://mangalfincorp.com/investorZone.aspx>.

21. BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company's business policy and strategy apart from other Board businesses. The Board exhibits strong operational oversight with regular presentations in quarterly meetings. The Board meetings are pre-scheduled well in advance to help them plan their schedule and ensure meaningful participation in the meetings. Only in case of special and urgent business, if the need arises, the Board's approval is taken by passing resolutions through circulation as permitted by law.

The agenda for the Board meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision. The Board of Directors of the Company met 7 (Seven) times during the financial year 2023-24. The details of the Board meetings and the attendance of the Directors are given in Corporate Governance Report, which forms part of this Annual Report.

The maximum interval between any two meetings did not exceed 120 days.

22. COMMITTEES OF THE BOARD

The Board of Directors, in compliance with the requirements of various laws applicable to the

Company and for operational convenience, has constituted several committees of the Board to deal with specific matters and has delegated powers for different functional areas to different committees.

The Board of Directors has constituted mandatory and non-mandatory committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Internal Complaints Committee(s), Asset Liability Management Committee / Risk Management Committee, Investment Committee, Corporate Social Responsibility Committee and Loans and Advance Committee.

Details of all the statutory committees such as composition, terms of reference, number of meeting(s) held and attended by respective member(s) have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Annual Report.

23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of Section 134 of the Act, and to the best of our knowledge and belief and according to the information and explanations obtained by us, the Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the 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 as at 31st March, 2024 and of the profit of the Company for that year;
- the directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis;
- 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; and
- the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

24. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, as required in terms of Regulation 34 of the SEBI Listing Regulations forms part of this Annual Report.

25. ANNUAL EVALUATION BY BOARD OF DIRECTORS

In terms of the requirement of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, during the separate meeting of Independent Directors, the performance of the Non-Independent Directors including the Chairman and the Board, was evaluated as a collective entity.

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees, and Individual Directors pursuant to the provisions of the Act and the SEBI Listing Regulations. The statement indicating the manner in which the annual evaluation has been carried out pursuant to SEBI Listing Regulations and the Act is given in the Corporate Governance Report, which forms integral part of this Annual Report.

Based on inputs received from the members, it emerged that the overall performance evaluation of the Board, composition, and quality, understanding the business including risks, process and procedures, oversight of financial reporting process including internal controls and audit functions, ethics, compliances and monitoring activities, have been found to be reasonable good.

26. ANNUAL RETURN

Pursuant to Sections 92 and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the Annual Return is available at the website of the Company at <https://mangalfincorp.com/investorZone.aspx>

27. INTERNAL AUDITOR AND INTERNAL AUDIT REPORT

Your Company has in place sophisticated internal control structures proportionate to the size, scope and complexity of operations of the Company. During the year, M/s. VAY & Associates, resigned as Internal Auditor of the Company with effect from 1st February, 2024, due to pre-occupation in other assignments and in order to fill such casual vacancy of Internal Auditor, M/s. Anand R. Chandak & Company, Chartered Accountant were appointed as an Internal auditor of the company with effect from 2nd February, 2024.

Internal audits are conducted on a regular basis to review and ensure that responsibilities are duly

carried out efficiently. It provides an independent view to the Board of Directors, the Audit Committee and the senior management on the quality and impact of Internal Controls, Internal Control systems and processes. Internal auditor monitors and assesses the effectiveness and adequacy of our Company's internal control mechanisms.

The Board and Audit Committee periodically reviews the Internal Audit Reports and the adequacy and effectiveness of the internal controls. Significant audit observations, corrective and preventive actions thereon are presented to the Board and Committee on a quarterly basis.

In compliance of the Discretionary Requirements stipulated under Regulation 27 (1) read with Part E of Schedule II of the SEBI Listing Regulations, Internal Auditor reports directly to the Audit Committee before submitting to the Board of Directors.

28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale, nature and complexity of its operations and regulatory requirements. A comprehensive review of the internal financial controls of the Company was undertaken during the year which covered testing of Process, IT and Entity level controls including review of key business processes for updating Risk Control, Matrices, etc.

Moreover, the Company continuously upgrades its systems and undertakes review of policies, guidelines, manuals, and authority matrix. The internal financial control is supplemented by extensive internal audits, regular reviews by the Management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements, its reporting and other data. The Audit Committee of the Board reviews internal audit reports given along with management responses. The Audit Committee also monitors the implemented suggestions. The Company has, in all material respects, adequate internal financial control over financial reporting and such controls are operating effectively.

29. STATUTORY AUDITORS & THEIR REPORT

During the 61st Annual General Meeting of the Company, M/s. Bhagwagar Dalal & Doshi, Chartered Accountants, (FRN: 128093W) have been appointed as the Statutory Auditors of the Company for a period of 5 (Five) years to hold office from the conclusion of 61st Annual General Meeting till the conclusion of 66th Annual General Meeting of the Company on the remuneration to be determined by the Board of



Directors. The Statutory Auditors have not been disqualified in any manner from continuing as Statutory Auditors.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer.

30. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Vijay S. Tiwari & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the FY 2023-24.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, SEBI Listing Regulations and Guidelines and that the report does not contain any qualification. The Secretarial Audit Report along with Annual Secretarial Compliance Report obtained under Regulation 24A of the SEBI Listing Regulations for the financial year ended 31st March, 2024 are annexed herewith as **Annexure B and Annexure C** respectively.

31. COST AUDITORS

As your company is registered under the provisions of Reserve Bank of India Act, 1934 as Non-Banking Financial Company, maintenance of cost records and requirement of cost audit stipulated under the provisions of Section 148(1) of the Act are not applicable in respect of the business activities carried out by the Company.

32. SECRETARIAL STANDARDS

During the year under review, your Company has duly complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

33. RBI DIRECTIONS AND GUIDANCE

The Company continues to comply with all the applicable regulations/guidelines/directions prescribed by the Reserve Bank of India ("RBI"), from time to time.

34. AUCTIONS CONDUCTED

In terms of the requirements stipulated under the Master Direction – Reserve Bank of India (Non-

Banking Financial Company – Scale Based Regulation) Directions, 2023, particulars about the gold loans auction conducted during the financial year for the pledged gold ornaments which have not been redeemed within the tenure of the loan as specified under the terms and conditions of the respective loan accounts, are as follows;

Particulars	31 st March, 2024	31 st March, 2023
Number of gold loan accounts	114	19
Outstanding Amounts (in lakhs)	₹ 260.91	₹ 16.02
Value fetched (in lakhs)	₹ 264.60	₹ 16.50
whether any of its sister concerns participated in the auction	-	-

35. RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee under RBI Scale based Regulations to frame, implement and monitor the risk management plan of the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Committee considers the risks that impact the mid-term to the long-term objectives of the business, including those reputational in nature. The Audit Committee has additional oversight in the area of financial risks and controls. The Risk Management Policy is available on the website of the Company at <https://mangalfincorp.com/investorZone.aspx>

36. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company being an NBFC registered with the RBI and engaged in the business of giving loans in the ordinary course of its business, is exempt from complying with the provisions of section 186 of the Act with respect to loans. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been made in this Board's Report.

Particulars of loans and investments outstanding during the financial year are furnished in notes to the financial statements of the Company.

37. RELATED PARTY TRANSACTIONS

In terms of the provisions of the Act, SEBI Listing Regulations and the directions issued by RBI, from time to time, your company has in place "Related Party Transactions Policy" and same can be access on the Company's website at its weblink i.e. <https://mangalfincorp.com/investorZone.aspx>

During the financial year, all the related party transactions were entered at arm's length basis and in the ordinary course of business, the particulars of such transactions are disclosed in the notes to the financial statements. There were no material significant related party transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict of interest with the Company at large.

All the related party transactions are presented to the Audit Committee for prior approval. A statement of all related party transactions is presented before Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

During the year under review, your Company had not entered into any related party transactions covered within the purview of Section 188(1) of the Act, and accordingly, the requirement of disclosure of related party transactions in terms of Section 134(3)(h) of the Act in Form AOC – 2 is not applicable to the Company.

38. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, have been occurred, affecting the financial position of the Company subsequent to the close of the FY 2023-24 till the date of this report.

39. DISCLOSURE AS PER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under section 197(12) of the Act read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure D** to this Report.

40. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Your Company being an NBFC and engaged in the financial services activities, its operations are not energy intensive, nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company.

41. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, your Company did not have any foreign exchange earnings and foreign currency expenditure.

42. WHISTLE BLOWER POLICY / VIGIL MECHANISM

In terms of Section 177(9) and Section 177(10) of the Act and the SEBI Listing Regulations, the Board of Directors have adopted a Whistle Blower Policy/Vigil Mechanism *inter alia* to provide formal mechanism to the Directors and employees of the Company to report their concerns to the Audit Committee of the Company and provide adequate safeguards against victimization of Director(s) or employee(s) who report genuine concerns under the mechanism.

Details of the Whistle Blower Policy/Vigil Mechanism have been provided in the Corporate Governance Report and is available on the website of the Company at <https://mangalfincorp.com/investorZone.aspx>.

43. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a 'Policy for prevention of Sexual Harassment at workplace' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules thereunder ("POSH Act"). The Company has complied with the provisions relating to the constitution of the Internal Committee under the POSH Act. During the year under review, no case of sexual harassment was reported to the Internal Committee ("IC"). The composition of IC is in accordance with POSH Act.

The Company is committed to provide conducive environment in which all individuals are treated with respect and dignity and promote a gender sensitive and safe work environment.

44. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure of Unpublished Price Sensitive Information with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company has also taken software containing structural digital database for maintaining names of persons with whom unpublished price sensitive information is shared. The software contains details of information shared and the names of such persons with whom information is shared under this regulation along with the Permanent Account Number.

The Code requires pre-clearance for dealing in the Company's securities and prohibits the purchase or



sale of Company securities by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. The Code is available on the website of the company at <https://mangalfincorp.com/investorZone.aspx>

45. EMPLOYEE STOCK OPTION PLANS (ESOPs)

During the financial year 2023-24, your Company has not offered any Employee Stock Options scheme to Employees. Hence, the disclosures with respect to ESOPs under the relevant provisions of the Act and SEBI Listing regulations are not applicable to the Company.

46. CORPORATE SOCIAL RESPONSIBILITY POLICY

In light of your Company's philosophy of being a responsible corporate citizen, the Board of Directors adopted a 'CSR Policy' lays down the principles and mechanism for undertaking various projects / programs as part of Company's CSR activities. In terms of the CSR Policy, Company's CSR activities are focused in the fields of education, women empowerment, environment, sanitation & water, healthcare and humanitarian relief.

Details of the composition of the CSR Committee and the CSR Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report. The Policy is available on Company's Website at <https://mangalfincorp.com/investorZone.aspx>.

Disclosures in terms of Section 134(3) (o) and Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, with respect to CSR activities undertaken by the Company during the year under review have been provided at **Annexure E** to this Board's Report.

47. DETAILS AND STATUS OF ACQUISITION, MERGER & MODERNIZATION & DIVERSIFICATION

During the financial year 2023-24 no Acquisition, Merger, Modernization and Diversification have taken place in your Company.

48. INVESTORS EDUCATION AND PROTECTION FUND

During the year under review, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

49. FRAUD REPORTING

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to

the Audit Committee 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 the Board's Report.

50. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review there were no significant material orders passed by the Regulators/Courts/Tribunals against the Company which would impact the going concern status or its future operations.

51. HUMAN RESOURCES

Your Company firmly believes that employees are its greatest asset and foundation of our operations is human capital. The focus of the Human Resources (HR) strategy is to enable the growth of the Company through talent fulfilment for growth areas, capability building in emerging technologies and building internal talent pipeline. Your Company strives to create a conducive environment for growth and development of our employees. Training & Development initiatives are being taken for employees from time to time.

52. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As your Company is not falling under 1000 top listed entities, a Business Responsibility and Sustainability Report on the Environmental, Social and Governance is not applicable to the Company in accordance with the provisions of Regulation 34 of the SEBI Listing Regulations.

53. OTHER STATUTORY DISCLOSURES

- The financial statements of the Company are placed on the Company's website at www.mangalfincorp.com.
- The securities of the Company were not suspended from trading during the year on account of corporate actions or otherwise.
- The Company has not defaulted in repayment of loans from banks and financial institutions.
- There were no delays or defaults in payment of interest/principle of any of its debt securities.
- Neither any application was made, nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016 against the Company.
- During FY 2023-24, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 5(xii) of Companies (Accounts) Rules, 2014, reasons of

difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

- Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report, form part of the notes to the standalone financial statements.
- The Company has not issued any Sweat equity shares or equity shares with differential voting rights during FY 2023-24
- In accordance with the provisions contained in Section 136 of the Act and Regulation 34 of SEBI Listing Regulations, the Annual Report of the Company, containing Notice of the Annual General Meeting ("AGM"), Financial Statements,

Cash Flow Statement, Report of the Auditor's, Directors' Report, Corporate Governance Report thereon are available on the website of the Company at www.mangalfincorp.com

54. ACKNOWLEDGEMENT

The Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Government of India and other Regulatory Authorities, the Depositories, the BSE Limited, Bankers, Financial Institutions, Members, and Customers of the Company for their continued support and trust. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041

Place: Mumbai
Date: 12th August, 2024

Sd/-
Nilesh Jain
Executive Director and Chief Financial Officer
DIN: 08788781

Place: Mumbai
Date: 12th August, 2024



ANNEXURE A

to Board's Report

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2023-24

Company's Philosophy on Corporate Governance

Mangal Credit and Fincorp Limited ("the Company"), pursues its long-term corporate goals on the bedrock of financial discipline, high ethical standards, transparency, and trust. It also understands and respects its fiduciary role and responsibility towards its shareholders, customers, employees, bankers, regulators and other stakeholders and strives hard to meet their expectations. Our actions are governed by our values and principles, which are reinforced at all levels of the organization. These principles have been and will continue to be our guiding force in future. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as applicable, with regard to corporate governance and the compliance certificate issued by practicing company secretaries regarding compliance of conditions of corporate governance is annexed to this report as "Annexure-A1"

We are presenting the report on Corporate Governance as prescribed under above regulations.

Board of Directors

The Corporate Governance principles of the Company ensure that the Board remains informed, independent and provides guidance to the Company. Further, the Board is fully aware of its fiduciary responsibilities and recognizes its responsibilities towards the long-term interest of its stakeholders by upholding the highest standards of governance in all matters concerning the Company.

Name of Director	DIN	Category of Directorship	No. of Directorships in other Companies *	No. of Committee Membership/ Chairmanship of Companies **		Directorship in other listed entities and category
				Member	Chairman	
Mr. Meghraj Jain	01311041	Chairman & Managing Director	0	1	-	-
Mr. Nilesh Jain	08788781	Executive Director & CFO	0	2	-	-
Mr. Hardik Jain	07871480	Executive Director	3	-	-	-
Mr. Ramanathan Annamalai	02645247	Independent Director	6	1	-	-
Mr. Ganesh Subramanyam	01718431	Independent Director	3	2	2	-
Mr. Sriram Sankaranarayanan	00146563	Independent Director	2	-	-	-
Mr. Sujan Sinha	02033322	Non-Executive Director	8	1	1	1 – Transcorp International Limited
Ms. Vineeta Patel	07151087	Independent Director	9	2	-	-

*Excludes Directorships in the Company, Foreign companies and Companies Registered under Section 8 of the Act.

**In accordance with Regulation 26 of the SEBI Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

In order to ensure that the Board contains a member with a variety of backgrounds and experiences in business, government, education, and public service, the Nomination and Remuneration Committee ("NRC") develops and recommends to the Board the qualifications, positive attributes, characteristics, skills, and experience that each new director should possess.

All the Directors of the Company are well qualified, persons of proven competence and possess the highest level of personal and professional ethics, integrity and values. The Directors of the Company exercise their objective judgment independently. The Directors actively participate in all strategic issues, which are crucial for the long-term development of the Company.

Composition of the Board of Directors

As at 31st March, 2024, the Company's Board comprised of eight (8) Directors of which 3 (Three) are Executive Directors, 4 (Four) are Non-Executive Independent Directors and 1 (One) is Non-Executive Non-Independent Director. The composition of the Board of your Company is governed by and is in conformity with the requirements of Companies Act, 2013 ("the Act") read with Rules framed there under the SEBI Listing Regulations, the circulars / directions / notifications issued by the Reserve Bank of India ("RBI Directions"), and the Articles of Association of the Company.

The details about names and categories of Directors, DIN, their Directorships and Committee positions held by them in Indian public limited companies, and names of the listed entities where they hold Directorship and category of such Directorship are provided below:

The number of Directorship(s), Committee Membership(s) & Chairmanship(s) of all Directors on the Board of your Company are within respective limits prescribed under the Act and the SEBI Listing Regulations.

Since the Chairman is an Executive director, half of the Board consists of Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, all the existing Independent Directors, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2024 have been made by the Directors.

A certificate from M/s. Vijay S. Tiwari & Associates, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Director on the Board of the Company by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such statutory authority, is annexed to this Corporate Governance Report as "Annexure-A2".

Selection criteria for Directors, Senior Management Personnel and Key Managerial Personnel

Selection of Executive Director(s) shall be in accordance with the provisions of Articles of Association; Committee is responsible for evaluating, shortlisting and recommendation of the candidature of person for the position of Managing Director or any other Director to the Board of Directors or appointed in the senior management of the Company.

Independent Directors will be selected on the basis of identification of industry/ subject leaders with strong experience. The advisory area and therefore the role, may be defined for each Independent Director.

Senior Management Personnel shall usually comprises the function and business heads who directly report to Executive Directors and Chief Financial Officer. For any Senior Management Personnel recruitment, it is critical to identify the necessity for that role in the context of the Company. In order to validate the requirement:

- Job Description ("JD") along with profile fitment characteristics from a personality, experience and qualification point of view shall be created;

- The recruitment process shall generally involve meetings with Head- HR, MD and/or identified members of the Nomination and Remuneration Committee ("NRC") and Board, on the basis of which the candidature will be finalised;

Independence test for the Independent Directors to be appointed

For each Independent Director, the appointment shall be based on the balance of skills, knowledge and experience, in the existing Board and roles and capabilities required of an Independent Director.

For the purpose of identifying suitable candidates, the NRC may:

- 1.) use the services of an external agency, if required;
- 2.) consider candidates from a wide range of backgrounds, having due regard to diversity; and
- 3.) consider the time commitments of the candidates.

At the time of selection, Board shall review the candidature on skill, experience and knowledge to ensure an overall balance in the Board so as to enable the Board to discharge its functions and duties effectively;

The Independent Director shall confirm having read and complied with the Company's Code of Conduct. They shall also need to confirm and sign the Independence Test.

Number and dates of Meetings along with the attendance of the Directors in the Board Meetings and the Annual General Meeting

The Board has complete access to any information within the Company. At Meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The schedule of the Board / Committee meetings to be held in a financial year is circulated in advance to enable the Directors / Committee Members to plan their schedule and ensure their highest participation at Board / Committee meetings. The agenda along with detailed notes are circulated to the Directors / Members well in advance and all material information is incorporated in the agenda for facilitating meaningful and focused discussions at meetings of the Board and Committees.

During the year under review, 7 (seven) meetings of the Board of Directors were convened and held. These meetings were held in a manner that not more than 120 days intervene between two consecutive meetings. The required quorum was present at all the above mentioned meetings. Due to business exigencies, certain decisions were taken by the Board by way of resolutions passed through circulation, from time to time.



Name of the Director	Attendance at the Board Meeting held on							Attendance at the	
	16.05.23	27.07.23	18.08.23	25.09.23	07.11.23	10.01.24	02.02.24	AGM Held on 22.09.23	EGM Held on 15.02.24
Mr. Meghraj Sohanlal Jain	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nilesh Jain	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Hardik Jain*	-	-	-	-	-	-	Yes	-	Yes
Mr. Ramanathan Annamalai	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ganesh Subramanyam	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Sriram Sankaranarayanan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Sujan Sinha	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Vineeta Patel*	-	-	-	-	-	-	Yes	-	Yes
Ms. Nirupama Charuhas Khandke#	Yes	Yes	Yes	Yes	Yes	-	-	Yes	-

* Mr. Hardik Jain and Ms. Vineeta Patel were appointed on 10th January, 2024

Ms. Nirupama Charuhas Khandke ceased to be Independent Director w.e.f. the closing hours of 27th December, 2023.

None of the Directors held Directorship in more than (seven) 7 listed companies. Further, none of the Independent Directors of the Company served as an Independent Director in more than (seven) 7 listed companies. None of the Independent Directors serving as a Whole-Time Director/Managing Director in any listed entity, serves as an Independent Directors of more than (three) 3 listed entities. None of the Directors held directorship in more than (twenty) 20 Indian companies, with not more than (ten) 10 public limited companies.

None of the Directors is a member of more than (Ten) 10 committees or acted as chairperson of more than (Five) 5 committees (being Audit Committee and Stakeholders Relationship Committee), as per Regulation 26(1) of the SEBI Listing Regulations across all the public limited companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Independent Directors of the Company are on the Board of any other Company as Non-Independent Director where the Non-Independent Director of the Company is an Independent Director.

Board Procedures

Being the apex body constituted by the Shareholders for overseeing the functioning of the Company. The Board evaluates all the strategic decisions on a collective consensus basis amongst the Directors. The Board provides leadership, strategic guidance, an objective and independent view to the Company's Management while discharging its fiduciary responsibilities, thereby ensuring that the Management adheres to high standard of ethics, transparency and disclosure.

The Company has a well-established framework for the meetings of the Board and its Committees which seeks to systematize the decision-making process at the Board and Committee meetings in an informed and efficient manner.

Board members are kept informed about any material development/ business update through various modes viz. e-mails, con-call etc. from time to time. The following information is regularly placed before the Board:

- Annual operating plans of business and budgets and any updates thereof;
- Capital budgets and any updates;
- Quarterly results for the Company and its operating divisions;
- Minutes of meetings of the Audit Committee and other Committees of the Board of Directors;
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the listed entity;

- Details of any joint venture or collaboration agreement;
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer (if any), among others;
- Such any other information as may be required by the Board of Directors.

The Company has an effective post Board/Committee Meeting follow-up procedure. The important decisions taken at Board/Committee meetings are communicated to the concerned departments promptly. An action taken/status report on the decisions of the previous meeting(s) is placed at the next meeting of the Board/Committees for information and further recommended action(s), if any.

Recording Minutes of Proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Committee members for their comments as prescribed under Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

Relationship between the Directors inter-se

Mr. Meghraj Jain, Chairman and Managing Director is the father of Mr. Hardik Jain, Executive Director. None of other Directors of the Company have any inter-se relationship amongst them.

Number of shares and convertible instruments held by the Non-Executive Director in the Company

None of the Non-Executive Directors of the Company hold any securities in the Company.

Matrix setting out the skills/expertise/competence of the Board of Directors:

List of core skills / expertise / competencies required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/

expertise/competence actually available with the current Board are as follows:-

- Leadership
- Integrity
- Experience in the Financial Services Industry
- Strategic Planning
- Industry Experience, Research & Development and Innovation

- Global Business
- Knowledge of Regulatory Environment
- Financial and Accounting Expertise
- Board Service, Corporate Governance and Risk Management
- Knowledge in the field of Information Technology

The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities and provide effective leadership to the business.

Committees of the Board:

In terms of the applicable provisions of the Act and notification(s) issued by the Securities and Exchange Board of India ("SEBI") and RBI Directions, the Board of Directors have constituted various Committees mentioned herein below and the role of each Committee has been defined by the Board of Directors for effective business operations and governance of the Company:

The Board reviews the functioning of these committees from time to time. The Chairman of these Committees conducts the Meetings and also informs the Board about the summary of discussions held in the Committee Meetings. Minutes of the meetings of all the Committees constituted by the Board of Directors are placed before the Board of Directors for discussion and noting. The Board has duly accepted recommendation of all Committee of the Board, which is mandatorily required, in the current financial year.

Audit Committee ("AC")

a. Terms of Reference:

The terms of reference of the Audit Committee formulated in accordance with the provisions of Section 177 of the Act, SEBI Listing Regulations and RBI Guidelines. The terms of the reference broadly include:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, replacement or removal, remuneration and terms of appointment of auditors of the Company;
- Approve rendering of services by the Statutory Auditors other than those expressly barred under Section 144 of Act and remuneration for the same;
- Reviewing and examination, with the management, the annual financial statements and auditor's report thereon and the Certificate as per Regulation 33 of the SEBI Listing Regulations before submission to the Board for approval, with particular reference to:



- o 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 Act;
 - o Changes, if any, in accounting policies and practices and reasons for the same;
 - o Major accounting entries involving estimates based on the exercise of judgment by management;
 - o Compliance with listing and other legal requirements relating to financial statements;
 - o Disclosure of any related party transactions; and
 - o Qualifications/ modified opinion in the draft audit report.
- Reviewing, with the management, the quarterly financial results before submission to the Board for approval and secure the certificate in terms of Regulation 33(2)(a) of the SEBI Listing Regulations;
 - 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, and making appropriate recommendations to the Board to take up steps in this matter;
 - Reviewing and examination of quarterly statement of deviation(s) including report of monitoring agency, if applicable and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice;
 - Reviewing and monitoring independence and performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;
 - Approve the appointment, removal and terms of remuneration or fees of the Internal Auditor;
 - Discussion with Internal Auditors and the Management of any significant findings, status of previous audit recommendations and follow up there on;
- 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;
 - 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;
 - 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;
 - Review the functioning of the Whistle Blower/ Vigil Mechanism;
 - Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
 - Review the utilization of loans and/ or advances from/investment by the Company in the subsidiary, if applicable, exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 - Review management discussion and analysis of financial condition and results of operations;
 - Review Management letters/letters of internal control weakness issued by the Statutory Auditors;
 - Review the Internal Audit Report relating to internal control weakness;
 - Approve the transactions of the Company with Related Parties or any subsequent modification thereof. Only those members of the Audit Committee, who are Independent Directors, shall approve related party transactions Provided in case of transactions, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;
 - Grant omnibus approval for entering into related party transactions in accordance with applicable laws;
 - Scrutiny of inter-corporate loans and investments;

- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Comply with the going concern assumptions;
- Compliance with accounting standards;
- Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- The Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice, if it considers necessary;
- Ensuring information system audit of the internal systems and processes are conducted every year to assess operational risk faced by the NBFCs;
- Reviewing of the compliance under SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendments thereto and verify the adequacy of internal control systems, reporting structure coverage and frequency of Internal Audit under the said Regulations on an annual basis;
- Carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Audit Committee;
- Any other matter as delegated by the Board of Directors of the Company from time to time.

b. Composition of the Committee:

The composition of the Audit Committee as at 31st March, 2024 was as follows:

Sr. No.	Name of the Members	Category	Committee Designation
1.	Mr. Subramanyam Ganesh	Non-Executive - Independent Director	Chairperson
2.	Mr. Ramanathan Annamalai	Non-Executive - Independent Director	Member
3.	Mr. Nilesh Jain	Executive Director	Member

Post completion of the financial year, Ms. Vineeta Piyush Patel, Non-Executive Independent Director was inducted as a member of the Committee on 6th May, 2024.

In terms of the Act and the SEBI Listing Regulations, two third of the Members of the Committee are Independent Directors. All the Members of the Committee are financially literate and majority members including the Chairman possess financial management expertise. The Company Secretary of the Company acts as Secretary to the Committee. The Statutory Auditors of the Company submit their report(s) directly to the Audit Committee. The Board of Director have accepted and implemented the recommendations of the Audit Committee, whenever provided by it.

c. Meeting and attendance

During the year under review, the Audit Committee met 4 (Four) times. The required quorum was present at all the meetings. As prescribed under the Act, the Chairman of the Audit Committee who is an Independent Director was present at the last Annual General Meeting of the Company held on 22nd September, 2023.

Details of attendance by the Members of Audit Committee at the meeting(s) held during the year under review are as under:

Sr. No.	Name of the Members	Attendance at the Audit Committee Meetings held on			
		16/05/2023	27/07/2023	07/11/2023	02/02/2024
1.	Mr. Subramanyam Ganesh	Yes	Yes	Yes	Yes
2.	Mr. Ramanathan Annamalai	Yes	Yes	Yes	Yes
3.	Ms. Nirupama Charuhas Khandke#	Yes	Yes	Yes	-
4.	Mr. Nilesh Jain*	-	-	-	Yes

Ms. Nirupam Charuhas Khandke resigned from Directorship w.e.f. 27th December, 2023, consequently she ceased to be a member of the Audit Committee.

* Mr. Nilesh Jain, Executive Director was inducted into the Audit Committee as a member w.e.f. 30th December, 2023.

**Nomination and Remuneration Committee**

a. Terms of Reference

The terms of reference of the Nomination and Remuneration Committee approved by the Board as per the provisions of Section 178 the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations are as follows:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- Recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual Directors to be carried out either by the Board, by the Committee or by any an independent external agency and review its implementation and compliance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 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:
 - o use the services of an external agencies, if required;
 - o consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - o consider the time commitments of the candidates.;
- Formulation of criteria for evaluation of Independent Directors and the Board;

- Devising a policy on Board diversity;
- 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 their appointment and removal.
- 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. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report and
- Recommend to the board a policy relating to the remuneration for the directors, Key Managerial Personnel, and other employees.

b. Composition of the Committee

In terms of the Act and the SEBI Listing Regulations, half of the Members of the Committee are Independent Directors. The Company Secretary of the Company acts as Secretary to the Committee. The composition of the Nomination and Remuneration Committee as at 31st March, 2024, was as follows;

Sr. No.	Name of the Members	Category	Committee Designation
1.	Mr. Ramanathan Annamalai	Non-Executive - Independent Director	Chairperson
2.	Mr. Subramanyam Ganesh	Non-Executive - Independent Director	Member
3.	Mr. Sriram Sankarnarayanan	Non-Executive Independent Director	Member

c. Meeting and attendance

During the year under review, the Nomination and Remuneration Committee met four (4) times. The required quorum was present at all the meetings. As prescribed under the Act, the Chairman of the Nomination and Remuneration Committee who is an Independent Director was present at the last Annual General Meeting of the Company held on 22nd September, 2023.

Details of attendance by the Members of Nomination and Remuneration Committee at the meeting(s) held during the year under review are as under:

Sr. No.	Name of the Members	Attendance at the meetings of Nomination and Remuneration Committee held on			
		16/05/2023	27/07/2023	07/11/2023	10/01/2024
1.	Mr. Ramanathan Annamalai	Yes	Yes	Yes	Yes
2.	Mr. Subramanyam Ganesh	Yes	Yes	Yes	Yes
3.	Ms. Nirupama Charuhas Khandke*	Yes	Yes	Yes	-
4.	Mr. Sriram Sankarnarayanan#	-	-	-	Yes

*Ms. Nirupam Charuhas Khandke resigned from Directorship w.e.f. 27th December, 2023, consequently she ceased to be a member of the Nomination and Remuneration Committee.

Mr. Sriram Sankarnarayanan, Non-Executive Independent Director was inducted into the Nomination and Remuneration Committee as a member w.e.f. 30th December, 2023.

Stakeholders Relationship Committee

a. Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are in accordance with the provision of Act and SEBI Listing Regulations, including any amendments thereto. The terms of the reference broadly include:

- Redress and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates or allotment letters, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Effect dematerialisation and rematerialisation of shares of the Company;
- Such other matters as per the directions of the Board of Directors of the Company which may

be considered necessary in relation to shareholders and investors of the Company.

b. Composition of the Committee

In terms of the Act and the SEBI Listing Regulations, Stakeholders Relationship Committee comprises Three (3) Directors of which one (1) is Non Executive Non Independent Director and remaining are Executive Directors. Mr. Subramanyam Ganesh, Independent Director, is the Chairperson of the Committee and the Company Secretary of the Company acts as Secretary to the Committee. The composition of the Stakeholders Relationship Committee as at 31st March, 2024, was as follows;

Sr. No.	Name of the Members	Category	Committee Designation
1.	Mr. Subramanyam Ganesh	Non-Executive - Independent Director	Chairperson
2.	Mr. Meghraj Jain	Executive Director	Member
3.	Mr. Nilesh Jain	Executive Director	Member

c. Meeting and attendance

During the year under review, the Stakeholders Relationship Committee met Two (2) times. The required quorum was present at all the meetings. As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the last Annual General Meeting of the Company held on 22nd September, 2023.



Details of attendance by the Members of Stakeholders Relationship Committee at the meeting(s) held during the year under review are as under:

Sr. No.	Name of the Members	Attendance at the meetings of Stakeholders Relationship Committee held on	
		16/05/2023	27/07/2023
1.	Mr. Subramanyam Ganesh	Yes	Yes
2.	Mr. Meghraj Jain	Yes	Yes
3.	Ms. Nirupama Charuhas Khandke*	Yes	Yes
4.	Mr. Nilesh Jain#	-	-

*Ms. Nirupama Charuhas Khandke resigned from Directorship w.e.f. 27th December, 2023, consequently she ceased to be a member of the Stakeholders Relationship Committee.

Mr. Nilesh Jain, Executive Director was inducted into the Stakeholders Relationship Committee as a member w.e.f. 30th December, 2023.

Details of complaints/grievances received from Investors and attended by the Company during the financial year 2023-24 are given in below table.

Sr. No.	Nature of Security	No. of complaints pending as on 1 st April, 2023	No. of complaints received during the year	No. of complaints resolved during the year	No. of complaints pending as on 31 st March, 2024
1.	Equity Shares	Nil	1	1	Nil
2.	Non-Convertible Debentures	Nil	Nil	Nil	Nil

Corporate Social Responsibility Committee

In terms of the provisions of the Act, the Board of Directors have adopted a 'CSR Policy' which helps towards contribution and furtherance of your Company's objective to create value in the society and community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate citizen.

The CSR Policy of the Company *inter-alia* indicates the CSR activities that can be undertaken by the Company and defines the roles and responsibilities of the Board of Directors and CSR Committee in implementing and monitoring CSR projects identified and supported by the Company.

The CSR Policy is available on the website of the Company at its weblink i.e <https://mangalfincorp.com/investorZone.aspx>

a. Terms of Reference

The terms of reference broadly include;

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;

- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- Approve and recommend annual action plan, and any modifications thereof, to the Board
- Monitor the CSR projects undertaken by the Company from time to time; and,
- Ensure effective implementation of aforesaid CSR Policy.

b. Composition of the Committee

The Corporate Social Responsibility ('CSR') Committee has been constituted by the Board of Directors in accordance with section 135 of the Act, with powers, *inter alia*, to undertake CSR activities in line with the CSR Policy.

As at 31st March, 2024, the CSR Committee comprised of two Independent Directors and one Executive Director. The Chairman of the Committee is an Independent Director. The composition of the CSR Committee as at 31st March, 2024, was as follows;

Sr. No.	Name of the Members	Category	Committee Designation
1.	Ms. Vineeta Patel	Non-Executive - Independent Director	Chairperson
2.	Mr. Subramanyam Ganesh	Non-Executive - Independent Director	Member
3.	Mr. Meghraj Jain	Executive Director	Member

c. Meeting and attendance

During the year under review, the CSR Committee met One (1) time. The required quorum was present at the meeting. Details of attendance by the Members of CSR Committee at the meeting held during the year under review are as under:

Name of the Members	Attendance at the meeting of Corporate Social Responsibility Committee held on 02-02-2024
Ms. Vineeta Patel	Yes
Mr. Subramanyam Ganesh	Yes
Mr. Meghraj Jain	Yes

Other Committees

Internal Complaints Committee

The Company is committed to provide conducive environment in which all individuals are treated with respect and dignity and promote a gender sensitive and safe work environment. Accordingly, the Board of Directors have constituted an Internal Complaints Committee and adopted a 'Policy for prevention of Sexual Harassment at workplace', in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act")

a. Terms of Reference

The terms of reference of the Internal Complaints Committee *inter-alia* includes:

conducting an inquiry into complaints made by any aggrieved woman at the workplace and arrive at a conclusion as to whether the allegation for which the complaint has been filed is proved or not and take necessary action to resolve the complaints, preparing annual report for each calendar year and submitting of the same to the Board of Directors, the District Officer and such other officer as may be prescribed, and monitoring and implementing the

'Policy for prevention of Sexual Harassment at workplace'.

b. Composition of the Committee

The Composition of the Committee and number of meeting(s) attended by the members are as under:

Sr. No.	Name of the Members	Committee Designation	No. of meeting(s) attended
1.	Ms. Ankita Taparia	Presiding Officer	1
2.	Mr. Hiren Upadhyay	External Member	1
3.	Ms. Supriya Parkar	Member	1
4.	Ms. Swati Sharma	External Member	1

The Company has duly submitted Annual Return as well as Internal Complaints Committee Constitution Form under the provisions of POSH Act for the calendar year 2023

No complaints related to sexual harassment were received / were pending during the year under review.

Investment Committee

a. The Investment Committee constituted by the Board of Directors, in their meeting held on 25th July, 2022 and reconstituted from time to time. The terms of reference of the Committee include the following;

- To invest surplus funds of the Company in all types of securities;
- To execute necessary investment documents;
- To buy, sell, trade, hold, pledge in all types of securities;
- To take any other necessary actions related to investment/ disinvestment;
- To report to the Board about the investments/ disinvestments in securities at regular intervals.

b. The Composition of the Committee and number of meeting(s) attended by the members are as under:

Sr. No.	Name of the Members	Committee Designation	No. of meeting(s) attended
1.	Mr. Meghraj Jain	Chairperson	1
2.	Mr. Nilesh Jain	Member	1
3.	Ms. Ankita Taparia	Member	1

**Asset-Liability Management Committee (“ALCO”)**

a. Terms of Reference broadly include;

- The ALCO shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC;
- The role of the ALCO with respect to liquidity risk should include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and control.
- ALCO also reviews and monitors the interest rate risk on regular basis.
- ALCO generally deliberates on performance budget, cash flow positions, market risk on investment portfolio, revision in interest rates on Fixed Deposits, movement in NII / NIM of the Bank, review of Resource Plan, review of Benchmark Prime Lending Rate, fresh borrowings and cost thereof, etc

b. The composition of the Committee and number of meetings attended by the members are as under:

Sr. No.	Name of the Members	Committee Designation	No. of meeting(s) attended
1.	Mr. Hardik Jain	Chairperson	1
2.	Mr. Shriram Mahurkar	Member	1
3.	Mr. Paras Shah	Member	1

Risk and Management Committee

The provision of Regulation 21 of SEBI Listing Regulations with respect to Risk Management Committee is not applicable to the Company. However, the Company has constituted a Risk Management Committee in accordance with the rules, regulations or directions (including master directions), as may be applicable to the Company, issued by the Reserve Bank of India, from time to time.

a. The terms of reference of the Committee include the following

- To continuously thrive for available risks in the organization which directly or indirectly effect the functioning of the organization;
- To ensure the protection of rights & values of Shareholders;

- Selecting, maintaining and enhancing the risk management tools to provide analyses that inform and support the investment actions of the entire organization;
- Risk identification, assessment and monitoring
- Facilitate establishment of comprehensive process for detection, reporting and tracking operational loss events and
- Establish training and awareness programs for promoting a risk sensitive culture in the Company.

b. The Composition of the Committee and number of meeting(s) attended by the members are as under:

Sr. No.	Name of the Members	Committee Designation	No. of meeting(s) attended
1.	Mr. Meghraj Jain	Chairperson	1
2.	Mr. Hardik Jain	Member	1
3.	Ms. Ankita Taparia	Member	1
4.	Mr. Nilesh Jain	Member	1

Mr. Shriram D Mahurkar, Chief Business Officer of the Company, appointed as permanent invitee to the Committee at the Meeting of the Board of Directors held on 07th May, 2024.

Loans and Advance Committee

The Loans and Advance committee was constituted by the Board of Directors in their meeting held on 10th January, 2024, under Section 179(3) of the Act for operational convenience and to deal with the matters relating to frequent banking business affairs on urgent business without necessarily calling for a Board meeting.

a. The terms of reference of the Committee include the following;

- i. To approve any borrowing of money by the Company subject to limit as specified under the provisions of Section 180 of the Act read with limits set by Shareholders of the Company from time to time;
- ii. To authorize opening and closing of bank accounts / authorize additions / deletions to the signatories pertaining to banking transactions and availment of additional services of Bank pertaining to borrowing of money;
- iii. To delegate authority to the Company's official(s) in relation to point (i) of this terms of reference.

b. The Composition of the Committee and number of meeting(s) attended by the members are as under:

Sr. No.	Name of the Members	Committee Designation	No. of meeting(s) attended
1.	Mr. Hardik Jain	Chairperson	3
2.	Mr. Meghraj Jain	Member	3
3.	Mr. Nilesh Jain	Member	3

Independent Directors

Independent Directors play a significant role in the governance processes of the Board of Directors. Professional and ethical conduct of Independent Directors promote confidence of the investment community, particularly minority shareholders and regulators in the institution of independent directors. Half of the Board of Directors of your Company consists of Independent Directors. All the Independent Directors have affirmed compliance with the criteria of independence as stipulated in the Act and the SEBI Listing Regulations.

Pursuant to PART C(2)(i) of Schedule V of the SEBI Listing Regulations, the Board opines that the Independent Directors fulfill the conditions specified in these regulations and are independent of the management of the Company.

Independent Directors Meeting

In terms of Schedule IV of the Act, a meeting of the Non-Executive Independent Directors was held on 02.02.2024 without the attendance of the Non-Independent Directors and members of the management of the Company. At their meeting, the Independent Directors evaluated and assessed the performance of the Non-Executive Non-Independent Directors, the Executive Directors, the Chairman and the Board, as a collective entity. The Independent Directors also reviewed the quality, quantity, content and timeliness of the flow of information between the management and the Board / Committees, which was necessary for the Board /Committee Members to perform their duties effectively.

Familiarization Programme for Independent Directors

Pursuant to the provisions of the Act and Regulation 25(7) of the SEBI Listing Regulations, the Company has in place a mechanism to familiarize its Independent Directors about the Company, its products, the industry and business structure of the Company and its subsidiary.

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with Senior Management Personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/ documents sought by them

are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The Company also undertakes various initiatives to update the Independent Directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment and implications on the Industry/Company. In order to familiarize the new Directors with the business and operations, The Company shares insights about the Mission, Vision and Values, Group Business Structure, Brief profile of the Board of Directors, Composition of Committees of the Board, Brief profile of Senior Management Personnel, Press Releases, Investor Presentation, latest Annual Report, latest Shareholding Pattern and Shareholders holding more than 5% of share capital, Codes and Policies and Remuneration payable to Directors. The details of such Familiarization Programmes for Directors may be referred to, at the website of the Company at its weblink i.e <https://mangalfincorp.com/investerZone.aspx>

Code for Independent Directors

In terms of provision of the Act, the Board of Directors adopted a 'Code for Independent Directors' in order to ensure fulfillment of responsibilities of Independent Directors of the Company in a professional manner. The Code for Independent Directors aims to promote confidence of the investment community, particularly minority shareholders and regulators in the institution of independent directors and sets out the guidelines of professional conduct of Independent Directors, their roles, functions and duties, the process of performance evaluation etc.

Code of Conduct for Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prohibition of Insider Trading (the 'Code') in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in securities by the Board of Directors and Employees of the Company, their immediate relatives and other insiders as defined in the Code. Also, during the period of closure of the trading window, no Employee/ Designated Person is permitted to trade with or without pre-clearance in securities of restricted companies as informed by the Secretarial Department, from time to time. Timely disclosures are made to the Stock Exchanges by the Company. No Employee/ Designated Person is permitted to communicate, provide, or allow access to any Unpublished Price Sensitive Information relating to Company, its securities or any other company (listed or proposed to be listed), to any person except where such communication is in furtherance of legitimate purpose, performance of duties or discharge of legal obligations. The Company periodically monitors and facilitates compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Code of Conduct for Board of Directors and Senior Management Personnel**

In terms of the SEBI Listing Regulations and as an initiative towards setting out a good corporate governance structure within the organization, the Board of Directors adopted a comprehensive 'Code of Conduct for Board of Directors and Senior Management Personnel' which is applicable to all the Directors, including Non-Executive and Independent Directors and employees of the Company to the extent of their role and responsibilities in the Company.

The code provides guidance to the Directors and employees to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations. The Code is reviewed from time to time by the Board. The Declaration, signed by the Chairman and Managing director of the Company, 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 is annexed to this report as "Annexure-A3"

Fair Practices Code

In terms of the RBI Directions, the Board of Directors adopted a 'Fair Practices Code' which *inter-alia* deals with matters related to manner of application for loans, their processing, loan appraisal, terms / conditions and disbursement of loans and changes in terms and conditions of loans sanctioned. The Fair Practices Code is available on the website of the Company at its weblink i.e <https://mangalfincorp.com/investerZone.aspx>

Asset Liability Management Policy ("ALCO Policy")

In terms of requirements of the Asset Liability Management ("ALM") Guidelines prescribed by RBI, the Board of Directors adopted an 'ALCO Policy'.

The ALCO Policy provides a comprehensive and dynamic framework for assessing, measuring, monitoring and managing ALM risks. The policy describes the process that should be followed by the ALCO to evaluate the effectiveness of the Company's internal control procedures with respect to managing ALM risks. The ALCO Policy is available on the website of the Company.

Whistle Blower Policy / Vigil Mechanism

In terms of requirements of the SEBI Listing Regulations and provisions of the Act, the Board of Directors adopted a codified 'Whistle Blower Policy / Vigil Mechanism' *inter-alia* to provide a mechanism for Directors and employees of the Company to approach the Audit Committee and to report genuine concerns related to the Company and to provide for adequate safeguards against victimization of Director(s) or employee(s) who report genuine concerns under the mechanism. The Vigil Mechanism provides a channel to report to the management concerns about

unethical behavior, actual or suspected fraud or violation of various codes or policies of the Company and provides adequate safeguards against victimization of persons who use such mechanism. The mechanism provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No personnel has been denied access to the Audit Committee. The Whistle Blower Policy / Vigil Mechanism is available on the website of the Company.

Related Party Transactions Policy

In term of the provisions of the SEBI Listing Regulations, the Act and RBI Directions, the Board of Directors adopted a 'Related Party Transaction Policy' to ensure proper approval and reporting of transactions between the Company and its related parties.

The Related Party Transaction Policy *inter-alia* sets out criteria for identifying material related party transactions and includes the process and manner of approval of transactions with related parties, identification of related parties and identification of potential related party transactions. In terms of the Related Party Transaction Policy of the Company, any transaction with any related parties shall be considered to be appropriate only if it is in the best interests of the Company and its shareholders. The Related Party Transaction Policy is available on the website of the Company at its weblink i.e <https://mangalfincorp.com/investerZone.aspx>

Policy for Determination of Materiality of Events and Information

In terms of the provisions of the SEBI Listing Regulations, the Board of Directors have adopted a 'Policy for Determination of Materiality of Events and Information', which *inter alia* sets out guidelines for determining materiality of events / information for the purpose of disclosure to the stock exchanges and identifies officers of the Company who shall be authorized to make necessary disclosures to the stock exchange(s). The Policy for Determination of Materiality of Events and Information is available available on the website of the Company at its weblink i.e <https://mangalfincorp.com/investerZone.aspx>

Performance Evaluation Policy

In terms of the provisions of the SEBI Listing Regulations and the Act, the Board of Directors adopted a 'Board Performance Evaluation Policy' to set out a formal mechanism for evaluating performance of the Board, that of its Committee(s) and individual Directors including the Chairman. The manner in which formal annual evaluation of the performance of the Board, its Committees and individual Directors including Chairman is conducted is given below:

- A structured questionnaire prepared in accordance with the Performance Evaluation Policy and Performance Evaluation Process, inter-alia setting out

criteria for evaluation of performance of the Board collectively, individual directors and the Chairperson, is circulated to the Directors. Performance ratings are given by the Directors on the questionnaire circulated for each category to be evaluated.

- Based on Independent Director's feedback on the questionnaires, the Independent Directors, at their separate meeting, evaluate the performance of Non-Independent Directors, the Board as a whole and the Chairman.
- Further, based on evaluation by Independent Directors, feedback on questionnaire by other Directors and in light of the criteria prescribed in the Performance Evaluation Process, the Board analyses its own performance, that of its Committees and each Director including the Chairman.

Senior Management and changes therein

In terms of the definition specified under Regulation 16 of the SEBI Listing Regulations read with code of conduct for Directors and SMP issued and modified by the Company from time to time, List of Senior Management as at 31st March, 2024 are as under;

Sr. No.	Name	Designation
1.	Mr. Meghraj Jain	Managing Director
2.	Mr. Hardik Jain (Appointed w.e.f. 10 th January, 2024)	Executive Director
3.	Mr. Nilesh Jain	Executive Director and CFO
4.	Mr. Chirag Parmar (Appointed w.e.f. 7 th November, 2023)	Company Secretary and Compliance Officer
5.	Mr. Shriram Mahurkar (Appointed W.e.f. 14 th December, 2023)	Chief Business Officer
6.	Ms. Ankita Tapariya	VP Finance & Accounts
7.	Mr. Paras Shah	AVP-Operation
8.	Mr. Dhirav Vira	VP Sales
9.	Mr. Sanket Shelke	Zonal Head
10.	Ms. Shalmali Mayekar	HR Manager

During the year under review, following changes have taken place under the Senior Management list;

- Mr. Manish Rathi ceased to be Chief Executive Officer w.e.f. 30th September, 2023;
- Ms. Bhavika Mehta ceased to be Company Secretary and Compliance Officer w.e.f. 30th September, 2023.

Remuneration of directors:**a. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:**

During the year, non-executive directors have no pecuniary relationship or transaction with the Company, except for payment of sitting fees for attending the Board Meetings.

b. Criteria of making payments to non-executive directors.

The Non-executive Directors including Independent Directors would be paid sitting fees subject to the limits prescribed under the Act, or any amendments thereto, as may be determined by the NRC from time to time, for attending each meeting(s) of the Board and Committees thereof. Directors shall be reimbursed any travel or other expenses, incurred by them, for attending the Board and Committee meetings. The criteria for making payment to Non-Executive Directors is available on the website of the Company at <https://mangalfincorp.com/investerZone.aspx>.

The sitting fees paid to the Non-Executive directors during financial year 2023-24 is stated below;

Name of the Directors	Total sitting fees paid (₹ in Lakhs)
Mr. Sujan Sinha	1.50
Mr. Ramanathan Annamalai	1.50
Mr. Subramanayam Ganesh	1.50
Mr. Sriram Sankarnarayanan	1.25
Ms. Nirupama Charuhas Khandke*	1.00
Ms. Vineeta Patel**	0.25
Total	7.00

* Ceased to be Independent Director w.e.f. 27th December, 2023

** Appointed as an Independent Director w.e.f. 10th January, 2024

**c. Remuneration to Executive directors**

The remuneration paid to Managing director and Executive directors are in accordance with the terms approved by the Members of the Company. The details of Managerial remuneration paid to these Directors during the financial year 2023-24 are as under;

Sr. No.	Components	Mr. Meghraj Jain	Mr. Nilesh Jain	Mr. Hardik Jain
1.	Allelements of remuneration package such as salary, benefits, bonuses, PF, pension and commission etc	Salary - ₹ 30 Lakhs	Salary - ₹ 19.50 Lakhs	Salary - ₹ 12 Lakhs
2.	Details of fixed component and performance linked incentives along with the performance criteria	Mr. Meghraj Jain is entitled for remuneration which together with his fixed salary of ₹ 30 lakhs per annum.	Mr. Nilesh Jain is entitled for remuneration which together with his fixed salary of ₹ 19.50 lakhs per annum.	Mr. Hardik Jain is entitled for remuneration which together with his fixed salary of ₹ 12 lakhs per annum.
3.	Service Contract	In accordance with the terms approved by the members of the Company	In accordance with the terms approved by the members of the Company	In accordance with the terms approved by the members of the Company
4.	Notice Period	Nil	Nil	Nil
5.	Severance fees	Nil	Nil	Nil
6.	Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	The Company does not have any Employee Stock Option Scheme		

General Body Meeting

The particulars of the last three Annual General Meetings of the Company are as under:

Financial Year	Day and Date	Venue	Time	Special Resolutions Passed
2022-23	Friday, 22.09.2023	Meeting conducted through VC / OAVM pursuant to the MCA Circular	11.00 A.M.	<ol style="list-style-type: none"> To re-appoint Ms. Nirupama Charuhas Khandke, as an Independent Director of the Company; To re-appoint Mr. Subramanyam Ganesh, as an Independent Director of the Company; To re-appoint Mr. Ramanathan Annamalai, as an Independent Director of the Company; To approve to increase overall borrowing limit under Section 180(1)(c) of the Companies Act, 2013 from ₹ 500 Crores to ₹ 750 Crores or the aggregate of paid up capital and free reserves of the Company, whichever is higher; Authorization to sell, lease, charge and/or mortgage property of the Company under Section 180(1)(a) of the Companies Act, 2013; To consider and approve raising of funds for the Company; Alteration of Memorandum of Association of the Company.

Financial Year	Day and Date	Venue	Time	Special Resolutions Passed
2021-22	Friday, 30.09.2022	Meeting conducted through VC / OAVM pursuant to the MCA Circular	11:00 A.M.	No Special Resolution was passed
2020-21	Wednesday, 29.09.2021	Meeting conducted through VC / OAVM pursuant to the MCA Circular	11:00 A.M.	No Special Resolution was passed

Location and time of Extra Ordinary General Meeting

Financial Year	Day and Date	Venue	Time	Special Resolutions Passed
2023-24	Thursday, 15.02.2024	Meeting conducted through VC / OAVM pursuant to the MCA Circular	11.00A.M.	<ol style="list-style-type: none"> Issue of convertible equity warrants on Preferential basis to identified Promoter and Preferential allotment of equity shares to Promoter; Appointment of Ms. Vineeta Piyush Patel (DIN: 07151087) as an Independent Director of the Company; Regularisation of additional director, Mr. Hardik Meghraj Jain (DIN: 07871480), by appointing him as an Executive Director of the Company;

Postal Ballot

During the year under review, no resolution has been passed through the Postal Ballot and no resolution is proposed to be passed through the Postal Ballot as of the Board's report date from the closure of the financial year.

Means of Communication

The Company, from time to time and as may be required, interacts with its shareholders and stakeholders through multiple channels of communication through:

- The quarterly, half yearly and annual results are communicated to all the members of the Company by publishing in English and Marathi National dailies namely News Hub and Pratakal Marathi, respectively;
- All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the online portal of BSE Limited;
- The Company also publishes certain key Notices in Pratakal Marathi and News Hub English Newspapers;
- The Company discloses to the BSE Limited ('BSE'), all information required to be disclosed under Regulation 30 and 51 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations including material information having a bearing on the performance/operations of the Company and

other price sensitive information. The Company also files various compliances and other disclosures required to be filed electronically on the online portal of BSE;

- The Company informs the BSE all price sensitive matters or such other matters which are material and of relevance to the shareholders;

- The Company has provided a dedicated e-mail address under its Vigil Mechanism, for reporting concerns by all employees, directors, customers, dealers, vendors, suppliers or other stakeholders associated with the Company.

- The Financial Statements and all the disclosures disseminated under Regulation 46 of the SEBI Listing Regulations are also displayed on the website of the Company www.mangalfincorp.com;

- The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status;

- Securities and Exchange Board of India ('SEBI') vide circular no. SEBI/HO/OIAE/OIAE_IAD- 1/P/ CIR/2023/131 dated 31st July, 2023 issued guidelines for online resolution of disputes in the Indian



securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/regulated entities in the securities market.

SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/135 dated 4th August, 2023, has further clarified that the investor shall first take up his/her/ their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate

the same through the SCORES Portal <https://scores.sebi.gov.in/> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

The Company's website is a comprehensive reference on the organisation's management, vision, mission, policies, corporate governance, corporate social responsibility, sustainability, investors, corporate benefits, products and services, updates and news.

General Shareholders Information

The Corporate Identity Number (CIN)	L65990MH1961PLC012227
Annual General Meeting for the Financial Year 2023-24	62 nd Annual General Meeting Date: 25 th September, 2024 Day: Wednesday Time: 11:30 A.M. Mode of conducting the meeting: Video conferencing / other audio visual means
Financial year	1 st April, 2023 to 31 st March, 2024
Date of book closure	Wednesday, 18 th September, 2024 to Wednesday, 25 th September, 2024 (both dates are inclusive)
Record Date	Tuesday, 17 th September, 2024
Dividend payment date	Final Dividend for financial year 2023-24, if approved by the shareholders of the Company will be paid on or before 24 th October, 2024
Listings on Stock Exchanges	The BSE Limited Phiroze Jeejeeboy Towers, Dalal Streets, Fort, Mumbai – 400 001 <i>The Company has applied to National Stock Exchange of India Limited for approval to list its Equity Shares.</i>
Scrip Code	505850
ISIN No.	INE545L01039
Payment of Annual Listing Fees	Annual Listing Fees for the financial year 2024-25 has been paid by the Company to BSE
In case the Securities are Suspended from Trading, the Directors Report shall explain the Reason thereof	None of the Company's securities have been suspended from trading.
Registrars & Transfer Agents	Link Intime India Pvt. Ltd. Add.: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Tel.: 022-4918 6000 Fax: 022-4918 6060 Email id: rnt.helpdesk@linkintime.co.in
Share Transfer System	In terms of the SEBI Listing Regulations w.e.f April 1, 2019, the Equity Shares of the Company can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities, which shall be approved by the Stakeholders Relationship Committee.

Nomination Facility for Shareholding	As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.						
Dematerialization of Shares	Equity shares of the Company are available for trading in dematerialised form under both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. 1,89,96,586 equity shares of the Company (97.10%) of the equity share capital of the Company) were held in dematerialized form as on 31 st March, 2024						
Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	The Company has issued and allotted 15,50,000 Convertible Equity Warrants to Promoter Director of the Company on preferential basis which shall be converted into equal number of Equity Shares within a period of 18 months from the date of allotment. Apart from the above, there are no outstanding Global Depository Receipts or American Depository Receipts or any other convertible instruments as on 31 st March, 2024.						
Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	Your Company does not deal in any commodity and Foreign Exchange, hence the disclosure Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15 th November, 2018 is not required to be furnished by the Company.						
Plant Location	In view of the nature of business activities carried on by the Company, the Company operates from various offices/branches in India and does not have any manufacturing plant.						
Unclaimed Dividends	Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary & Compliance Officer, at the Company's registered office. Members are requested to note that, in terms of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended from time to time, dividends which remain unpaid/ unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund Authority ('IEPF Authority') of the Central Government. Once the unpaid/ unclaimed dividend or the shares are transferred to IEPF Authority, the same may be claimed by the Members from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Registered Office of the Company for verification of the claim.						
Address for Correspondence	Mr. Chirag Parmar Company Secretary & Compliance Officer 1701/1702, 17 th Floor., 'A' Wing, Lotus Corporate Park, Western Express Highway, Goregaon (E), Mumbai-400063, Maharashtra, India Tel.: 022-42461300; Email: cs@mangalfincorp.com / compliance@mangalfincorp.com						
List of all credit ratings obtained during the financial year including revisions thereto.	CRISIL Ratings Limited <table border="1"> <thead> <tr> <th>Particulars</th> <th>Rating</th> </tr> </thead> <tbody> <tr> <td>Bank Loan Facilities ₹ 200 Crore (enhanced from ₹ 75 Crore)</td> <td>CRISIL BBB/Stable</td> </tr> <tr> <td>NCDs ₹ 18 Crore (enhanced from ₹ 7 Crore)</td> <td>CRISIL BBB/Stable</td> </tr> </tbody> </table>	Particulars	Rating	Bank Loan Facilities ₹ 200 Crore (enhanced from ₹ 75 Crore)	CRISIL BBB/Stable	NCDs ₹ 18 Crore (enhanced from ₹ 7 Crore)	CRISIL BBB/Stable
Particulars	Rating						
Bank Loan Facilities ₹ 200 Crore (enhanced from ₹ 75 Crore)	CRISIL BBB/Stable						
NCDs ₹ 18 Crore (enhanced from ₹ 7 Crore)	CRISIL BBB/Stable						



Dispute Resolution Mechanism	SEBI, vide its Circular dated 30 th May, 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under the stock exchange arbitration mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/investor(s). SEBI vide its Circular dated 27 th January, 2023, has decided to enhance the awareness of investors about the availability of arbitration facility at Stock Exchange for their dispute, if any, against listed companies / RTAs. Accordingly, Company has duly sent Emails as well as SMS to physical shareholders wherever emails and valid mobile numbers were updated.
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Distribution of shareholding (Shares)

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on 31st March, 2024 are given below:

A. Shareholding pattern by size as on 31st March, 2024;

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	3,692	81.74	6,35,908	3.25
2	501 to 1000	386	8.55	2,96,242	1.51
3	1001 to 2000	163	3.61	2,42,581	1.24
4	2001 to 3000	63	1.39	1,58,993	0.81
5	3001 to 4000	29	0.64	1,04,282	0.53
6	4001 to 5000	30	0.66	1,39,647	0.71
7	5001 to 10000	44	0.97	3,37,959	1.73
8	10001 to 9999999999	110	2.44	1,76,48,374	90.21
TOTAL :		4,517	100.00	1,95,63,986	100.00

B. Shareholding pattern by ownership as on 31st March, 2024;

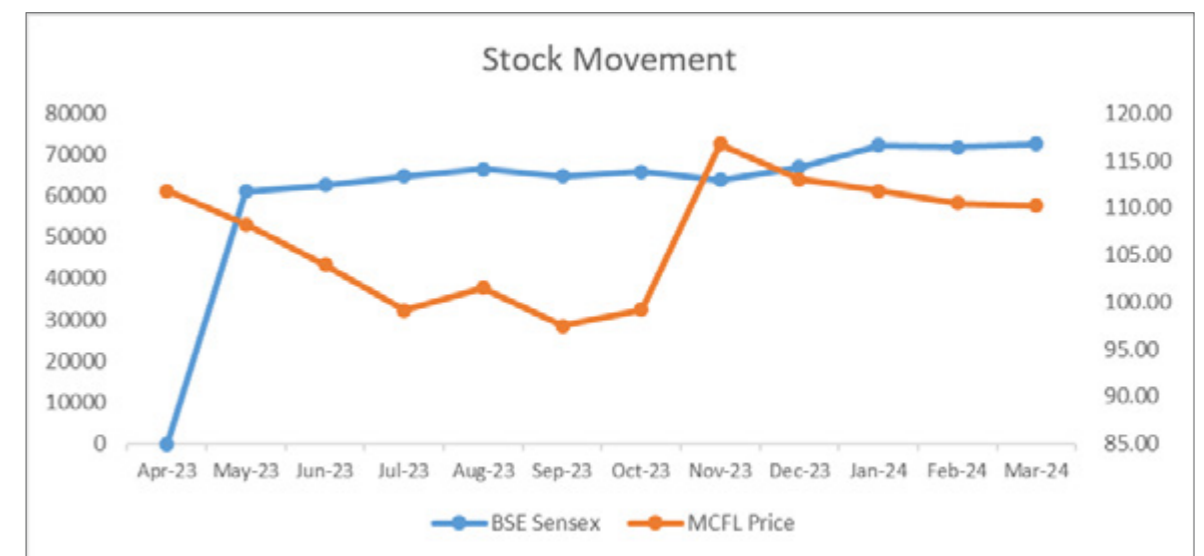
Sr. No.	Category of shareholder	Number of shareholders	Total number of shares	Percentage of the total paid up capital
(A) Shareholding of Promoter and Promoter Group				
(1)	Indian	9	1,00,97,569	51.61
(2)	Foreign	0	0	0.00
Total Shareholding of Promoter and Promoter Group		9	1,00,97,569	51.61
(B) Public Shareholding				
(1)	Institutions (Domestic)	2	1,500	0.01
(2)	Institutions (Foreign)	0	0	0.00
(3)	Central Government/ State Government(s)/ President of India	0	0	0
(4)	Non Institutions	4,442	94,64,917	48.38
Total Public Shareholding		4,444	94,66,417	48.39

Sr. No.	Category of shareholder	Number of shareholders	Total number of shares	Percentage of the total paid up capital
(C)	Non Promoter-Non Public	0	0	0
(D)	Shares underlying DRs	0	0	0
(E)	Shares held by Employee Trust	0	0	0
Total (A) + (B) + (C) + (D) + (E)		4,453	1,95,63,986	100.00

Monthly high and low prices of equity shares of the Company during the financial year ended 31st March, 2024, is given in the table below;

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹)
Apr-23	100.60	127.00	99.00	111.75	4,09,973	1,043	4,67,40,432
May-23	109.55	117.95	105.25	108.25	3,88,063	1,129	4,41,62,048
Jun-23	112.00	122.50	102.05	103.95	8,61,111	2,506	9,63,96,338
Jul-23	105.45	110.00	91.50	99.10	7,74,124	2,789	7,79,53,252
Aug-23	101.50	114.01	96.05	101.51	5,97,811	1,958	6,24,31,271
Sep-23	101.50	109.80	90.00	97.50	5,06,796	1,958	4,96,10,872
Oct-23	100.90	104.90	95.50	99.17	5,52,352	2,320	5,51,29,805
Nov-23	98.55	120.70	96.01	116.77	5,35,014	2,174	5,91,58,782
Dec-23	117.85	118.00	100.20	113.00	7,34,515	1,876	8,04,98,850
Jan-24	112.60	117.95	102.00	111.80	8,27,721	3,033	9,08,10,931
Feb-24	113.00	117.00	106.20	110.50	6,97,762	2,063	7,75,25,053
Mar-24	109.80	113.90	104.00	110.20	4,77,686	1,169	5,23,80,716

Mangal Credit and Fincorp Limited Equity Shares performance in comparison to BSE Sensex is given below;



**Other Disclosure**

- a) During the year under review, all the related party transactions that were entered into during the financial year were on an arm's length basis and were usually in the ordinary course of business. The Company has not entered into materially significant related party transactions that may have potential conflict with the interest of the Company entity at large. All the related party transactions are placed before the Audit Committee. Disclosure of transactions with related parties is provided in notes to the financial statements, forming part of the Annual Report;
- b) The Company has complied with all the applicable rules and regulations as prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any statutory authority relating to capital markets during the reporting year. There has been no instance of non-compliance with any legal requirements particularly with any requirement of the Corporate Governance Report, and no penalties and / or strictures have been imposed on the Company in this regard during the year under review. In the preceding to reporting year, the Company has paid fine to the BSE Limited for delay in furnishing prior intimation of the Board meeting under SEBI Listing Regulations;
- c) The Vigil Mechanism and the Whistle Blower policy are duly established and none of the personnel have been denied to access to the Audit Committee for any of their grievances;
- d) The internal auditors of the Company report directly to the Audit Committee of the Board;
- e) Audit Report on the financial statements of the Company for the financial year ended March 31, 2024 is unqualified;
- f) The Certificate in compliance with Regulation 17(8) of SEBI Listing Regulations signed by Meghraj Sohanlal Jain, Chairman & Managing Director and Nilesh Jain, Executive Director & Chief Financial Officer is attached as Annexure-A4 to this report.
- g) The quarterly, half yearly and annual financial results of the Company are published in newspapers on all India basis and are also posted on the Company's website, these are not sent individually to the shareholders of the Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company under the 'Investors' section. The complete Annual Report is sent to every Shareholder of the Company through electronic mode at email ids registered with the Company;
- h) The policy on Related Party Transactions as approved by the Board is available on the Company's website at <https://mangalfincorp.com/investorZone.aspx>
- i) Disclosures pertaining to commodity price risks and commodity hedging activities are not applicable to the Company;
- j) During the year under review, your Company has raised funds through preferential allotment of 2,50,000 Equity shares and 15,50,000 Convertible Equity warrants to Promoter Director of the Company and no deviation or variation has been recorded as per Regulation 32 of the SEBI Listing Regulations;
- k) A certificate from a Company Secretary in practice pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the SEBI Listing Regulations certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority is annexed to this Corporate Governance Report.
- l) SEBI, vide its letter No. SEBI/HO/MIRSD/POD-1/OW/P/2022/64923 dated December 30, 2022, had issued Guidelines with respect to procedural aspects of 'Suspense Escrow Demat Account' to be opened by listed entities pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/6 dated January 25, 2022, latest by January 31, 2023. The Company opened the said account within the stipulated timelines.
- m) All the recommendations of the various committees were accepted by the Board.
- n) The Company has paid ₹ 5.85 Lakh (exclusive of applicable taxes) as Statutory Audit fees (including Limited Review) to M/s. Bhagwagar Dalal & Doshi, Chartered Accountants by the Company;
- o) The following is a summary of Sexual Harassment complaint(s) received and disposed off during the year 2023-24, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder:
- o number of complaints pending at the beginning of the financial year: **Nil**
 - o number of complaints filed during the financial year: **Nil**
 - o number of complaints disposed off during the financial year: **Nil**
 - o number of complaints pending as on end of the financial year: **Nil**
- p) During the year under review, there have been no loans and advances extended by the Company in the nature of loans to any firms or companies where the Directors of the Company hold an interest;
- q) During the financial year, your company did not have any subsidiary company;
- r) There is no such agreement entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company among themselves or with the third party, solely or jointly, whose purpose and effect is to impact the management or control of the Company or impose any restriction or create any liability upon the Company.

For and on behalf of the Board of Directors

Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041

Place: Mumbai
Date: 12th August, 2024

Sd/-
Nilesh Jain
Executive Director and Chief Financial Officer
DIN: 08788781

Place: Mumbai
Date: 12th August, 2024



Annexure-A1

to Corporate Governance Report

CERTIFICATE ON CORPORATE GOVERNANCE

[In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Mangal Credit and Fincorp Limited
1701/1702, 17th Floor, A Wing,
Lotus Corporate Park, Off Western Express Highway,
Goregaon (East), Mumbai-400063

I have examined the compliance of conditions of Corporate Governance by **Mangal Credit and Fincorp Limited ("the Company")** for the financial year ended on 31st March 2024 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My 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 my opinion and to the best of my information and according to the explanations given to us, the representation made by the directors and management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations.

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.

For Vijay S. Tiwari & Associates
Practising Company Secretaries

Sd/-
Vijay Kumar Tiwari
Proprietor
ACS: 33084
COP: 12220
Peer Review Certificate No.: 1679/2022
UDIN: A033084F000917759

Date: 12th August, 2024
Place: Mumbai

Annexure-A2

to Corporate Governance Report

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,
Mangal Credit and Fincorp Limited
1701/1702, 17th Floor, A Wing,
Lotus Corporate Park, Off Western Express Highway,
Goregaon (East), Mumbai-400063

Subject: Certificate in pursuance of paragraph number C. 10(l) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ending on 31st March, 2024.

Dear Sir/Madam,

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") listed entity is required to disclose in its annual report the certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

As on date of issue of this certificate, the Board of Directors of Mangal Credit and Fincorp Limited ("the Company"), a listed entity, is comprised of following Directors.

Sr. No.	DIN	Name of Director	Designation	Appointment Date
1.	01311041	Mr. Meghraj Sohanlal Jain	Chairman & Managing Director	14.08.2013
2.	07871480	Mr. Hardik Meghraj Jain	Executive Director	10.01.2024
3.	08788781	Mr. Nilesh Jain	Executive Director and CFO	30.10.2021
4.	02645247	Mr. Ramanathan Annamalai	Non-Executive Independent Director	06.07.2018
5.	01718431	Mr. Subramanyam Ganesh	Non-Executive Independent Director	14.11.2018
6.	00146563	Mr. Sriram Sankaranarayanan	Non-Executive Independent Director	11.11.2020
7.	07151087	Ms. Vineeta Piyush Patel	Non-Executive Women Independent Director	10.01.2024
8.	02033322	Mr. Sujan Sinha	Non-Executive Non-Independent Director	11.11.2020

For the purpose, I have considered and examined relevant register, records, forms, returns disclosures and annual submissions made by each Director of the Company in pursuance of provisions of section to section 164(2) of the Companies Act, 2013 read with rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, relevant information as displayed on the website of the Securities and Exchange Board of India as well on the website of the Ministry of Corporate Affairs and information generally available on public domain.

And based on above; i state that none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies for the financial year ending on 31st March, 2024, by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

For Vijay S. Tiwari & Associates
Practising Company Secretaries

Sd/-
Vijay Kumar Tiwari
Proprietor
ACS: 33084
COP: 12220
Peer Review Certificate No.: 1679/2022
UDIN: A033084F000917737

Date: 12th August, 2024
Place: Mumbai



Annexure-A3

to Corporate Governance Report

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

In accordance with the provisions of Regulation 34(3) read with Paragraph D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March, 2024.

For **Mangal Credit and Fincorp Limited**

Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041

Place: Mumbai
Date: 07th May, 2024

Annexure-A4

to Corporate Governance Report

Compliance certificate under Regulation 17(8)

To,
Board of Directors
Mangal Credit and Fincorp Limited
1701 / 1702, Lotus Corporate Park,
Western Express Highway, Goregaon (East),
Mumbai: 400063.

We, **Meghraj Sohanlal Jain**, Chairman & Managing Director and **Nilesh Jain**, Executive Director & Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st 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 may 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. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative to the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and there have been no deficiencies in the design or operation of such internal controls, of which we are aware.
- D. We have indicated to the Auditors and the Audit Committee:
 - i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies during the year under review, and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Mangal Credit and Fincorp Limited**

Sd/-
Meghraj Sohanlal Jain
Chairman & Managing Director
DIN: 01311041

Date: 07th May, 2024
Place: Mumbai

Sd/-
Nilesh Jain
Executive Director and Chief Financial Officer
DIN: 08788781

Date: 07th May, 2024
Place: Mumbai



Annexure B

to Board's Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mangal Credit and Fincorp Limited
1701/1702, 17th Floor, A Wing,
Lotus Corporate Park, Off Western Express Highway,
Goregaon (East), Mumbai-400063

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANGAL CREDIT AND FINCORP LIMITED** (hereinafter 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.

Auditor's Responsibility:

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 (hereinafter called the 'Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (vi) Based on the representations made by the Company and its officers and my verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance with the following laws applicable specifically to the Company:
 - a. The Reserve Bank of India Act, 1934, as applicable to Non-banking Financial Companies;
 - b. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
 - c. Master Direction - Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016;

- d. Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
- e. Master Direction – Information Technology Framework for the NBFC Sector;
- f. Master Direction - Know Your Customer (KYC) Direction, 2016;
- g. Prevention of Money Laundering Act, 2002 and the Rules made thereunder; and;

Various Circulars, Notifications, Directions, Guidelines, Master Circulars issued by the Reserve Bank of India from time to time in respect of Base Layer Non-Deposit taking Non-Banking Financial Company;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Circulars, Notifications, Directions, Guidelines, Standards, etc. mentioned above:

I 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.

For Vijay S. Tiwari & Associates Practicing Company Secretaries

Sd/-
Vijaykumar Tiwari
Proprietor
COP No. 12220
M. No. 33084
Peer Review Certificate No.: 1679/2022
UDIN: A033084F000917781

Date: 12th August, 2024
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure B1** and forms an integral part of this report.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in compliance with the provisions of the Act and Rules made thereunder and Secretarial Standards on Board Meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

During the period under review, decisions were carried out with unanimous approval of the Board and no dissenting views were observed, while reviewing 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, circulars, notifications, directions and guidelines.

I further report that during the audit period the Company has undertaken following event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards:

1. Allotment of 2,50,000 Equity Shares and 15,50,000 Fully Convertible Warrants ("Warrants/Convertible Warrants") having face value of ₹ 10/- each at a premium of ₹ 100/- per share, aggregating to ₹ 110/-per Equity Share to Promoters further in pursuance of resolution for preferential issue passed by the members through extra ordinary general meeting on 15th February, 2024.
2. Appointment of Mr. Hardik Jain, Executive Director and Ms. Vineeta Piyush Patel, Non-executive Independent Director of the Company.



Annexure B1

to Secretarial Audit Report

To,
The Members,
Mangal Credit and Fincorp Limited
1701/1702, 17th Floor, A Wing,
Lotus Corporate Park, Western Express Highway,
Goregaon (East), Mumbai-400063

My report of even date is to be read along with this letter.

- Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
- 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.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the 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.
- 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.

For Vijay S. Tiwari & Associates
Practicing Company Secretaries

Sd/-
Vijaykumar Tiwari
Proprietor
COP No. 12220
M. No. 33084
Peer Review Certificate No.: 1679/2022
UDIN: A033084F000917781

Date: 12th August, 2024
Place: Mumbai

Annexure C

to Board's Report

Secretarial Compliance Report of Mangal Credit and Fincorp Limited for the Financial Year ended 31st March, 2024

I have examined:

- all the documents and records made available to us and explanation provided by Mangal Credit and Fincorp Limited ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2024 ("Review Period") in respect of compliance with the provisions of:
 - the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - 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: -

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (Other regulations as applicable) and circulars/ guidelines issued thereunder;

I/We 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.	Secretarial Standards: 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.	Yes	The Listed entity has complied with all the applicable secretarial standards under companies act, 2013.
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes	The Listed entity has adopted and updation of all the applicable policies as SEBI Regulations.



Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations /Remarks by PCS*
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website 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	Yes	The Listed entity has maintained and disclose all the required details on Website as per Regulation 46 of SEBI (LODR), 2015.
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	None of the Directors of the Listed entity is disqualified under Section 164 of the Companies Act, 2013.
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	Not Applicable	The Listed entity does not have any subsidiary company.

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations /Remarks by PCS*
6.	Preservation of Documents: 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.	Yes	The Listed entity has maintained proper records of all the documents as prescribed under SEBI Regulations.
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	The Listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees
8.	Related Party Transactions: <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>	Yes	The Listed entity has obtained prior Approval of Audit committee for all related party transactions.
9.	Disclosure of events or information: 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.	Yes	The listed entity has provided all the required disclosure(s) under Regulation 30 of SEBI (LODR), 2015.
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	The Listed Entity is properly complied with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations /Remarks by PCS*
11.	Actions taken by SEBI or Stock Exchange(s), if any: 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 (**).	Yes	No action (s) have been taken against listed entity/ its promoters/directors 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.

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations /Remarks by PCS*
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/ circular/guidance note etc.	-	-

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*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
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	Not Applicable	
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		
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.		
2.	Other conditions relating to resignation of statutory auditor		
i.	Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	Not Applicable	
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 entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.		



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
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.	Not Applicable	
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.		
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.		
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 18 th October, 2019.	Not Applicable	

*Observations /Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

(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: **Not Applicable**

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
										NA

(b) The listed entity has taken the following actions to comply with the observations made in previous reports: **Not Applicable**

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
										Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.

Vijay S. Tiwari & Associates
Practicing Company Secretaries

Sd/-
Vijay Kumar Tiwari
Proprietor
Mem. No. 33084
CP No. 12220
UDIN: A033084F000313518
PR No: 1679/2022

Date: 9th May, 2024
Place: Mumbai



Annexure D

to Board's Report

Details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2024:

I. The ratio of the remuneration of each Director to the median remuneration of the Employees for the financial year

- Mr. Meghraj Sohanlal Jain – 16x
- Mr. Nilesh Jain – 10x
- Mr. Hardik Jain – 6x

Note: The aforesaid directors does not include Independent Directors and Non-Executive Director as they are paid by way of sitting fees only.

II. The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year

- Mr. Meghraj Sohanlal Jain (Managing Director): Nil
- Mr. Nilesh Jain- (Executive Director & CFO): 33.33%
- *Mr. Hardik Jain (Executive Director): Not Applicable
- *Mr. Chirag Parmar (Company Secretary): Not Applicable

* Since the Company Secretary and Executive Director were appointed during the financial year 2023-24, increase in remuneration is not applicable to them.

III. The percentage increase in the median remuneration of Employees in the financial year

The median remuneration of the employees of the Company increased by 0.53% in the financial year.

IV. The number of permanent Employees on the rolls of the Company

There were 103 permanent employees on the rolls of the Company as on 31st March, 2024.

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

Average percentile increase for Managerial Personnel for the financial year –refer Point. II of this Annexure.

Average percentile increase for employees other than the Managerial Personnel for the financial year – Refer Point no. III of this Annexure.

The average increase in the remuneration of employees compared to the increase in remuneration of Managerial Personnel is in line with the market bench mark study. There is no exceptional increase in the Managerial Remuneration.

VI. Affirmation that the remuneration is as per the remuneration policy of the Company

Yes, it is confirmed.

*Remuneration for financial year 2022-2023 & 2023-2024 has been annualized for the purpose of comparison.

Disclosures as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The statement containing particulars of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be made available during 21 days before the Annual General Meeting in electronic mode to any Shareholder upon request sent at the Email ID: compliance@mangalfincorp.com

For and on behalf of the Board of Directors

Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041

Place: Mumbai
Date: 12th August, 2024

Sd/-
Nilesh Jain
Executive Director and Chief Financial Officer
DIN: 08788781

Place: Mumbai
Date: 12th August, 2024

Annexure E

to Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. A brief outline of the Company's CSR Policy:

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. Moreover your company firmly believes that it has a commitment towards its stakeholders, customers, employees, and the community in which it operates, and it can fulfil this commitment only by sustainable and inclusive growth. The Company aims to improve the quality of life through its positive intervention in the community.

The CSR policy has been laid out for the Company to comply with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. We, at MCFL, are committed to spending up to 2% of the average net profits for the preceding three financial years on CSR projects/ programs related to activities specified in Schedule VII to the Companies Act, 2013 or such activities as may be notified from time to time.

The committee has adopted CSR Policy and the same is uploaded on the Company's website at <https://mangalfincorp.com/investorZone.aspx>

2. The Composition of the CSR Committee as on 31st March, 2024:

Name of the Member	Designation in Committee	Number of meeting(s) of CSR Committee held during the year	No. of meeting(s) of CSR Committee attended during the year
Ms. Vineeta Piyush Patel	Chairperson	1	1
Mr. Subramanyam Ganesh	Member	1	1
Mr. Meghraj Jain	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR Committee and CSR Policy: <https://mangalfincorp.com/investorZone.aspx>

CSR Projects: <https://mangalfincorp.com/csrActivity.aspx>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:

Not Applicable for the financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Not Applicable for the financial year under review

6. Average net profit of the Company as per Sec. 135(5) for last three financial years:

₹ 9,65,47,982/-



7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 19,30,960/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 (c) Amount required to be set off for the financial year, if any: Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 19,30,960/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In ₹)	Amount Unspent (in ₹)	
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).
₹ 19,30,960/-	NIL	NIL

- (b) Details of CSR amount spent against ongoing projects for the financial year: **Nil**
 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project activity identified	Sector in which the Project is covered	Projects or programs Local area or other Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: Direct Expenditure on projects or programs. Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency.
1	Promotion of Education	Education and Skill development	Shishoda, Rajasthan	19,30,960/-	19,30,960/-	19,30,960/-	Amount was spent Directly

- (d) Amount spent in Administrative Overheads: **Nil**
 (e) Amount spent on Impact Assessment, if applicable: **Not Applicable**
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 19,30,960/-
 (g) Excess amount for set off, if any: **Not Applicable for the financial year under review**
9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Nil**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: (asset-wise details).
- (a) Date of creation or acquisition of the capital asset(s). **Not Applicable**
 (b) Amount of CSR spent for creation or acquisition of capital asset. **Not Applicable**
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not Applicable**
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Not Applicable**
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Not applicable**

For and on behalf of the Board of Directors

Sd/-
Meghraj Sohanlal Jain
 Chairman and Managing Director
 DIN: 01311041

Place: Mumbai
 Date: 12th August, 2024

Sd/-
Nilesh Jain
 Executive Director and Chief Financial Officer
 DIN: 08788781

Place: Mumbai
 Date: 12th August, 2024

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Mangal Credit and Fincorp Limited

Report on the Audit of the Financial Statements

1. Opinion

We have audited the accompanying Financial Statements of Mangal Credit and Fincorp Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2024 and its profit, total comprehensive income, its cash flows and the changes in equity for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements in paragraph 6 below 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 ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

3. Key Audit Matters

Key audit matters are those matters which, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and

we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key audit matter	How our audit addressed the key audit matter
The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability of Default and Loss Given Default (LGD) using historical information and Management risk assessment of present underlying financial assets. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Our audit incorporated the following procedures with regard to ECL: - <ul style="list-style-type: none"> Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. Tested the design and effectiveness of internal controls over the completeness and accuracy information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. Reconciled the total financial assets considered for ECL estimation with the books of accounts to ensure the completeness. Assessed the adequacy and appropriateness of the presentation and disclosures in compliance with the applicable Ind AS.

4. Information Other than the Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for other information. Other information comprises the information included in the Annual Report, but does not include the Financial

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Statements and our auditor's report thereon. Other information comprises the information included in the Annual Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover other information and we do not express any form of assurance, conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information comprises the information included in the Annual Report, if we concluded that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

5. Management's Responsibility for the Financial Statements

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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

6. Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- Obtain an understanding of internal financial control 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 control with respect to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 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.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statement 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 Financial Statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

7. Report on other Legal and Regulatory Requirements

- (i) 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 loss), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 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 control 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 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, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2024 on its financial position in its Financial Statements – Refer Note 34 to the Financial Statements;

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii) The Company was not required to transferred any amount to the Investor Education and Protection Fund during the year.



ANNEXURE “A” to the independent auditor’s report

- iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, 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 :
- 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.
- (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, 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:
- 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.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (iv) (a) and (b) above, contain any material mis-statement.
- (v) (a) The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- (vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of accounts (to the extent records maintained in electronic mode) for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated through 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 features being tampered with.
- (ii) As required by the Companies (Auditor's Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure “B”**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For Bhagwagar Dalal & Doshi
Chartered Accountants
Firm Registration No. 128093W

Sd/-
Jatin V. Dalal
Partner
Membership No. 124528

UDIN: 24124528BKCXGA9812
Place: Mumbai
Date: 07th May, 2024

Referred to in paragraph (i) (f) under the “Report on other Legal and Regulatory Requirements” in the Independent Auditor’s Report of even date to the members of Mangal Credit and Fincorp Limited.

1. Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Financial Statements of Mangal Credit and Fincorp Limited (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

2. Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements 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 Act.

3. Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Financial Statements 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements 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 judgement, 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 with reference to Financial Statements.

4. Meaning of Internal Financial Controls with reference to Financial Statements

A company’s internal financial controls with reference to Financial Statements 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 controls with reference to Financial Statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become



ANNEXURE “B” to the independent auditor’s report

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial

Statements and such internal financial control with reference to Financial Statements were operating effectively as at 31st March, 2024 based on criteria with reference to Financial Statements 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.

For Bhagwagar Dalal & Doshi
Chartered Accountants
Firm Registration No. 128093W

Sd/-
Jatin V. Dalal
Partner
Membership No. 124528

UDIN: 24124528BKCXGA9812
Place: Mumbai
Date: 07th May, 2024

Referred to in paragraph (ii) under “Report on Other Legal and Regulatory Requirements” in the Independent Auditor’s Report of even date to the members of Mangal Credit and Fincorp Limited

- (i) (a) (1) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (2) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) As explained to us, Property, Plant and Equipment have been physically verified at the end of the year by the Management, which in our opinion is reasonable, having regard to the size of the Company and nature of its property, plant and equipment. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company including registered title deeds, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the Lease Agreements are duly executed in favour of the Company) disclosed in the Financial Statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including right of use assets) or Intangible Assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of examination of the records of the Company, no proceeding has been initiated or is pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The Company is Non-Banking Financial Company (NBFC) providing loans and its business does not require maintenance of inventories. Accordingly, sub clause (a) of clause 3(ii) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements or returns filed by the Company with such banks are in agreements with the books of account of the Company.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided guarantee or security to companies, firms, limited liability partnership and other parties during the year. The principal business of the Company is to give loans. Accordingly, sub clause (a) of clause 3 (iii) of the Order is not applicable to the Company;
- (b) According to the information and explanations given to us and based on the audit procedure conducted by us, we are of the opinion that the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are not prejudicial to the interest of the Company. During the year the Company has not made investments, provided guarantee or given security;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. The Company, being NBFC registered under the provisions of the Reserve Bank of India and in the principal business of giving loans, there are instances where the repayment of principal and payment of interest are not as per the stipulated terms;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of overdue amount for more than ninety days in respect of loans and advances in the nature of loans given as at 31st March, 2024 are as below:

(₹ in Lakhs)

Loans	No of Cases	Principal Amount overdue	No of Cases	Interest Amount Overdue
Secured	18	15.38	130	38.96
Unsecured	26	37.49	8	0.97



In our opinion and according to information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

- (e) The principal business of the Company is to give loans, hence sub clause (e) of clause 3 (iii) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, sub clause (f) clause 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 of the Act are not applicable to the Company, and the provisions of section 186 of the Act as applicable, are complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amount which are deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of statutory dues:

- (a) the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom, Cess and any other statutory dues applicable to it with appropriate authorities except advance Income Tax.

there were no undisputed arrears of outstanding statutory dues in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess and other statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable except advance Income Tax of Rs 141.39 Lakhs.

the Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 01 July 2017, these statutory dues has been subsumed into Goods and Services Tax.

- (b) relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues which have not been deposited on account of any dispute are as follows:

(₹ in Lakhs)

Name of the Statute	Forum where matter is pending	Period to which the amount relates	Nature of Dues	Amount
Income Tax Act, 1961	Commissioner (Appeals)	2017-18	Income Tax	99.42
		2021-22	Income Tax	0.53

- (viii) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has applied term loans for the purpose for which term loans were obtained.
- (d) According to the information and explanations given to us and the procedure 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 utilised for the long-term purpose.
- (e) According to information and explanations given to us and on the basis of examinations of the records of the Company, the Company has no

subsidiary, associate or joint venture. Accordingly, sub clauses (e) & (f) of clause 3 (ix) of the Order are not applicable to the Company.

- (x) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, sub clause (a) of clause 3 (x) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has made allotment of equity shares and convertible equity warrants on preferential basis in compliance with the provisions of the section 62 of the Act during the year and the funds raised thereon have been applied for the purpose for which it was raised. The Company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, no instance of fraud on or by the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies, Act 2013 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 upto the date of this report.

- (c) According to representation given to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us and on the basis of examination of the books and records of the Company carried out by us, all the transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act, where applicable. The details thereof have been disclosed

in the Financial Statements as required by Indian Accounting Standards.

- (xiv) (a) According to the information and explanations given to us, in our opinion, the Company has internal audit system commensurate with the size and the nature of its business.

- (b) We have considered the reports of the Internal Auditors, issued till date, for the period under audit.

- (xv) In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with such directors and hence, provisions of section 192 of the Act are not applicable.

- (xvi) (a) The Company is Non- Banking Financial Company and is required to obtain Registration under section 451A of the Reserve Bank of India Act, 1934 and such registration has been obtained.

- (b) The Company has a valid Certificate of Registration (CoR) from Reserve Bank of India (RBI) for conducting Non- Banking Financial activities and no business has been conducted by the Company without a valid CoR.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, sub clause (c) of clause 3(xvi) of the Order is not applicable to the Company.

- (d) According to the information and explanations given to us, there are no core investment companies as defined in the regulations made by Reserve Bank of India as a part of its group. Accordingly, sub clause (d) of clause 3 (xvi) is not applicable to the Company.

- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, clause 3(xviii) of the Order is not applicable to the Company.

- (xix) According to the information and explanations given to us and on the basis of examination of the financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and the management plan and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe



that any material uncertainty exists as on the date of the audit report that company is 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 liability of the Company. We further state that our reporting is based on the facts upto 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) In our opinion and according to the information and explanation given to us the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a fund specified in Schedule-VII to the Act or special account in compliance with the provision of sub-section (6) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For Bhagwagar Dalal & Doshi
Chartered Accountants
Firm Registration No. 128093W

Sd/-
Jatin V. Dalal
Partner
Membership No. 124528

UDIN: 24124528BKCXGA9812
Place: Mumbai
Date: 07th May, 2024

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BALANCE SHEET

as at March 31, 2024

Particulars	Note no.	₹ in Lakhs	
		As at March 31, 2024	As at March 31, 2023
Assets			
1 Financial Assets			
a) Cash and cash equivalents	4	631.17	1,131.12
b) Bank balances other than cash and cash equivalents	5	919.24	18.76
c) Receivables		-	-
i) Trade receivables		-	-
ii) Other receivables	6	47.49	28.40
d) Loans	7	22,632.71	15,879.51
e) Investments	8	1,427.92	1,560.36
f) Other financial assets	9	77.37	62.57
		25,735.90	18,680.72
2 Non-Financial Assets			
a) Income tax assets (Net)	10	28.96	29.08
b) Deferred tax assets (Net)	11	74.74	40.91
c) Investment property	12	1,316.11	1,316.11
d) Property, plant and equipment	13(A)	57.18	43.46
e) Intangible asset under development	13(B)	24.11	3.00
f) Right of use assets	13(C)	124.31	128.46
g) Intangible assets	13(D)	1.30	2.36
h) Other non-financial assets	14	16.35	63.35
		1,643.06	1,626.73
		27,378.96	20,307.45
LIABILITIES AND EQUITY			
1 Financial Liabilities			
a) Payables	15		
i) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		3.86	0.39
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		71.33	36.71
ii) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		4.67	1.28
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		12.38	3.25
b) Debt securities	16	-	705.99
c) Borrowings (other than debt securities)	17	13,664.02	7,885.15
d) Lease liabilities	18	135.77	138.93
e) Other financial liabilities	19	237.70	20.08
		14,129.73	8,791.78
2 Non-Financial Liabilities			
a) Current tax liabilities (Net)	20	314.19	221.32
b) Provisions	21	41.21	14.33
c) Other non-financial liabilities	22	158.85	85.69
		514.25	321.34
3 Equity			
a) Equity share capital	23(A)	1,956.40	1,931.40
b) Other equity	23(B)	10,778.58	9,262.93
		12,734.98	11,194.33
		27,378.96	20,307.45
See accompanying notes to Financial Statements	1 to 49		

As per our Report of even date
For Bhagwagar Dalal & Doshi
Chartered Accountants
FRN: 128093W

For and on behalf of the board of directors
Mangal Credit And Fincorp Limited

Sd/-
Jatin V. Dalal
Partner
M.No. 124528

Sd/-
Meghraj Jain
Managing Director
DIN:- 01311041

Sd/-
Nilesh Jain
Director & CFO
DIN:- 08788781

Sd/-
Chirag Parmar
Company Secretary
M. No. A66852

Place: Mumbai
Date : 7th May, 2024

Place: Mumbai
Date : 7th May, 2024

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

Particulars	Note No.	₹ in Lakhs	
		2023-24	2022-23
Revenue from operations			
Interest income	24	3,215.28	1,996.49
Fees and commission income	25	104.23	96.14
Other operating revenue	26	-	33.25
Total Revenue from operations		3,319.51	2,125.88
Other income	27	7.98	14.10
Total Income (I)		3,327.49	2,139.98
Expenses			
Finance costs	28	949.51	457.62
Impairment on financial instruments	29	74.18	34.99
Employee benefits expense	30	515.91	318.48
Depreciation and amortization expenses	13	71.37	52.77
Other expenses	31	284.02	198.28
Total Expenses (II)		1,894.99	1,062.14
Profit before tax (I - II)		1,432.50	1,077.84
Tax Expense			
Current tax		396.00	295.98
Short provision for tax relating to prior years		2.14	5.70
Deferred tax		(20.23)	(15.19)
Profit for the year		1,054.59	791.35
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
a) Remeasurement benefit of defined benefit plans		0.27	-
b) Fair value (loss) on Investment in Equity instruments through OCI		(132.44)	(120.34)
Income tax relating to items that will not be reclassified to profit or loss		13.60	27.53
Total Other Comprehensive Income		(118.57)	(92.81)
Total Comprehensive Income for the year		936.02	698.54
Earning Per equity share			
Equity shares of par value ₹10/- each	32		
(1) Basic (₹)		5.45	4.10
(2) Diluted (₹)		5.45	4.10
Nominal value of each ordinary share is ₹.10/-			
See accompanying notes to Financial Statements	1 to 49		

As per our Report of even date
For Bhagwagar Dalal & Doshi
Chartered Accountants
FRN: 128093W

For and on behalf of the board of directors
Mangal Credit And Fincorp Limited

Sd/-
Jatin V. Dalal
Partner
M.No. 124528

Sd/-
Meghraj Jain
Managing Director
DIN:- 01311041

Sd/-
Nilesh Jain
Director & CFO
DIN:- 08788781

Sd/-
Chirag Parmar
Company Secretary
M. No. A66852

Place: Mumbai
Date : 7th May, 2024

Place: Mumbai
Date : 7th May, 2024



CASH FLOW STATEMENT

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	2023-24	2022-23
A. Cash flows from operating activities		
Profit before tax	1,432.50	1,077.84
Adjustments for:		
Depreciation and amortisation	71.37	52.77
Interest income on loans	(3,196.69)	(1,987.14)
Finance cost	949.50	457.62
Dividend income	-	-
Impairment on financial instruments	74.18	34.99
Interest on fixed deposit	(12.03)	(4.42)
Operating profit before working capital changes	(681.17)	(368.34)
Adjustment for working capital changes		
(Increase)/ Decrease in trade and other receivables	(19.09)	1.10
(Increase) in loans	(6,752.28)	(5,408.34)
(Increase) in other financial asset	(14.80)	(10.40)
Decrease/(Increase) in non- financial asset	47.00	(38.26)
Increase in trade and other payables	37.24	16.99
Increase in other financial liabilities	9.45	3.44
Increase in Provisions	27.15	14.33
Increase in non financial liabilities	73.16	57.36
Interest received	3,121.58	1,831.02
Finance cost paid	(941.52)	(451.63)
Cash flow from operating activities	(5,093.28)	(4,352.73)
Income taxes paid	(305.16)	(257.96)
Net cash generated from operating activities (A)	(5,398.44)	(4,610.69)
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital advance	(41.63)	(29.96)
Advance for sale of investment	208.17	-
Interest income from fixed deposit	5.95	4.42
Movement in earmarked balances with bank	(894.41)	(3.12)
Net cash used in investing activities (B)	(721.92)	(28.66)
C. Cash flows from financing activities		
Proceeds from issue of equity share capital	275.00	-
Proceeds from money received against share warrants	426.25	-
Net Proceeds from borrowings	5,764.90	5,058.97
(Repayment)/Proceeds of debt securities	(700.00)	700.00
Payment of lease liability	(49.17)	(32.84)
Dividend paid	(96.57)	(96.57)
Net cash generated from financing activities (C)	5,620.41	5,629.56
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(499.95)	990.21
Cash and cash equivalents at the beginning of the year	1,131.12	140.91
Cash and cash equivalents at end of the year	631.17	1,131.12

Note

- a) The above Cash Flow Statement has been prepared under the "indirect method" as set out in the Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flow
- b) Cash and Cash equivalent comprises of

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	148.13	50.98
Balance with banks (including cheques on hand)	483.04	1,080.14
	631.17	1,131.12

As per our Report of even date
For Bhagwagar Dalal & Doshi
Chartered Accountants
FRN: 128093W

For and on behalf of the board of directors
Mangal Credit And Fincorp Limited

Sd/-
Jatin V. Dalal
Partner
M.No. 124528

Sd/-
Meghraj Jain
Managing Director
DIN:- 01311041

Sd/-
Nilesh Jain
Director & CFO
DIN:- 08788781

Sd/-
Chirag Parmar
Company Secretary
M. No. A66852

Place: Mumbai
Date : 7th May, 2024

Place: Mumbai
Date : 7th May, 2024



STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2024

A. Equity share capital

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,931.40	1,931.40
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at beginning of the year	-	-
Changes in equity share capital during the year	25.00	-
Balance as at end of the year	1,956.40	1,931.40

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus							Equity Instruments Through OCI	Total
	Capital Reserve	Securities Premium	General Reserve	Statutory Reserve	Contingency Reserve	Investment Reserve	Retained Earnings		
Balance as at April 01, 2022 (A)	150.46	3,588.19	365.00	1,021.61	25.00	7.00	3,364.38	139.32	8,660.96
Additions during the year									
Profit for the year							791.35		791.35
Add/(Less): Items of OCI for the year, net of tax:									
Remeasurement benefit of defined benefit plans									
Net fair value (loss)/gain on Investment in equity instruments through OCI								(92.81)	(92.81)
Total Comprehensive Income for the year 2022-23 (B)	-	-	-	-	-	-	791.35	(92.81)	698.54
Additions/(Reductions) during the year									
Dividends							(96.57)		(96.57)
Transferred to Statutory Reserve Fund				158.27			(158.27)		-
Total (C)	-	-	-	158.27	-	-	(254.84)	-	(96.57)
Balance as at March 31, 2023 (D) = (A+B+C)	150.46	3,588.19	365.00	1,179.88	25.00	7.00	3,900.89	46.51	9,262.93
Additions during the year									
Profit for the year							1,054.59		1,054.59
Add/(Less): Items of OCI for the year, net of tax:									
Remeasurement benefit of defined benefit plans							0.20		0.20
Net fair value (loss)/gain on Investment in equity instruments through OCI								(118.77)	(118.77)
Total Comprehensive Income for the year 2023-24 (E)	-	-	-	-	-	-	1,054.79	(118.77)	936.02
Additions/(Reductions) during the year									
Securities premium on account of issue of equity shares	-	250.00	-	-	-	-	-	-	250.00
Expense on Investments							(0.05)		(0.05)
Dividends							(96.57)		(96.57)
Transferred to Statutory Reserve Fund				210.92			(210.92)		-
Total (F)	-	250.00	-	210.92	-	-	(307.54)	-	153.38
Balance as at March 31, 2024 (D+E+F)	150.46	3,838.19	365.00	1,390.80	25.00	7.00	4,648.14	(72.26)	10,352.33

Other equity- Money Received against share warrant

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-
Add/(Less) : Changes during the year	426.25	-
Balance as at March 31, 2024	426.25	-

Pursuant to the resolution passed in the meeting of the shareholders of the Company held on February 15, 2024, the Company has issued and allotted on a preferential basis to a Promoter Director of the Company 15,50,000 convertible equity warrants of a nominal value of ₹ 10/- each at a premium of ₹ 100/- aggregating to ₹ 1705 Lakhs in compliance with all the applicable statutory regulations and enactments. The Company has received ₹ 426.25 Lakhs, being 25% of the aggregate consideration upon allotment of 15,50,000 convertible equity warrants. The equity warrant holder shall, in terms of issue and subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the equity warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the equity warrants upon payment of balance 75% of the consideration. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of ₹ 10/- (Rupees Ten only) each to the warrant holder.

As per our Report of even date
For Bhagwagar Dalal & Doshi
Chartered Accountants
FRN: 128093W

For and on behalf of the board of directors
Mangal Credit And Fincorp Limited

Sd/-
Jatin V. Dalal
Partner
M.No. 124528

Sd/-
Meghraj Jain
Managing Director
DIN:- 01311041

Sd/-
Nilesh Jain
Director & CFO
DIN:- 08788781

Sd/-
Chirag Parmar
Company Secretary
M. No. A66852

Place: Mumbai
Date : 7th May, 2024

Place: Mumbai
Date : 7th May, 2024



Notes

forming part of financial statement for the year ended March 31, 2024

1. Corporate Information

Mangal Credit & Fincorp Limited ("the Company") is a public company limited by shares incorporated and domiciled in India having Corporate Identity No. is L65990MH1961PLC012227 with its registered office in Mumbai, Maharashtra. The Company is Non-Banking Financial Company registered under section 45-IA of the Reserve Bank of Indian Act, 1934 (the RBI Act) vide Registration No 13.00329. The Company is presently classified as Base Layer Non-Banking Financial Company (NBFC- BL) as per Scale Base Regulation for NBFCs and Non-Systemically Important Non-Deposit Taking NBFC (NBFC-ND-Non-SI). Equity shares of the Company is listed on Bombay Stock Exchange (BSE) Limited. The Company is engaged in business of providing various type of loans to different type of customers.

2. BASIS OF PREPERATION, KEY ACCOUNTING ESTIMATES & JUDGEMNETS AND MATERIAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

i) Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") as amended from time to time. The Financial statements may require further adjustments, if any, that may be required by the guidelines/ clarifications/ directions issued in future by Reserve Bank of India, Ministry of Corporate Affairs or other regulators, which will be implemented as and when same are issued and made applicable.

The Financial Statements includes Balance Sheet as at 31st March, 2024, the Statement of Profit & Loss including Other Comprehensive Income, Statement of Change in Equity and Cash Flows Statement for the year ended 31st March, 2024 and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

ii) Basis of preparation and measurement of accounts

The Financial Statements have been prepared and presented under the historical cost convention except for certain financial assets and financial liabilities which are measured at fair value / amortised cost / transaction price as stated in respective accounting policies / notes.

The financial statements are presented in Indian Rupees, and all values are rounded off in lakhs to the nearest two decimal points except otherwise stated.

The Financial Statements have been prepared on accrual and going concern basis.

iii) Presentation of Financial Statement

The Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 (the Act) applicable to NBFCs, as notified by the Ministry of Corporate Affairs. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Cash flows are reported using the indirect method where by the profit after tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of cash flow statement cash and cash equivalents consist of cash and short-term deposits, as defined above.

The functional and presentation currency of the Company is Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates.

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(b) Use of estimates and judgments and Estimation uncertainty

The preparation of the financial statements in conformity with Ind AS, requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The estimates and the associated assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognised prospectively.

Significant judgements and estimates have been made by the Company relating to

• Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

• Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

- Useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods. Impairment of property, plant and equipment and intangible assets.

- Provision for employee benefits and other provisions

The costs of providing employment benefit plans are charged to the statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rate, expected rate of return on assets and mortality rates. The assumptions have been disclosed under employee benefits note.

- Provision for Income Tax including payment of advance Tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

- Fair Value Measurements of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are



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taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- Lease

The Company assesses whether a contract is qualifies to be a lease as per the requirements of Ind As 116. Identification of lease requires significant judgment including judgement to assess the lease terms (including anticipated renewals) and the applicable discount rate. The Company determines the lease terms as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease, if the Company is reasonably certain to exercise that option; and period covered by an option to terminate the lease, if the Company is reasonably certain not to exercise that option. In assessing, whether the Company is reasonably certain to exercise the option to extend a lease, or not to exercise an option to terminate a lease, the Company consider all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revise the lease term if there is a change in the non-cancellable period of lease terms.

- Commitments and contingencies.

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

(c) MATERIAL ACCOUNTING POLICIES

i) Revenue recognition

The Company drives its revenue primarily from the financing business and ancillary activities. The Company follows Ind AS 109 -Financial Instruments for revenue recognition for the income on the financial assets. In case of revenue from other ancillary activities the Company recognised its revenue based on five step model prescribed in Ind AS 115- Revenue from Contracts with Customers.

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.

- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into the account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into the account all the contractual terms of the instrument.

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. the gross carrying amount less the allowance for ECLS). If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Additional interest on loan levied on customer for delay in repayment/non-payment of contractual cash flows is recognized on accrual basis whereas penal interest is recognized on realization basis.

Interest Income on Non- Performing Loans are recognized on realization basis.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest income in the Statement of profit and loss.

a) Fees and commission income:

Fee based income are recognized when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned for the services rendered are recognized as and when they are due.

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b) Interest income on deposits:

Interest income from deposits is recognized when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

c) Other Income:

Office sharing expenses reimbursement is recognized on accrual basis.

ii) Property Plant and Equipment (PPE)

Property, plant and equipment are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount or rebate is deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

PPE is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

The Company has elected to measure property, plant and equipment at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.

iii) Intangibles assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets comprise of computer software license and/or rights under the license agreement are measured on initial recognition at cost. Costs comprise of license fees and cost of system integration services and development.

The carrying amount of an intangible asset is derecognized when no future economic benefits are expected from its use.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

iv) Depreciation on Property, Plant and Equipment and Amortisation of intangible Assets

Depreciation on **Property, Plant and Equipment** is provided on pro rata basis using the written down value method based on useful life of the assets as prescribed in Part C of Schedule II to the Companies Act, 2013 in consideration with useful life of the assets as estimated by the management.

Intangible Assets with finite lives are amortized on a written down value method based on the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The estimated useful lives, residual values and methods of depreciation of property, plant & equipment are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if any.

The estimated useful lives used for computation of depreciation are as follows:

Asset	Useful life (in years)
Plant and equipment	15
Furniture and fixtures	10
Servers and Networking	6
Computer peripherals and Office equipment	3
Computer Software and Licenses	5

v) Impairment of tangible, intangible and right to use assets:

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that carrying value of those assets may not be recoverable through continuing use. 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).

An impairment loss is on such assessment will be recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value



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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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset in prior years. The reversal of an impairment loss is recognized in the Statement of profit and loss.

vi) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Where the fair value of financial assets and financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and transaction price is recognised in the statement of profit and loss. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

a) Recognition and Measurement

(i) Financial Assets

All financial assets are recognised initially at fair value when the Company becomes party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

- **Cash and bank balances**

Cash and bank balances consist of:

Cash and cash equivalents - Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of

change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances - Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage.

Subsequent measurement

- **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding using the Effective Interest Rate (EIR) method less impairment, if any and the amortisation of EIR and loss arising from impairment, if any is recognised in the statement of profit and loss.

- **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- If it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These

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investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

(ii) Financial liabilities

All financial liabilities are recognized initially at fair value when the company become party to the contractual provisions of the financial liability. In case of financial liability which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, are adjusted to the fair value on initial recognition. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

- **Equity Instrument**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Subsequent measurement

- **Financial Liability**

Financial liabilities other than financial liabilities at fair value through profit and loss are subsequently measured at amortized cost using the effective interest method.

b) Derecognition:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for

derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

c) Impairment of financial instruments

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for the financial assets which are not fair valued through profit or loss. For all financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

Overview of the ECL principles:

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses (LTECLs) means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses ((12mECLs) means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company records allowance for expected credit losses for all loans, other debt financial assets, together with loan commitments (in this section all referred to as 'financial instruments'). The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). Both LTECLs and 12mECLs are calculated on either an



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individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Company has established an internal model to evaluate ECL based on nature of Financial Assets. Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk since initial recognition. When loans are first recognized, the Company recognizes an allowance based on 12mECLs. A 12mECLs provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.

Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2:

Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12mECLs provision.

Stage 3:

Financial assets are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans.

The key elements of the ECL are summarized below:

Exposure at Default (EAD):

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account, expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

Probability of Default (PD):

The Probability of Default is an estimate of the likelihood of default 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 derecognized 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 realization of any collateral. It is usually expressed as a percentage of the EAD. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

d) Write offs

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognized in the Statement of profit and loss.

vii) Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as

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the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits

• Defined contribution plans

A Defined Contribution Plan is plan under which the Company makes contribution to Employee's Provident Fund administrated by the Central Government and Employee State Insurance administrated by Employee State Insurance Corporation. The Company's contribution is charged to the statement of profit and loss.

• Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's gratuity scheme is a defined benefit plan and in accordance with Payment of Gratuity Act, 1972. As per the plan, the employee is entitled to 15 days of basic salary for each completed year of service with a condition of minimum tenure of 5 years subject to a maximum amount of INR 20,00,000.

Gratuity liability is recognised based on actuarial valuation using the projected unit credit method. The Company is presently not maintaining any fund or making any contribution toward the same.

viii) Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Finance costs are charged to the Statement of profit and loss.

ix) Taxation- Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax:

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable

in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

x) Provisions, contingent liabilities and contingent assets:

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed where an inflow of economic benefit is probable.



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xi) Leases:

A contract is, or contains, a lease, if the contract conveys the right to control the use of an assets for a period of time in exchange for consideration.

Company as a lessee:

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

However, company is having lease with term of 12 months or less (short term leases). the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet. Interest expense on lease liability is reported as finance cost in the statement of profit and loss account and lease payments have been classified as financing cash flows.

xii) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

3. Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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Note '4': Cash and cash equivalents

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Cash on hand	148.13	50.98
Balances with banks		
Current Accounts	483.04	645.14
Cheques on hand	-	435.00
	631.17	1,131.12

Note '5': Bank balances other than cash and cash equivalents

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Balances with banks		
Term deposits held as margin money or security against borrowing, guarantees or other commitments	899.76	-
In earmarked accounts (Note 5.1)	19.48	18.76
	919.24	18.76

5.1 Balances with banks in earmarked accounts pertains to unclaimed dividend and the Company can utilise these balances only towards settlement of unclaimed dividend. (Note 19.2)

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Trade Receivables	-	-
Other Receivables		
Unsecured, considered good	47.49	28.40
	47.49	28.40

6.1 The following table summarises receivables due from:

Particulars	(₹ in Lakhs)			
	Trade Receivables		Other Receivables	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Directors or other officers of the Company	-	-	-	-
A Private Company in which Director of the Company is Director/Member	-	-	-	-
A Firm or LLP in which Director is a partner	-	-	-	-



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6.2 The following table summarises the change in impairment allowance measured using lifetime expected credit loss model:

Particulars	Trade Receivables		Other Receivables	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	-	-	-	-
Add/(Less): Allowance/(Reversal) for expected credit loss for the year (Net)	-	-	-	-
Less: Amount written off	-	-	-	-
	-	-	-	-

6.3 Trade receivables Nil (P.Y. Nil), hence ageing schedule of the trade receivable is not provided.

Note '7': Loans

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(At amortised cost)		
- Term Loans	22,870.46	16,043.07
- Other Loan	-	-
	22,870.46	16,043.07
Less: Impairment loss allowance	(237.75)	(163.56)
	22,632.71	15,879.51

7.1 The following table summarizes secured and unsecured loans.

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(i) Secured by tangible assets	12,680.50	7,896.58
(ii) Unsecured	10,189.96	8,146.49

7.2 The Loans are given in India to parties other than Public sectors.

7.3 Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Note 47.3)

7.4 Details of investments made and outstanding are given in Note 8.

7.5 Loans or advances to Promoters, Directors & KMPs : NIL (P.Y. NIL).

7.6 The Company, as part of its normal business, grants loans and advances to its customers, other entities and persons and borrows money from banks, financial institutions, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

7.7 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, directly or indirectly, lend or invest in other person or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security of the like to or on behalf of the Ultimate Beneficiaries.

7.8 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security of the like on behalf of the Ultimate Beneficiaries.

Notes

forming part of financial statement for the year ended March 31, 2024

Note '8' Investments

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Unquoted Equity Instruments (fully paid)		
- Unquoted Equity Shares	1,427.92	1,560.36
	1,427.92	1,560.36
Aggregate amount of quoted investments at fair value	-	-
Aggregate amount of unquoted investments at fair value	1,427.92	1,560.36
Aggregate value of impairment in value of investments	-	-

8.1 Fair value of Equity Investment is based on the valuation report of a registered valuer as defined under Rule 2 of the Companies (Registered Valuers & Valuation) Rules, 2017 except for the investment in equity shares of Satco Capital Markets Limited as stated in Note 8.4.

8.2 Investments are held in the name of the Company. The company has not pledged its investments to raise loans.

8.3 Investments are made within India

8.4 In terms of an agreement for sale dated October 26, 2023 the Company has agreed to transfer 15,98,878 fully paid equity shares of ₹ 10/- each of Satco Capital Markets Limited for a total consideration of ₹ 208.17 lakhs and accordingly, same is considered as fair value of the investments as on March 31, 2024. Pending the shares transfer due to some issue in the opening of a demat account by other party, advance of ₹ 208.17 lakhs received, being the full consideration has been reported under Note 19 "Other Financial Liabilities".

8.5 The Company has no subsidiary hence compliance with the provision of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layer) Rules, 2017 is not applicable to the Company.

Note '9' Other financial assets

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Security deposits*	69.87	54.61
Deposit- others	7.50	7.96
	77.37	62.57

* Includes ₹ 42.44 Lakhs (P.Y. ₹ 38.24 Lakhs) security deposit given to related party (Note 47)

Note '10' Income tax assets (Net)

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Advance payment of Income tax (Net)	28.96	29.08
	28.96	29.08

Note '11' Deferred tax assets (Net)

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Deferred tax asset	74.74	40.91
	74.74	40.91



Notes

forming part of financial statement for the year ended March 31, 2024

11.1

(₹ in Lakhs)

The major components of deferred tax assets/(liabilities) are as follows:	As at April 01,2023	Recognized in		As at March 31, 2024
		Profit and Loss	OCI	
Deferred tax assets				
Impairment loss allowance on financial assets	9.20	4.55		13.75
Difference between written down value/ capital work in progress of property, plant & equipment and intangible assets as per the books of accounts & Income Tax Act,1961	13.33	1.46		14.79
Provision for expenses allowed for tax purpose on payment basis (Net)		2.03		2.03
Remeasurement benefit of defined benefit plans			(0.07)	(0.07)
Difference in right-of-use asset and lease liabilities	2.64	0.25		2.89
Difference in carrying value and tax based of financial assets and liabilities	17.00	11.94		28.94
Deferred tax (liabilities)				
Difference in carrying value and tax base of investments in equity measured at FVOCI	(1.26)		13.67	12.41
Deferred tax (income)/expenses		20.23	13.60	
Net deferred tax assets/(liabilities)	40.91			74.74

(₹ in Lakhs)

The major components of deferred tax assets/(liabilities) are as follows:	As at April 01,2022	Recognized in		As at March 31, 2023
		Profit and Loss	OCI	
Deferred Tax Assets				
Impairment loss allowance on financial assets	11.30	(2.10)		9.20
Difference between written down value/ capital work in progress of property, plant & equipment and intangible assets as per the books of accounts & Income Tax Act,1961	12.82	0.51		13.33
Provision for expenses allowed for tax purpose on payment basis (Net)	-	-		-
Difference in right-of-use asset and lease liabilities	1.59	1.05		2.64
Difference in carrying value and tax based of financial assets and liabilities	1.27	15.73		17.00
Deferred Tax (Liabilities)				
Difference in carrying value and tax base of investments in equity measured at FVOCI	(28.79)		27.53	(1.26)
Deferred Tax (income)/expenses		15.19	27.53	
Net Deferred Tax Assets/(Liabilities)	(1.81)			40.91

Notes

forming part of financial statement for the year ended March 31, 2024

Note '12' Investment property

(₹ in Lakhs)

	As at March 31,2024	As at March 31,2023
Carried at cost		
Freehold land	1,316.11	1,316.11
	1,316.11	1,316.11
*Fair Market Value	1,487.82	1,479.76

12.1 The Title deeds of all immovable properties are in the name of Company.

12.2 Fair value of Investment Properties is based on the valuation report of a registered valuer/obtained from the public domain of the concerned government authorities.

12.3 Revaluation of Investment Properties: NIL (P.Y. NIL).

Note 13(A) - Property, plant and equipment

(₹ in Lakhs)

Description of assets	Plant and Equipment	Furniture and Fixtures	Vehicles	Computer Peripherals	Total
I. Cost					
Balance as at April 01, 2022	30.59	164.14	0.60	71.08	266.41
Additions	1.61	7.35		16.80	25.76
Deduction/Adjustments					-
Balance as at March 31, 2023	32.20	171.49	0.60	87.88	292.17
Additions	1.62	10.82	-	21.44	33.88
Deduction/Adjustments			0.60		0.60
Balance as at March 31, 2024	33.82	182.31	-	109.32	325.45
II. Accumulated depreciation/impairment					
Balance as at April 01, 2022	23.40	147.66	0.57	62.65	234.28
Depreciation for the year	1.51	5.08		7.84	14.43
Deduction/Adjustments					-
Balance as at March 31, 2023	24.91	152.74	0.57	70.49	248.71
Depreciation for the year	1.46	4.80	0.02	13.88	20.16
Deduction/Adjustments			0.60		0.60
Balance as at March 31, 2024	26.37	157.54	(0.01)	84.37	268.27
Net block (I-II)					
Balance as at March 31, 2024	7.45	24.77	0.01	24.95	57.18
Balance as at March 31, 2023	7.29	18.75	0.03	17.39	43.46

Note 13(B) - Intangible assets under Development

(₹ in Lakhs)

Description of assets	As at March 31,2024	As at March 31,2023
Software	24.11	3.00
	24.11	3.00



Notes

forming part of financial statement for the year ended March 31, 2024

The ageing for Intangible assets under development as below

Particulars	Amount in Intangible Assets under development for a period of				As at March 31, 2024
	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	21.11	3.00	-	-	24.11
	21.11	3.00	-	-	24.11

Particulars	Amount in Intangible Assets under development for a period of				As at March 31, 2023
	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	3.00	-	-	-	3.00
	3.00	-	-	-	3.00

Note 13(C) - Right-of-use assets

Particulars	(₹ in Lakhs)	
	Office Premises	Total
Balance as at April 01, 2022	135.28	135.28
Additions	65.41	65.41
Deductions/Adjustments	-	-
Balance as at March 31, 2023	200.69	200.69
Additions	46.00	46.00
Deductions/Adjustments	-	-
Balance as at March 31, 2024	246.69	246.69
II. Accumulated amortization/impairment		
Balance as at April 01, 2022	35.22	35.22
Amortization for the year	37.01	37.01
Deductions/Adjustments	-	-
Balance as at March 31, 2023	72.23	72.23
Amortization for the year	50.15	50.15
Deductions/Adjustments	-	-
Balance as at March 31, 2024	122.38	122.38
Net block (I-II)		
Balance as at March 31, 2024	124.31	124.31
Balance as at March 31, 2023	128.46	128.46

Notes

forming part of financial statement for the year ended March 31, 2024

Note 13(D) - Intangible assets

Description of asset	(₹ in Lakhs)		
	Software	License	Total
I. Cost			
Balance as at April 01, 2022	9.27	1.03	10.30
Additions	1.12	0.08	1.20
Deduction/Adjustments	-	-	-
Balance as at March 31, 2023	10.39	1.11	11.50
Additions	-	-	-
Deduction/Adjustments	-	-	-
Balance as at March 31, 2024	10.39	1.11	11.50
II. Accumulated impairment losses			
Balance as at April 01, 2022	7.01	0.80	7.81
Amortization for the year	1.20	0.13	1.33
Deduction/Adjustments	-	-	-
Balance as at March 31, 2023	8.21	0.93	9.14
Amortization for the year	0.98	0.08	1.06
Deduction/Adjustments	-	-	-
Balance as at March 31, 2024	9.19	1.01	10.20
Net block (I-II)			
Balance as at March 31, 2024	1.20	0.10	1.30
Balance as at March 31, 2023	2.18	0.18	2.36

13.1 All Property, Plant & Equipment are held in the name of the Company. The Title deeds of all immovable properties are in the name of Company.

13.2 All lease agreements are duly executed in favour of the company

13.3 Capital-work-in progress ageing schedule NIL (P.Y. NIL)

13.4 Capital Work-in-Progress, whose completion is overdue or has exceeded its cost compare to its original plan : NIL (P.Y. NIL).

13.5 Capital Work-in-Progress, project temporarily suspended : NIL (P.Y. NIL).

13.6 Revaluation of Property Plant & Equipment, Rights to Use Assets and Intangible Assets : NIL (P.Y. NIL).

13.7 The amount of Foreign Exchange Difference & Interest capitalised : NIL (P.Y. NIL).

13.8 No Proceeding against the Company has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note '14' Other non-financial assets

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	15.50	55.79
Advance receivable in cash or kind	0.85	7.56
	16.35	63.35



Notes

forming part of financial statement for the year ended March 31, 2024

Note'15' Payables

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	3.86	0.39
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	71.33	36.71
Other Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	4.67	1.28
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12.38	3.25
	92.24	41.63

Ageing Schedule of Trade Payables

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					As at March 31,2024
			(₹ in Lakhs)					
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	3.86	-	-	-	-	3.86
Undisputed dues of creditors other than micro enterprises and small enterprises	7.65	42.86	20.82	-	-	-	-	71.33
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-
								75.19

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					As at March 31,2023
			(₹ in Lakhs)					
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	0.39	-	-	-	-	0.39
Undisputed dues of creditors other than micro enterprises and small enterprises	4.75	26.31	5.65	-	-	-	-	36.71

Notes

forming part of financial statement for the year ended March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					As at March 31,2023
			(₹ in Lakhs)					
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-
								37.10

15.1 Trade payables includes payable to related parties ₹ 7.77 Lakhs (P.Y. ₹ 5.12 Lakhs)

15.2 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) (Note 35)

Note'16' Debt Securities

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
(At amortised cost)		
Secured		
Redeemable Non-Convertible Debentures	-	705.99
	-	705.99

16.1 Debt Securities were issued within India.

16.2 Terms of repayment, nature of security & rate of interest in respect of Redeemable Non Convertible Debentures

16.2.1 Redeemable non convertible debentures are secured by exclusive charge on receivables of the Company under financing activities to the extent 110% of the outstanding amount.

16.2.2 Debt securities were fully repaid/redeemed during the financial year ended March 31, 2024, in terms of resolution dated March 20, 2024

16.2.3 Terms of debt securities as under:

Name of Security	Maturity date	Terms of repayment	Coupon/Interest rate	(₹ in Lakhs)	
				As at March 31,2024	As at March 31,2023
Series II	25-02-2024	Bullet payment on maturity	10.00%	-	475.00
Series IV	23-02-2025	Bullet payment on maturity	10.60%	-	225.00
				-	700.00



Notes

forming part of financial statement for the year ended March 31, 2024

Note'17' Borrowings (other than debt securities)

(₹ in Lakhs)

	As at March 31,2024	As at March 31,2023
(At amortised cost)		
Secured Loans		
(i) From Banks		
Term loans	4,969.25	2,679.25
Short term loans	2,511.18	999.09
(ii) From Banks		
Loan repayable on demand	3,393.62	2,417.81
Unsecured Loan		
Inter-Corporate Loans	289.97	-
Loan from Directors	2,500.00	1,789.00
	13,664.02	7,885.15

17.1 Terms of Loan and maturity profile based on principal amount :

(₹ in Lakhs)

Nature of Facility of Secured Loan	Maturity Range	Interest Range	As at March 31,2024	As at March 31,2023
Term loans	Note 17.2	10.15% - 11.50%	5,025.57	2,664.00
Short term loans	Note 17.2	9.70% - 9.80%	2,451.95	963.11
Loan repayable on demand	Note 17.2	9.90% - 10.25%	3,374.28	2,411.01
			10,851.80	6,038.12

17.2 Maturity analysis

(₹ in Lakhs)

Particulars	0-12 months	12-24 months	24-36 months	36-48 months	48-60 months	Total
Term Loans	2,363.07	1,829.16	833.34	-	-	5,025.57
Short term loans	2,451.95	-	-	-	-	2,451.95
Loan repayable on demand	3,374.28	-	-	-	-	3,374.28

Security

- Term Loans are secured by hypothecation of exclusive charge of unencumbered standard receivable of the Company to the extent of 125% of the outstanding amount and further fixed deposits of ₹ 899.76 Lakhs (P.Y. NIL) have been lien as a margin money.
- Term Loans from State Bank of India are further secured by mortgage of two immovable properties of the Managing Director of the Company.
- Term Loan from Indian Overseas Bank is further secured by mortgage of an immovable property of the Managing Director of the Company.
- Short Term loans and loan repayable on demand are secured by re-pledge of gold ornaments of the customers of the Company. Further, short term loans from Catholic Syrian Bank is secured by exclusive charge of receivable of the Company to the extent of 125% of the outstanding amount.
- Personal guarantees have been given by Managing Director and/or Executive Directors of the Company (Note 47)

Notes

forming part of financial statement for the year ended March 31, 2024

- Unsecured Inter corporate loans carry interest rate from 10.00% p.a. to 12.00% p.a. with maximum tenor of 12 months.
- Unsecured loan from Directors are out of their owned funds and carry interest rate of 9.00% p.a. without any stipulations as regards to terms of repayment.
- All the charges created/modified or satisfied were registered with the Registrar of Company within the statutory period from the date of creation/modification/satisfaction of security except in respect of charge for term loan of ₹ 700 Lakhs which has been registered within a period of 60 days from the date of creation as per proviso to section 77 of the Act after paying prescribed additional fees. Further in respect of the charge created for said term loan of ₹ 700 lacs and thereafter modified for increase in the said term loan to ₹ 1500 , the Company has not selected " Book debts" (on which charge is required to be created) in both forms CHG -1 filed with the registrar. However, the Company is regularly submitting certificate to the banker confirming the bookdebts under lien against the loan liability.
- Loans availed during the year have been applied for the purpose for which they have availed. The Company has not taken any loan from any entity or person on account of or to meet the obligation of its subsidiaries and joint venture
- Quarterly Returns / statements of the current assets filed by the Company with its bankers are in agreement with the books of accounts.
- Fund raised on short term basis have not been utilised for long term purpose
- Default in terms of repayment of Principal and Interest - NIL (P.Y. NIL)
- The Company has not been declared as Wilful Defaulter by bank or financial institution or other lender or government authority.

Note'18' Lease liabilities

(₹ in Lakhs)

	As at March 31,2024	As at March 31,2023
Lease liabilities	135.77	138.93
	135.77	138.93

18.1 The Maturity analysis of lease liabilities is disclosed in Note 37

Note'19' Other financial liabilities

(₹ in Lakhs)

	As at March 31,2024	As at March 31,2023
Unpaid dividends (Note 19.1 & 19.2)	19.54	18.82
Security deposits	5.04	-
Auction surplus refundable	4.95	1.26
Advance against sale of equity instrument (Note 8.4)	208.17	-
	237.70	20.08

19.1 There is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) as at 31st March, 2024. Unclaimed Dividends, shall be transferred to IEPF as and when they become due.

19.2 Balance in unclaimed dividend accounts are subject to reconciliation. (Note 5.1)



Notes

forming part of financial statement for the year ended March 31, 2024

Note'20' Current tax liabilities (Net)

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Provision for tax	314.19	221.32
	314.19	221.32

20.1

(A) The major components of income tax expenses for the year are as under:

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
(a)Income Tax expenses recognised in the statement of profit and loss:		
(i) Current tax:		
- In respect of current year	396.00	295.98
- Short/(Excess) provision of earlier years	2.14	5.70
(ii) Deferred tax:		
- In respect of current year	(20.23)	(15.19)
	377.91	286.49
(b) Income tax expenses recognised in Other comprehensive income (OCI):		
(i) Current tax:		
- In respect of current year	-	-
- Short/(Excess) provision of earlier years	-	-
(ii) Deferred tax:		
- In respect of current year	(13.60)	(27.53)
	364.31	258.96

(B) Reconciliation of estimated income tax expenses and the accounting profit for the year is as under

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Profit before tax	1,432.50	1,077.84
Applicable tax rate	25.17%	25.17%
Computed tax expense	360.53	271.27
Add:- Effect of expenses that is non-deductible in determining taxable profit / accounting profit (net)	35.47	24.71
Income tax expense recognised in statement of profit and loss	396.00	295.98
Effective tax rate	27.64%	27.46%

20.2 Details of transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961 : Nil (P.Y. Nil)

20.3 The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

Notes

forming part of financial statement for the year ended March 31, 2024

Note'21' Provisions

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Provision for employee benefits (Note 40)	7.80	7.00
Provision for expenses	33.41	7.33
	41.21	14.33

Note'22' Other non-financial liabilities

	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Unearned interest income	130.22	63.85
Other payables	3.66	5.73
Statutory dues	24.97	16.11
	158.85	85.69

Note '23(A)' - Equity share capital

	March 31, 2024		March 31, 2023	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
(a) Authorised				
Equity Shares of ₹10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
	2,50,00,000	2,500.00	2,50,00,000	2,500.00
(b) Issued, Subscribed and Paid up				
Equity Shares of ₹10/- each	1,95,63,986	1,956.40	1,93,13,986	1,931.40
	1,95,63,986	1,956.40	1,93,13,986	1,931.40

23 (A).1 Terms/Rights attached to equity shares

The Company has only one class of Share referred to as Equity Share having a Par Value of ₹10/- per share. Each Shareholder of Equity share is entitled to one vote per Share.

In the event of liquidation of the Company, the shareholder of Equity Share will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholder, after distribution of all preferential amounts.

23 (A).2 There were no Buyback of shares or issue of bonus shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years immediately preceding the reporting date.

23 (A).3 The company declares and pays dividend in Indian Rupees (₹). The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting, except in case of Interim dividend. The distribution will be proportional to the number of Equity Shares held by the shareholders.

The Board of Directors of the Company have proposed dividend of ₹ 0.60/- per Equity Shares of ₹ 10/- each for the year ending 31st March, 2024 (P.Y. ₹ 0.50/- per Equity Share) subject to approval of the members at the forthcoming Annual General Meeting.



Notes

forming part of financial statement for the year ended March 31, 2024

23 (A).4 Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

Particulars	March 31, 2024		March 31, 2023	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
At the beginning of the year	1,93,13,986	1,931.40	1,93,13,986	1,931.40
Add/(Less) : Change during the year	2,50,000	25.00	-	-
Outstanding at the end of the year	1,95,63,986	1,956.40	1,93,13,986	1,931.40

23 (A).5 Details of shares held by each shareholder holding more than 5% equity shares^

Name of Shareholder	March 31, 2024		March 31, 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	47,86,565	24.47%	47,86,565	24.78
Ajit S Jain HUF	24,84,240	12.70%	24,84,240	12.86
M/s E-ally Consulting (I) Pvt. Ltd.	16,79,700	8.59%	16,79,700	8.70
M/s Dhakad Properties and Financial Services Pvt. Ltd.	12,59,205	6.44%	12,59,205	6.52
Chandanmal Hasmukh	3,14,212	1.61%	12,50,000	6.47

^As per the records of the Company including its registers of members

23 (A).6 Pursuant to the resolution passed in the meeting of the shareholders of the Company held on February 15, 2024, the Company has issued and allotted on a preferential basis to a Promoter Director of the Company 2,50,000 fully paid up equity share of ₹ 10 each at a premium of ₹ 100 aggregating to ₹ 275 Lakhs.

23 (A).7 Details of shares held by promoters

Promoters' Name	As at March 31, 2023		Change during the year	As at March 31, 2024		% change during the year
	No of Equity Shares	% of holding		No of Equity Shares	% of holding	
Meghraj Sohanlal Jain	47,86,565	24.78	-	47,86,565	24.47%	-
Ajit S Jain HUF	24,84,240	12.86	-	24,84,240	12.70%	-
Ajit Sohanlal Jain	3,99,696	2.07	-	3,99,696	2.04%	-
Hardik Meghraj Jain	5,77,394	2.99	2,50,000	8,27,394	4.23%	43.30%
Bhavika Meghraj Jain	86,898	0.45	-	86,898	0.44%	-
Indra Meghraj Jain	63,036	0.33	-	63,036	0.32%	-
Seema Ajit Jain	1,06,626	0.55	18,650	1,25,276	0.64%	17.49%
Dhakad Properties Pvt. Ltd.	12,59,205	6.52	-	12,59,205	6.44%	-
Shree Jaisal Electronics And Industries Ltd.	9,29,400	4.81	Note 23 (A).7.1	-	0.00%	-
Swarn Bhavya Mangal Jewels Pvt. Ltd.	-	-	65,259	65,259	0.33%	100.00%

23 (A).7.1 Shareholder has been reclassified from promoter category to public category during the year ended March 31, 2024.

Notes

forming part of financial statement for the year ended March 31, 2024

Particulars	Reserves and Surplus			Equity Instruments Through OCI			Total
	Capital Reserve	Securities Premium	General Reserve	Statutory Reserve	Contingency Reserve	Investment Reserve	
Balance as at April 01, 2022 (A)	150.46	3,588.19	365.00	1,021.61	25.00	7.00	3,364.38
Additions during the year	-	-	-	-	-	-	791.35
Profit for the year	-	-	-	-	-	-	791.35
Add/(Less): Items of OCI for the year, net of tax:	-	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	-	-	-	(92.81)
Net fair value (loss)/gain on investment in equity instruments through OCI	-	-	-	-	-	-	(92.81)
Total Comprehensive Income for the year 2022-23 (B)	-	-	-	-	-	-	698.54
Additions/(Reductions) during the year	-	-	-	-	-	-	(96.57)
Dividends**	-	-	-	-	-	-	(158.27)
Transferred to Statutory Reserve Fund	-	-	-	158.27	-	-	(254.84)
Total (C)	-	-	-	158.27	-	-	(96.57)
Balance as at March 31, 2023 (D) = (A+B+C)	150.46	3,588.19	365.00	1,179.88	25.00	7.00	3,900.89
Additions during the year	-	-	-	-	-	-	1,054.59
Profit for the year	-	-	-	-	-	-	0.20
Add/(Less): Items of OCI for the year, net of tax:	-	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	-	-	-	(118.77)
Net fair value (loss)/gain on investment in equity instruments through OCI	-	-	-	-	-	-	(118.77)
Total Comprehensive Income for the year 2023-24 (E)	-	-	-	-	-	-	936.02
Additions/(Reductions) during the year	-	-	-	-	-	-	-
Securities premium on account of issue of equity shares	-	250.00	-	-	-	-	-
Expense on Investments	-	-	-	-	-	-	(0.05)
Dividends**	-	-	-	-	-	-	(96.57)
Transferred to Statutory Reserve Fund	-	-	-	210.92	-	-	(210.92)
Total (F)	-	250.00	-	210.92	-	-	153.38
Balance as at March 31, 2024 (D+E+F)	150.46	3,838.19	365.00	1,390.80	25.00	7.00	10,352.33

Note '23(B)' - Other equity



Notes

forming part of financial statement for the year ended March 31, 2024

B. Other equity- Money Received against share warrant

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	No of Warrants	₹ in lakhs	No of Warrants	₹ in lakhs
At the beginning of the year	-	-	-	-
Add/(Less) : Change during the year	15,50,000	426.25	-	-
Outstanding at the end of the year	15,50,000	426.25	-	-

Capital reserve

This reserve is created out of amount received against equity share warrants (first tranche i.e. 25% of total value of warrants) due to non exercising of options of conversion and the said amount is forfeited.

Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

General reserve

This reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Statutory fund reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of profit for the period is transferred to the fund for the year.

Contingency reserve & Investment reserves

These reserves are of erstwhile company as per the statutory provisions as applicable at that point in time.

Retained earnings

Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

Money Received against share warrant

Pursuant to the resolution passed in the meeting of the shareholders of the Company held on February 15, 2024, the Company has issued and allotted on a preferential basis to a Promoter Director of the Company 15,50,000 convertible equity warrants of a nominal value of ₹ 10/- each at a premium of ₹ 100/- aggregating to ₹ 1705 Lakhs in compliance with all the applicable statutory regulations and enactments. The Company has received ₹ 426.25 Lakhs, being 25% of the aggregate consideration upon allotment of 15,50,000 convertible equity warrants. The equity warrant holder shall, in terms of issue and subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the equity warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the equity warrants upon payment of balance 75% of the consideration. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of ₹ 10/- (Rupees Ten only) each to the warrant holder.

Other Comprehensive Income (OCI)

Other Comprehensive Income includes fair value on investment through OCI, net of taxes that will not be reclassified to profit & loss.

Notes

forming part of financial statement for the year ended March 31, 2024

Note '24' Interest income

(₹ in Lakhs)

	2023-24	2022-23
On financial assets measured at Amortised cost		
Interest on :		
Loans	3,196.69	1,987.14
Deposits with banks	12.03	4.42
Others	6.56	4.93
Total	3,215.28	1,996.49

Note '25' Fees and commission income

(₹ in Lakhs)

	2023-24	2022-23
Fees on corporate guarantee	0.92	3.66
Service charges and other fees on loan transaction	93.55	49.54
Loan foreclosure charges - income	9.76	7.94
Financial consultancy fees	-	35.00
Total	104.23	96.14

Note '26' Other operating revenue

(₹ in Lakhs)

	2023-24	2022-23
Bad debts recovered	-	33.25
Total	-	33.25

Note '27' Other income

(₹ in Lakhs)

	2023-24	2022-23
Office administrative services	7.98	14.10
Total	7.98	14.10

Note '28' Finance costs

(₹ in Lakhs)

	2023-24	2022-23
Interest on financial liabilities carried at amortized cost		
Interest on borrowings from :		
Inter corporate loans	15.80	10.10
Banks	602.53	312.07
Directors	146.56	68.01
Interest on debt securities		
Redeemable Non - Convertible Debentures	66.06	7.24
Interest on lease liability	13.10	12.11
Other borrowing costs	79.39	25.15
Interest on income tax	26.07	22.94
Total	949.51	457.62



Notes

forming part of financial statement for the year ended March 31, 2024

Note '29' Impairment of financial instruments

	(₹ in Lakhs)	
	2023-24	2022-23
On financial instruments measured at Amortised cost		
Loans	74.18	34.99
	74.18	34.99

Note '30' Employee benefits expenses

	(₹ in Lakhs)	
	2023-24	2022-23
Salaries, bonus and allowances	450.98	269.06
Directors' remuneration	61.50	40.50
Contribution to provident and other funds	2.36	1.71
Gratuity expenses	1.07	7.00
Staff welfare expenses	-	0.21
Total	515.91	318.48

Note '31' Other expenses

	(₹ in Lakhs)	
	2023-24	2022-23
Commission expense	51.46	42.09
Directors' sitting fees	7.00	4.25
Advertisement expenses	4.05	4.24
Auditors' Remuneration (Note-33)	5.85	2.75
Internal audit fees	1.50	1.50
Secretarial audit fees	0.50	0.50
Legal & professional charges	72.13	31.55
Repair & maintenance	2.50	0.84
Printing & stationery	5.39	2.10
Insurance premium	5.68	3.10
Rent, rates and taxes	7.27	7.63
Travelling expenses	4.18	2.27
Telephone & internet charges	8.50	6.41
Corporate social responsibility (Note-39)	19.31	15.69
GST expenses	22.39	19.50
Electrical charges	22.67	21.44
Software expenses	9.13	4.38
Miscellaneous expenses	34.51	28.04
Total	284.02	198.28

Notes

forming part of financial statement for the year ended March 31, 2024

Note '32' - Calculation of Earnings per share

	2023-24	2022-23
Profit after tax for the year attributable to the equity shareholders (₹ in Lakhs)	1,054.59	791.35
No of Equity Shares Outstanding at the end of the year	1,95,63,986	1,93,13,986
Weighted average number of equity shares outstanding for basic earning per share(Nos.)	1,93,41,308	1,93,13,986
Weighted average number of shares outstanding for diluted earning per share (Nos.)	1,93,41,308	1,93,13,986
Face value per share (In ₹)	10	10
Basic earnings per share (in ₹)	5.45	4.10
Diluted earnings per share (in ₹)*	5.45	4.10

Note '33' - Auditors' remuneration (excluding GST)

	(₹ in Lakhs)	
	2023-24	2022-23
Statutory Audit fees (including limited review)	5.50	2.50
Tax Audit fees	-	0.25
Others	0.30	-
Reimbursement of expenses	0.05	-
	5.85	2.75

Note '34' - Contingent liabilities and commitments (to the extent not provided for)

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) Contingent Liabilities		
(a) Claims against company not acknowledged as debt (Note 34.1)		
- Income Tax	99.95	
(b) Guarantees- - Counter Guarantees Provided to Bank (Note 34.3)	-	732.00
	99.95	732.00
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	9.60	-
(b) Lease Commitments (Note 37)		
(c) Other commitments	-	-
	9.60	-

34.1 The Company is contesting the demands and the management believes that the Company's position is likely to be upheld in the appellate process and accordingly, no provision has been made in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operations.

34.2 Outstanding demand pending necessary rectification/short tax credit by the Income Tax authorities - ₹ 154.50 Lakhs (P.Y. - 138.26 Lakhs).

34.3 Outstanding of counter guarantee is NIL (P.Y. - ₹ 633 Lacs). (Note 47.1)



Notes

forming part of financial statement for the year ended March 31, 2024

Note '35' - Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	(₹ in Lakhs)	
	2023-24	2022-23
Principal amount remaining unpaid to suppliers as at the end of the accounting year	8.53	1.67
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed due day during the year	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

35.1 Dues to Micro and Small Enterprises (Suppliers) have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

	(₹ in Lakhs)	
Summary of Principal amount remaining unpaid to Suppliers	As At 31.03.2024	As At 31.03.2023
Trade Payables	3.86	0.39
Other Payables	4.67	1.28
	8.53	1.67

Note '36' - Dividend

	(₹ in Lakhs)	
	2023-24	2022-23
Dividend on equity shares paid during the year at ₹ 0.50/- (P.Y. ₹ 0.50/-) per equity share of ₹ 10/- each	96.57	96.57
	96.57	96.57

36.1 Proposed Dividend :

The Board of Directors at its meeting held on May 07, 2024 have recommended a payment of dividend of ₹ 0.60/- (P.Y. ₹ 0.50/-) per equity share of face value of ₹ 10/- each for the financial year ended March 31, 2024, aggregate to ₹ 117.38 Lakhs(PY ₹ 96.57 Lakhs). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

36.2 The proposed dividend is in compliance with regulatory restrictions and limit.

Note 37- Disclosure as per requirement of Ind AS 116 - Leases:

Lease Contracts entered into by the Company are mainly in respect for office premises taken on the lease in the ordinary course of business. Lease Contracts are for the period of 3- 5 years.

Notes

forming part of financial statement for the year ended March 31, 2024

Below are the carrying amounts of lease liabilities and movement during the period :

Particulars	(₹ in Lakhs)	
	Office premises	Total
As at April 01, 2022	106.37	106.37
Additions	65.41	65.41
Accretion of interest	12.11	12.11
Payments	(44.96)	(44.96)
As at March 31, 2023	138.93	138.93
Additions	46.01	46.01
Accretion of interest	13.10	13.10
Payments	(62.27)	(62.27)
As at March 31, 2024	135.77	135.77

Particulars	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Non- current financial liability	81.18	95.10
Current financial liability	54.59	43.83

The following are the amounts recognised in profit and loss account :

Particulars	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Depreciation expense of right-of-use assets	50.15	37.01
Interest expense on lease liabilities	13.10	12.11
Total amount recognised in profit or loss	63.25	49.12

The table below provides details regarding the contractual maturities of lease liabilities under Ind AS 116 as at March 31, 2024, on an undiscounted basis:

Tenure	(₹ in Lakhs)	
	As at March 31,2024	As at March 31,2023
Less than 1 year	54.59	43.83
1-5 years	81.18	95.10

Note '38' - Operating Segment

- The Company is engaged in the business segment of Financing, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated and to assess its performance, and for which discrete financial information is available. Thus, the Company operates in one segment and there is no separate reportable segment.
- There are no operation outside India and hence there is no external revenue or assets which require disclosures.
- All the assets of the Company are located in India.
- There are no transaction with single external customer which amount to 10% or more of the Company's revenue.



Notes

forming part of financial statement for the year ended March 31, 2024

Note '39' - Expenditure on corporate social responsibility initiatives

	(₹ in Lakhs)	
	2023-24	2022-23
Gross amount required to be spent by the Company during the year as per the provisions of section 135 of the Act		
-2% of the average net profit for last three financial years, calculated as per section 198 of the Act	19.31	15.69
Add/(Less): Unspent/(Excess) of preceding years		
Less: Amount spent during the year		
i) Construction/acquisition of any asset of the Company		
ii) On purposes other than (i) above		
- Promotion of Education*	19.31	15.69
- Promotion of Sports		
- Hostels for Orphanage		
- Upliftment of tribal areas		
	-	-

* Contribution to a charitable trust in which Managing Director and his relative are trustee (Note 47.2)

Note '40' - Employee Benefits:

a) Defined Benefit Plan - Gratuity (Not funded)

The Company is liable to pay to every employee gratuity on departure at 15 days of last drawn salary for each completed year of service. The Present Value of obligation determined based on actuarial valuation using the Projected Unit Credit Method for the year is as below. The Company has not maintained any fund for the said liability.

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
i) Change in Defined Benefit Obligation		
Obligation at the beginning of the year	4.10	-
Current Service Cost	3.67	4.10
Interest Cost	0.30	-
Past Service Cost	-	-
Benefits Paid	-	-
Remeasurement (gains)/losses	(0.27)	-
Defined Benefit Obligation at the end of the year	7.80	4.10
ii) Change in Plan Assets		
Fair value of plan assets at the beginning of the year	-	-
Expected Return on plan assets	-	-
Employer Contributions	-	-
Benefits Paid	-	-
Remeasurement (losses)/gains	-	-
Fair Value of Plan Assets at the end of the year	-	-

Notes

forming part of financial statement for the year ended March 31, 2024

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
iii) Amount recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the Period	7.80	4.10
Fair value of plan assets at the end of the year	-	-
Amount not recognized due to asset limit	-	-
Amount Recognized in the Balance Sheet	7.80	4.10
iv) Expenses recognized in the Statement of Profit and Loss		
Employee Benefits Expense		
Current Service Cost	3.67	4.10
Past Service Cost	-	-
Interest Cost including interest on value of asset ceiling	0.30	-
Expected Return on plan assets	-	-
(Less)/Add : Excess provision in the previous year	(2.90)	2.90
(A)	1.07	7.00
Other Comprehensive Income		
Loss/(gain) on plan assets less interest on plan assets	-	-
Actuarial loss/(gain) arising from changes in financial assumption	0.06	-
Actuarial loss/(gain) arising from changes in demographic assumption		
Actuarial loss/(gain) arising on account of experience changes	(0.33)	-
Actuarial loss/(gain) arising on account of adjustment to recognize the effect of asset ceiling		
(B)	(0.27)	-
Expenses recognised in the statement of profit and loss (A+B)	0.80	7.00
v) Investment details	-	-
vi) Principal assumption used in determining defined benefit obligation		
Discount rate (per annum)	7.19%	7.35%
Salary escalation rate (per annum)	8.00%	8.00%
vii) Sensitivity Analysis		
Increase in 100bps on DBO		
Change in discounting rate	(0.73)	(0.40)
Change in Salary Escalation	0.84	0.46
Decrease in 100bps on DBO		
Change in discounting rate	0.85	0.46
Change in Salary Escalation	(0.73)	(0.40)
viii) Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	0.02	0.01
Between 2 and 5 years	2.03	0.82
Between 5 and 10 years	3.97	2.27



Notes

forming part of financial statement for the year ended March 31, 2024

b) Defined Contribution Plan - Provident Fund

The Company makes its contribution alongwith the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund administered by the Central Government. The Company's Contribution is charged to Statement of Profit & Loss. The Company has no obligation for any further contribution in case of any shortfall. The details of contribution are as under :-

Particulars	₹ in Lakhs	
	2023-24	2022-23
Contribution to Provident Fund	2.36	1.71

c) Other Employee benefits - Leave Encashment

The employees are not entitled for compensation in respect of unavailed leaves as per the policy of the Company

Note '41' - Capital Management

The primary objective of the capital management is to ensure that Company complies with capital adequacy requirement of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to manage capital base to cover risk inherent in the business, support business and maximise shareholder value. The adequacy of the Company's capital is continuously monitored by the Management using, among other measures, the regulations issued by RBI.

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.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. Disclosure of capital adequacy as per applicable RBI regulations (Note no. 44).

Note '42' - Financial Risk Management Framework

The Company is committed to create value for its stakeholders through sustainable business growth and with that intent has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining such value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

The Company's principal financial liabilities comprises of borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk:-

(i) Credit Risk

The Credit Risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit Risk arises principally from the risk of loss that may occur from the default of Company's customers under loan agreements. Customer defaults and inadequate collateral may lead to loan losses.

The Company is exposed to the risk that its customers defaults in repayment of loan or advances granted by the Company. Customers may default on their obligations owed to the Company due to insolvency, lack of liquidity, operational failure etc. Significant failures by the customers to timely perform their obligations owed could materially and adversely affect the company's financial position, and ability to borrow incremental funds and ability to meet business expenses and to repay, make the payment to its lenders and creditors in timely manner.

The credit risk may also arise due to the business, operational, technological parameters and business environment in which the company operates. Due to some challenges that may be specific to the customer, there

Notes

forming part of financial statement for the year ended March 31, 2024

may be failure on the part of the Customer to meet its performance obligations and pose a credit risk to the Company. On the operational side, there could be a slippage in operational procedure and execution of policies leading to credit risk. Similarly technological redundancy and obsolescence may also pose credit risk.

(i) (A) Management of credit risk

The Company lends both secured and unsecured loans to its customer. To mitigate the credit risk, the Company has implemented various policies and mechanisms, including credit policy to define the broad principles which the Company follows to accept lending proposals, to manage loan portfolio and recover its dues in adherence to RBI Regulations to protect the business assets of the Company.

Credit risk on Gold loan is considerably reduced as collateral is in the form of Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan. Credit risk is further reduced through a quick but careful collateral appraisal and loan approval process. Hence overall, the Credit risk is normally low. Further, established process for customer verification, ornament valuation and purity checks, maximum loan value and auction of ornaments as per RBI stipulations with delegated powers at branch level and continuous monitoring by the Management of the Company helps to manage the credit risk. Similarly risk in respect of other secured loans are considerably reduced considering the available collateral securities.

To reduce the credit risk for other loans, the Company performs a detail credit assessment on the prospective borrower, seek security over some assets of the borrower and/or a guarantee from a third party. The Company takes all reasonable and business precautions through policies and procedure to mitigate and manage the credit risk in respect of such other loans.

The Company employs all recovery procedures including follow up with the customer for payment, legal remedies for recovery, invocation and sale of collateral as per the policies of the Company and guidelines issued by Reserve Bank of India.

The Senior management in the Company is responsible for evaluation of internal financial controls and risk management systems. In addition to continuous monitoring by the Senior Management, the Company conducts regular internal audits through in-house team of various branches to identify scope of improvement/enhancement in the Company's processes, quality control, fraud prevention and compliance with law & regulations. In addition, the internal audit reports of external agency are reviewed by the Audit committee and placed before the Board.

At the portfolio level, the Company manages credit risk through limiting concentration of credit at individual borrower level, group levels, etc. The loan proposals are assessed based on various factors like repayment capacity, credit worthiness, repayment history, business/ professional profile, future business prospects, field investigation, quality & value of security, etc.

The credit risk is managed by a robust control framework by the risk and collection department which continuously align credit and collection policies and resourcing, obtaining external data from credit bureaus, reviews of portfolios and review of loan delinquency by senior and middle management team comprising of risk, analytics, collection and fraud containment along with business. The same is periodically reviewed by Risk Management Committee.

Despite all measures being taken by the Management of the Company, the financing business has an inherent risk of default by the customer in the repayment of the loan.

(i) (A)(a) Credit Exposure:

The carrying amount of financial assets represents the maximum credit exposure to credit risk at the reporting date was:

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Trade receivable and other receivables	47.49	28.40
Loans (gross carrying amount)	22,870.46	16,043.07
Other financial assets	77.37	62.57
Total	22,995.32	16,134.04



Notes

forming part of financial statement for the year ended March 31, 2024

(i) (A)(b) Credit quality if the loan assets and provision against the same

(₹ in Lakhs)

Particulars		As at March 31, 2024		
		Gross carrying amount	Provision	Net Carrying amount
Performing Assets				
Standard	Stage 1	21,624.49	61.28	21,563.21
	Stage 2	612.78	11.84	600.94
	Stage 3	337.53	4.67	332.86
Non-Performing Assets (NPA)				
Substandard	Stage 3	217.47	81.77	135.70
Doubtful - Upto 1 year	Stage 3	-	-	-
1 to 3 years	Stage 3	-	-	-
More Than 3 Years	Stage 3	3.17	3.17	-
Subtotal for Doubtful	Stage 3	3.17	3.17	-
Loss	Stage 3	75.02	75.02	-
Subtotal for NPA		295.66	159.96	135.70
Other items such as guarantees, loan, commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-
	Stage 2	-	-	-
	Stage 3	-	-	-
Subtotal				
Total	Stage 1	21,624.49	61.28	21,563.21
	Stage 2	612.78	11.84	600.94
	Stage 3	633.19	164.63	468.56
	Total	22,870.46	237.75	22,632.71

(₹ in Lakhs)

Particulars		As at March 31, 2023		
		Gross carrying amount	Provision	Net Carrying amount
Performing Assets				
Standard	Stage 1	15,336.64	64.46	15,272.18
	Stage 2	349.12	5.00	344.12
	Stage 3	137.82	3.65	134.17
Subtotal		-	-	-
Non-Performing Assets (NPA)				
Substandard	Stage 3	136.41	14.03	122.38
Doubtful - Upto 1 year	Stage 3	-	-	-
1 to 3 years	Stage 3	11.68	5.02	6.66
More Than 3 Years	Stage 3	-	-	-
Subtotal for Doubtful	Stage 3	11.68	5.02	6.66
Loss	Stage 3	71.40	71.40	-

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(₹ in Lakhs)

Particulars		As at March 31, 2023		
		Gross carrying amount	Provision	Net Carrying amount
Subtotal for NPA				
Other items such as guarantees, loan, commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-
	Stage 2	-	-	-
	Stage 3	-	-	-
Subtotal				
Total	Stage 1	15,336.64	64.46	15,272.18
	Stage 2	349.12	5.00	344.12
	Stage 3	357.31	94.10	263.21
	Total	16,043.07	163.56	15,879.51

(i)(A)(c) Impairment Assessment

The Company is engaged in business of providing loan against jewellery with a maximum tenure of 24 months, unsecured business, personal loan and secured loan against property with the tenure of 12 months to 60 months and upto 144 months respectively. The Company makes provision for credit loss allowance/impairment loss based on expected credit loss method as detailed out in material accounting policies and after considering provisioning requirement as provided in prudential regulations of Scale Based Regulations issued by Reserve Bank of India and read with erstwhile Non-Banking Financial Company Non-Systematically important Non-Deposit taking (Reserve Bank) Directions, 2016, as amended from time to time.

Reconciliations of the provision for impairment of loans

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Opening Balance at the beginning of the year	163.56	132.42
Add/(Less):- Addition/(reversal) during the year	74.18	34.99
Less:- Write off during the year	-	3.85
Closing balance at the end of the year	237.75	163.56

(ii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The maturity profile of financial assets and financial liabilities at undiscounted values is as under :



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Particulars	(₹ in Lakhs)			
	Maturity within 12 months	Maturity after 12 months	Total contracted cash flows	Carrying value
As at March 31, 2024				
Trade and other payables and other financial liabilities	329.94	-	329.94	329.94
Debt securities	-	-	-	-
Borrowings (Other than debt securities)	8,557.84	5,106.18	13,664.02	13,664.02
Lease liability	54.59	81.18	135.77	135.77
Total	8,942.37	5,187.36	14,129.73	14,129.73
As at March 31, 2023				
Trade and other payables and other financial liabilities	61.71	-	61.71	61.71
Debt securities	480.99	225.00	705.99	705.99
Borrowings (Other than debt securities)	4,424.90	3,460.25	7,885.15	7,885.15
Lease liability	43.83	95.10	138.93	138.93
Total	5,011.43	3,780.35	8,791.78	8,791.78

(iii) Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The company continuously monitors these risks and manages them through appropriate risk limits. The Management of the company reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. The Company is exposed to four types of market risk as follows:

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, since there is a mismatch between borrowing and lending vis-a-vis fixed and floating rate interest and maturity period. The Company is exposed to interest rate risk on short-term and long-term floating rate interest bearing liabilities. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings, maturity period and the proportion of fixed and floating rate debt is determined by prevailing interest rates. These exposures are reviewed by the management on a periodic basis.

The exposure of the Company's financial liabilities to interest rate risk based on liabilities as at reporting date is as follows :

Particulars	(₹ in Lakhs)	
	Impact on profit before tax	
	2023-24	2022-23
Increase in interest rate by 100 basis points	84.00	50.75
Decrease in interest rate by 100 basis points	(84.00)	(50.75)

b) Price Risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the

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customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

c) Equity Price Risk

Equity price risk relates to change in fair value of investments in the equity instruments measured at fair value through OCI. As at March 31, 2024 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 1,427.92 Lakhs (P.Y. ₹ 1,560.36 Lakhs).

A sensitivity analysis demonstrating the impact of change in the carrying value of investment in equity instrument as at reporting date is given below:

Particulars	(₹ in Lakhs)	
	Impact on OCI before tax	
	2023-24*	2022-23
Increase by 5%	60.99	78.02
Decrease by 5%	(60.99)	(78.02)

*excludes Equity Investment of Satco Capital Markets Limited (Note 8.4)

d) Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected, such as fixed rate loans when interest rates fall.

e) Foreign currency risk

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. However the company is not exposed to the risk of fluctuations on change in exchange rates as company does not have any foreign transaction.

(ii) Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal process, human error, fraud, systems failure or from external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through comprehensive internal control systems, procedures and data back up processes. In order to further strengthen the control framework and effectiveness, the Company has established risk control self-assessment at branches to identify process lapses by way of exception reporting which enables the management of the Company to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing and timely basis. The Company also undertakes risk based audits on a regular basis across all branches/functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self certification and internal financial controls adherence, thereby, reducing Company's operational risk.



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Note '43'- Fair Value Measurement

(a) Fair value hierarchy and categories of financial instruments

Level	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
(₹ in Lakhs)				
A Financial assets				
i) Measured at fair value through OCI				
Investment	1,427.92	1,427.92	1,560.36	1,560.36
ii) Measured at amortised cost				
Cash and cash equivalents	631.17	631.17	1,131.12	1,131.12
Bank balances other than above	919.24	919.24	18.76	18.76
Loan	22,632.71	22,632.71	15,879.51	15,879.51
Other receivables	47.49	47.49	28.40	28.40
Other financial assets	77.37	77.37	62.57	62.57
Total	25,735.90	25,735.90	18,680.71	18,680.71
B Financial liabilities				
i) Measured at amortised cost				
Debt Securities	-	-	705.99	705.99
Borrowings	13,664.02	13,664.02	7,885.15	7,885.15
Trade and other payables	92.24	92.24	41.63	41.63
Lease liabilities	135.77	135.77	138.93	138.93
Other financial liabilities	237.70	237.70	20.08	20.08
Total	14,129.73	14,129.73	8,791.78	8,791.78

Financial instruments measured at amortised cost

The fair value of the financial assets and liabilities is included the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All the financial assets and liabilities of the Company are measured at amortised cost except for investments in equity instruments, which are classified at fair value through other comprehensive income and based on fair valuation report.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance 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.

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Note '44'- Reconciliation of liabilities arising from financing activities

Particulars	As at April 1, 2023	Cash flows/ (used)	Other	(₹ in Lakhs)
				As at March 31, 2024
Debt Securities	705.99	(700.00)	(5.99)	-
Borrowings other than debt securities	7,885.15	5,764.90	13.97	13,664.02
Total liabilities from financing activities	8,591.14	5,064.90	7.98	13,664.02

Particulars	As at April 1, 2022	Cash flows/ (used)	Other	(₹ in Lakhs)
				As at March 31, 2023
Debt Securities	-	700.00	5.99	705.99
Borrowings other than debt securities	2,826.16	5,058.99	-	7,885.15
Total liabilities from financing activities	2,826.16	5,758.99	5.99	8,591.14

Note '45' - Disclosures as per Reserve Bank of India Master Direction (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking (Reserve Bank) Directions, 2016, as amended.

In terms of framework for Scale Based Regulations for Non-Banking Financial Company considering size, activity and perceived riskiness, the Company falls into base layer i.e. (NBFC-BL). The following disclosures are as applicable to NBFC-BL.

Note '45(i)'

The leverage ratio of the Company is less than 7.

Note '45(ii)'

The company has complied with norms prescribed as per Reserve Bank of India Master Direction (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking (Reserve Bank) Directions, 2016.

Note '45(iii) - Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR (percent)	47.23%	57.93%
CRAR - Tier I Capital (percent)	47.23%	57.93%
CRAR - Tier II Capital (percent)	-	-

Note '45(iv)'

Liquidity Coverage Ratio (LCR)

The computation of LCR is not applicable to the company in terms of applicable RBI regulations, as amended.



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Note '45(v)'-

Loan portfolio classification and provision

Particulars	(₹ in Lakhs)		
	As at March 31, 2024		
	Gross Loan Outstanding	Provision For Assets	Net Loan Outstanding
Standard Asset	22,573.78	55.82	22,517.96
Sub Standard Asset	218.49	49.10	169.39
Doubtful Asset	3.17	3.17	-
Loss Asset	75.02	75.02	-
	22,870.46	183.11	22,687.35

Particulars	(₹ in Lakhs)		
	As at March 31, 2023		
	Gross Loan Outstanding	Provision For Assets	Net Loan Outstanding
Standard Asset	15,838.79	39.06	15,799.73
Sub Standard Asset	129.26	12.93	116.33
Doubtful Asset	5.02	5.02	-
Loss Asset	70.00	70.00	-
	16,043.07	127.01	15,916.06

The loan portfolio classification and provisioning is based on NPA classification norms of 150 days overdue (P.Y. - 180 days overdue) in terms of glide path provided by Reserve Bank of India.

The glide path for NPA classification for future periods is as under:

NPA Norms	Timeline
>120 days overdue	By March 31, 2025
>90 days	By March 31, 2026

Classification of assets as special mention account as per category specified below

SMA sub-category	Basis for classification- Principal or interest payment or any other amount wholly or partly overdue	(₹ in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
SMA-0	Upto 30 days	21,623.47	15,350.88
SMA-1	More than 30 days and upto 60 days	316.58	227.57
SMA-2	More than 60 days and upto 150 days*	633.73	260.34

* subject to change in future in line with glide path for NPA

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Note '45(vi)'- Schedule to the Balance Sheet of Non-Deposit Taking Non-Banking Financial Company

Particulars	(₹ in Lakhs)		(₹ in Lakhs)	
	As at March 31, 2024 Amount Outstanding	As at March 31, 2024 Amount Overdue	As at March 31, 2023 Amount Outstanding	As at March 31, 2023 Amount Overdue
Liability side:				
1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debenture : Secured	-	-	705.99	-
Unsecured	-	-	-	-
(Other than falling within the meaning of public deposits*)				
(b) Deferred Credits		-		-
(c) Term Loans	7,480.43	-	3,678.34	-
(d) Inter-Corporate Loans and Borrowings	289.97	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans;				
- Working capital Demand Loan Facility	3,393.62	-	2,417.81	-
- Loan from Directors	2,500.00	-	1,789.00	-
*Please see Note (a) Below				
2. Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):				
(a) In the form of Unsecured Debenture	-	-	-	-
(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-	-	-
(c) Other Public Deposits*	-	-	-	-

*Please see Note (a) Below

Particulars	(₹ in Lakhs)	
	As at March 31, 2024 Amount Outstanding	As at March 31, 2023 Amount Outstanding
Assets Side :		
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	12,680.50	7,896.58
(b) Unsecured	10,189.96	8,146.49
4. 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) Financing Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Asset on hire	-	-
(b) Repossessed Asset	-	-
(iii) Other loans counting towards Asset Financing activities		
(a) Loans where asset have been repossessed	-	-
(b) Loans other than (a) above	-	-



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Particulars	(₹ in Lakhs)	
	As at March 31, 2024 Amount Outstanding	As at March 31, 2023 Amount Outstanding
5. Break-up of Investments :		
Current Investments :		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		
(v) Others	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long Term Investments :		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares : (a) Equity	1,427.92	1,560.36
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	1,316.11	1,316.11

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(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	(₹ in Lakhs)		
	As at March 31, 2024		
	Amount Net Of Provision as per Prudential Norms		
	Secured	Unsecured	TOTAL
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties		-	-
2. Other than related parties	12,680.36	10,006.99	22,687.35
	12,680.36	10,006.99	22,687.35

Category	(₹ in Lakhs)		
	As at March 31, 2023		
	Amount Net Of Provision as per Prudential Norms		
	Secured	Unsecured	TOTAL
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	133.24	-	133.24
2. Other than related parties	7,821.12	7,961.70	15,782.82
	7,954.36	7,961.70	15,916.06

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	As at March 31, 2024		As at March 31, 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#	1,427.92	1,427.92	1,560.36	1,560.36
	1,427.92	1,427.92	1,560.36	1,560.36

Note 8.4



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(8) Other Information:

Category	₹ in Lakhs	
	2023-24 Amount	2022-23 Amount
(i) Gross Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	296.68	204.28
(ii) Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	169.39	116.33
Assets acquired in satisfaction of debt	-	-

Note '45(vii)'

(1) Exposure

1.1) Exposure to Real Estate Sector

Category	₹ in Lakhs	
	As at March 31, 2024 Amount	As at March 31, 2023 Amount
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.	1,588.23	759.45
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
- Residential	-	-
- Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	1,588.23	759.45

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1.2) Exposure to Capital Market

Particulars	₹ in Lakhs	
	As at March 31, 2024 Amount	As at March 31, 2023 Amount
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	208.17	287.79
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 oriented mutual funds does not fully cover the advances	-	-
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:		
- Category I	-	-
- Category II	-	-
- Category III	-	-
Total Exposure to capital market	208.17	287.79



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1.3) Sectoral exposure

Advances to Individuals against Gold	As at March 31, 2024			As at March 31, 2023		
	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
i) Agriculture and Allied Activities	87.38	-	0.00%	116.47	-	-
ii) Industry						
Micro and small	1,429.33	-	0.00%	206.80	-	-
Medium	486.02	-	0.00%	396.99	-	-
Large	-	-	-	-	-	-
Others	1,448.87	-	0.00%	1,124.51	-	-
Total of industry	3,364.22	-	0.00%	1,728.30	-	-
iii) Services						
Transport operators	217.08	-	0.00%	292.07	-	-
Tourism, Hotel and Restaurants	420.68	1.60	0.38%	416.05	-	-
Professional Services	886.73	-	0.00%	797.75	-	-
Trade	463.50	16.06	3.46%	396.71	21.96	0.06
Commercial Real Estate	1,588.23	-	0.00%	1,190.16	-	-
NBFCs	161.86	-	0.00%	112.94	-	-
Others	4,815.00	82.57	1.71%	4,066.66	5.26	0.00
Total of services	8,553.09	100.23	1.17%	7,272.34	27.22	0.00
iv) Personal Loans						
Advances to Individuals against Gold	7,988.36	92.91	1.16%	4,056.27	99.01	0.02
Others	2,877.41	103.54	3.60%	2,869.69	78.05	0.03
v) Others	-	-	-	-	-	-
Total Advances	22,870.46	296.68		16,043.07	204.28	

1.4) Intra-group exposure

Particulars	(₹ in Lakhs)	
	As at March 31, 2024 Amount	As at March 31, 2023 Amount
Total amount of intra group exposures	-	132.50
Total amount of top 20 intra-group exposures	-	132.50
Percentage of intra- group exposures to total exposure of the NBFC on borrowers/customers	-	0.01
	-	-

1.5) Unhedged Foreign currency exposure

Particulars	(₹ in Lakhs)	
	2023-24 Amount	2022-23 Amount
Unhedged Foreign Currency Exposure	-	-

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(2) Related Party Disclosure

Particulars	(₹ in Lakhs)					
	As at March 31, 2024					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Borrowings	2,500.00	-	-	-	-	2,500.00
Deposits	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Investments	-	-	-	-	-	-

Particulars	(₹ in Lakhs)					
	As at March 31, 2023					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Borrowings	1,789.00	160.00	10.00	-	-	1,959.00
Deposits	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	132.50	132.50
Investments	-	-	-	-	-	-

Maximum Outstanding	(₹ in Lakhs)					
	2023-24					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Borrowings	2,917.00	160.00	10.00	-	-	3,087.00
Deposits	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	132.50	132.50
Investments	-	-	-	-	-	-



Notes

forming part of financial statement for the year ended March 31, 2024

(₹ in Lakhs)

Maximum Outstanding	2022-23					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Borrowings	1,789.00	160.00	10.00	-	-	1,959.00
Deposits	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	192.50	192.50
Investments	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	2023-24					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Purchase of fixed/other assets	-	-	-	-	2.99	2.99
Sale of fixed/other assets	-	-	-	-	-	-
Interest Paid	163.00	-	0.91	-	-	163.91
Interest Received	-	-	-	-	16.34	16.34
Others	72.70	-	81.35	-	12.07	166.12

(₹ in Lakhs)

Particulars	2022-23					Total
	Directors	Relatives of Directors	Key Management	Relatives of Key Management Personnel	Others	
Purchase of fixed/other assets	-	-	-	-	3.13	3.13
Sale of fixed/other assets	-	-	-	-	-	-
Interest Paid	68.01	1.72	0.10	-	-	69.83
Interest Received	-	-	-	-	28.98	28.98
Others	48.95	-	51.16	-	27.07	127.18

Company has no Parent, Subsidiaries, Associates or Joint Ventures

Notes

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(3) Disclosure of complaints

3.1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	2023-24	2022-23
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	-	-
2. Number of complaints received during the year	2	-
3. Number of complaints disposed during the year	2	-
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	-	-
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	2	-
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	2	-
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

3.2) Top five grounds of complaints received by NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	2023-24				
	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 30 days
	1	2	3	4	5
Loans & Advances	-	2	100%	-	-
Staff behaviour	-	-	-	-	-
Others	-	-	-	-	-

Grounds of complaints, (i.e. complaints relating to)	2022-23				
	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 30 days
	1	2	3	4	5
Loans & Advances	-	-	-	-	-
Staff behaviour	-	-	-	-	-
Others	-	-	-	-	-



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Note 45(viii): Disclosure required as per Reserve Bank of India Notification No. DOR (NBFC). CC . PD. No.109/22.10.106/2019-20 dated March 13, 2020

In accordance with the regulatory guidance on implementation of Ind AS issued by RBI on March 13, 2020, the company has computed provisions as per Income Recognition Asset Classification and Provisioning (IRACP) norms issued by RBI solely for comparative purposes as specified therein. A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 is given below:

a. Provision under prudential norms of income recognition, asset classification (IRAC) as at March 31,2024

(₹ in Lakhs)						
Assets Classification as per RBI norms	Assets Classification as per IND AS 109	Gross Carrying Amounts as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109(ECL)	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	21,624.49	61.28	21,563.21	50.17	11.11
	Stage 2	612.78	11.84	600.94	4.91	6.93
	Stage 3	337.53	4.67	332.86	0.74	3.93
Subtotal		22,574.80	77.79	22,497.01	55.82	21.97
Non-Performing Assets (NPA)						
Substandard	Stage 3	217.47	81.77	135.70	49.10	32.67
Doubtful - Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More Than 3 Years	Stage 3	3.17	3.17	-	3.17	-
Subtotal for Doubtful		3.17	3.17	-	3.17	-
Loss	Stage 3	75.02	75.02	-	75.02	-
Subtotal for NPA		295.66	159.96	135.70	127.29	32.67
Other items such as guarantees, loan, commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	21,624.49	61.28	21,563.21	50.17	11.11
	Stage 2	612.78	11.84	600.94	4.91	6.93
	Stage 3	633.19	164.63	468.56	128.03	36.60
	Total	22,870.46	237.75	22,632.71	183.11	54.64

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b. Provision under prudential norms of income recognition, asset classification (IRAC) as at March 31,2023

(₹ in Lakhs)						
Assets Classification as per RBI norms	Assets Classification as per IND AS 109	Gross Carrying Amounts as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109(ECL)	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	15,336.64	64.46	15,272.18	37.97	26.49
	Stage 2	349.12	5.00	344.12	0.80	4.20
	Stage 3	137.82	3.65	134.17	0.30	3.35
Subtotal		15,823.58	73.11	15,750.47	39.07	34.04
Non-Performing Assets (NPA)						
Substandard	Stage 3	136.41	14.03	122.38	12.93	1.11
Doubtful - Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	11.68	5.02	6.66	5.02	-
More Than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		11.68	5.02	6.66	5.02	-
Loss	Stage 3	71.40	71.40	-	70.00	-
Subtotal for NPA		219.49	90.45	129.04	87.94	1.11
Other items such as guarantees, loan, commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	15,336.64	64.46	15,272.18	37.97	26.49
	Stage 2	349.12	5.00	344.12	0.80	4.20
	Stage 3	357.31	94.10	263.21	88.24	4.46
	Total	16,043.07	163.56	15,879.51	127.01	35.15

The aggregate impairment loss on application of expected credit loss method (ECL) as per Ind AS, as stated above, is more than the provisioning required under IRACP norms (including standard asset provisioning).



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Note 45(ix):- Public Disclosure on Liquidity Risk pursuant to RBI Guidelines on Liquidity Risk Management framework as provided in Reserve Bank of India Master Direction (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking (Reserve Bank) Directions, 2016

i. Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	March 31, 2024	March 31, 2023
Number of Significant Counter parties	6	5
Amount (₹ in Lakhs)	11,511.81	7,885.15
% of Total Deposits	NA	NA
% of Total Liabilities	78.61%	86.53%

ii. Top 20 large deposits

Not applicable, the Company being a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

iii. Top 10 borrowings

Particular	March 31, 2024	March 31, 2023
Amount (₹ Lakhs) of Borrowings from Top 10 Lenders	13664.02	8591.14
% of Total Borrowings	100%	100%

iv. Funding Concentration based on significant instrument / product

Name of Instrument / Product	March 31, 2024		March 31, 2023	
	Amount (₹ lakhs)	% of Total Liabilities	Amount (₹ lakhs)	% of Total Liabilities
Loan from Bank	10,874.05	74.26%	6,096.15	66.89%
Loan from Directors	2,500.00	17.07%	1,789.00	19.63%
Loans from NCD	-	-	705.99	7.75%
Loans from ICD	289.97	1.98%	-	-

v. Stock Ratios

Particulars	March 31, 2024			March 31, 2023		
	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets
Commercial Papers*	NA	NA	NA	NA	NA	NA
Non-convertible debentures (NCD's) (original maturity of less than a year)*	NA	NA	NA	NA	NA	NA
Other short-term liabilities	76.66%	58.44%	31.26%	72.10%	53.77%	24.13%

*No Commercial Papers and NCD's with original Maturity not less than a year are not issued during current financial year and are outstanding as on reporting date, hence not applicable.

Note

- a) Public fund represent debt securities, borrowings other than debt securities and exclude loans from directors and relatives
- b) Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity

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- c) Other Short Term Liabilities represent all liabilities (excluding Commercial Paper) maturing within a year.

The Company has not issued during the year or in the previous year and there are no outstanding as on the reporting dates (a) Commercial paper (b) Non-convertible Debenture (original maturity of less than 1 year) and hence stock ratios are not applicable in respect of the same.

vi. Institutional set-up for liquidity risk management

In compliance with liquidity circular, the Board of Directors has approved constitution of Asset Liability Committee (ALCO) which reviews and monitors Asset Liability Management (ALM) mismatch on regular basis. The Company's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the balance sheet.

45(x) - Disclosure in respect of loans against security of gold jewellery

- (a) Percentage of loans granted against collateral of gold jewellery to total assets

Particulars	March 31, 2024	March 31, 2023
Gold Loans granted against collateral of gold jewellery (₹ in Lakhs)	7,988.36	4056.27
Total assets of the Company (₹ in Lakhs)	27,378.96	20,307.45
Percentage of Gold Loans to Total Assets	29.18	19.97

- (b) Details of the Auction conducted with respect to Gold Loan

Particulars	March 31, 2024	March 31, 2023
Number of Loan Accounts	114	19
Amount due (₹ in Lakhs)	260.91	16.02
Amount realised (₹ in Lakhs)	264.60	16.50
Sister Concern participated in auction	-	-

45(xi) - Loans to Directors, Senior Officers and Relatives of Directors

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	132.50
Senior Officers and their relatives	-	-



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Note '46'- Maturity analysis of Assets and Liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled

Particulars	March 31, 2024			March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(₹ in Lakhs)						
ASSETS						
1 Financial Assets						
a) Cash and cash equivalents	631.17	-	631.17	1,131.12	-	1,131.12
b) Bank balances other than (a) above	-	919.24	919.24	18.76	-	18.76
c) Receivables						
i) Trade receivables	-	-	-	-	-	-
ii) Other receivables	47.49	-	47.49	28.40	-	28.40
d) Loans	15,510.09	7,122.62	22,632.71	7,812.95	8,066.56	15,879.51
e) Investments	-	1,427.92	1,427.92	-	1,560.36	1,560.36
f) Other financial assets	-	77.37	77.37	-	62.57	62.57
2 Non- Financial Assets						
a) Income tax assets (net)	-	28.96	28.96	-	29.08	29.08
b) Deferred tax assets (net)	-	74.74	74.74	-	40.91	40.91
c) Investment property	-	1,316.11	1,316.11	-	1,316.11	1,316.11
d) Property, plant and equipment	-	57.18	57.18	-	43.46	43.46
e) Intangible Asset under development	-	24.11	24.11	3.00	-	3.00
f) Right of use asset	54.15	70.16	124.31	45.26	83.20	128.46
g) Intangible Assets	-	1.30	1.30	-	2.36	2.36
h) Other non-financial assets	11.45	4.90	16.35	53.89	9.46	63.35
TOTAL ASSETS	16,254.35	11,124.61	27,378.96	9,093.38	11,214.07	20,307.45
LIABILITIES						
1 Financial Liabilities						
a) Payables						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	3.86	-	3.86	0.39	-	0.39
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	71.33	-	71.33	36.71	-	36.71
Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	4.67	-	4.67	1.28	-	1.28
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12.38	-	12.38	3.25	-	3.25
b) Debt Securities	-	-	-	480.99	225.00	705.99
c) Borrowings(Other than debt securities)	8,557.84	5,106.18	13,664.02	4,424.90	3,460.25	7,885.15
d) Lease liability	54.59	81.18	135.77	43.83	95.10	138.93
e) Other financial liabilities	237.70	-	237.70	20.08	-	20.08
2 Non-Financial Liabilities						
a) Current tax liabilities (net)	314.19	-	314.19	221.32	-	221.32
b) Provisions	41.21	-	41.21	14.33	-	14.33
c) Other non- financial liabilities	158.85	-	158.85	85.69	-	85.69
TOTAL LIABILITIES	9,456.62	5,187.36	14,643.98	5,332.77	3,780.35	9,113.12

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forming part of financial statement for the year ended March 31, 2024

Particulars	March 31, 2024			March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	NET	6,797.73	5,937.25	12,734.98	3,760.61	7,433.72

47 Disclosure in respect of related parties pursuant to Ind AS - 24 "Related Party Disclosures"

List of Related Parties with whom transactions have taken place - (as certified by Management)

a) Key Management Personnel (KMPs) :		
Shri Meghraj Sohanlal Jain	-	Chairman & Managing Director
Shri Nilesh Jain	-	Chief Financial Officer & Executive Director
Shri Hardik Meghraj Jain	-	Executive Director (appointed w.e.f. January 10, 2024)
Shri Chirag Narendra Parmar	-	Company Secretary (appointed w.e.f. November 07, 2023)
Shri Manish Rathi	-	Chief Executive Officer (resigned w.e.f. September 30, 2023)
Smt. Bhavika Mehta	-	Company Secretary (resigned w.e.f. September 25, 2023)
Non executive directors		
Shri Sujan Sinha		Shri Sriram Sankaranarayanan
Shri Subramanyam Ganesh		Smt. Vineeta Piyush Patel (appointed w.e.f. January 10, 2024)
Shri Ramanathan Annamalai		Smt. Nirupama Charuhas Khandke (resigned w.e.f. December 27, 2023)
b) Close family members of KMPs :		
Shri Hardik Meghraj Jain	-	Son of Shri Meghraj Sohanlal Jain (appointed as Executive Director w.e.f. January 10, 2024)
Shri Ajit Sohanlal Jain	-	Brother of Shri Meghraj Sohanlal Jain
Smt. Indra Meghraj Jain	-	Wife of Shri Meghraj Sohanlal Jain
Smt. Bhavika Meghraj Jain	-	Daughter of Shri Meghraj Sohanlal Jain
c) Entities over which key management personnel and their close family members are able to exercise significant influence		
Mangal Compusolution Ltd. (erstwhile Mangal Compusolution Pvt. Ltd.)		Dhakad Properties Pvt. Ltd.
Chakshu Realtors Pvt. Ltd.		Digital Edge Technology



Notes

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Shree Mangal Jewels Pvt. Ltd.	Ajit S. Jain (HUF)
Shree Ratna Mangal Jewels Pvt. Ltd.	Mangal Charitable Trust
Swarna Bhavya Mangal Jewels Pvt. Ltd.	
Mangal Royal Jewels Pvt. Ltd.	

Transactions with the related parties in the ordinary course of business

Particulars	(₹ in Lakhs)					
	Referred in (a) above		Referred in (b) above		Referred in (c) above	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Purchases : Fixed Assets						
Mangal Compusolution Ltd.	-	-	-	-	2.99	3.13
Income :						
Interest on loans given *						
Mangal Royal Jewels Pvt. Ltd.	-	-	-	-	-	3.88
Shree Mangal Jewels Pvt. Ltd.	-	-	-	-	5.43	8.11
Shree Ratna Mangal Jewels Pvt. Ltd.	-	-	-	-	5.82	8.49
Shree Bhavya Mangal Jewels Pvt. Ltd.	-	-	-	-	5.09	8.49
Office administrative services					5.94	9.99
Mangal Buildhome Pvt. Ltd.					3.47	4.72
Chakshu Realtors Pvt. Ltd.					2.22	4.10
Digital Edge Technology					0.25	1.17
Guarantee commission income: Mangal Compusolution Ltd.	-	-	-	-	0.92	3.66
Expenses :						
Interest on Debt Securities and Loans						
Shri Meghraj Sohanlal Jain	146.50	68.01	-	-	-	-
Shri Hardik Meghraj Jain	16.50	1.72	-	-	-	-
Shri Manish Rathi	0.91	0.10	-	-	-	-
Office Rent						
Chakshu Realtors Pvt. Ltd. *	-	-	-	-	4.50	9.00
Computer rent and services						
Mangal Compusolution Ltd.					0.71	0.33
Computer Rental Expenses: Mangal Compusolution Ltd.	-	-	-	-	0.63	0.29
Computer Repair Expenses: Mangal Compusolution Ltd.	-	-	-	-	0.08	0.04
Website Design Charges: Digital Edge Technology	-	-	-	-	-	0.50
Business Promotion Expenses: Mangal Royal Jewels Pvt. Ltd.	-	-	-	-	-	3.60
Professional fees: Shri Sujan Sinha	4.20	4.20	-	-	-	-
Directors & KMPs :						
Sitting Fees	7.00	4.25	-	-	-	-
Remuneration :						
Shri Meghraj Sohanlal Jain	30.00	30.00	-	-	-	-

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Particulars	(₹ in Lakhs)					
	Referred in (a) above		Referred in (b) above		Referred in (c) above	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Shri Hardik Meghraj Jain	12.00	-	-	-	-	-
Shri Manish Rathi	73.82	47.54	-	-	-	-
Shri Nilesh Jain	19.50	10.50	-	-	-	-
Shri Chirag Parmar	4.63	-	-	-	-	-
Shri Bhavika Mehta	2.90	3.62	-	-	-	-
Dividend :						
Dividend Paid	26.82	26.68	2.06	2.06	18.72	18.72
Loans given received back * :						
Shree Mangal Jewels Pvt. Ltd.	-	-	-	-	42.50	20.00
Shree Ratna Mangal Jewels Pvt. Ltd.	-	-	-	-	45.00	20.00
Swarna Bhavya Mangal Jewels Pvt. Ltd.	-	-	-	-	45.00	20.00
Mangal Royal Jewels Pvt. Ltd.	-	-	-	-	-	32.50
Loans accepted :						
Shri Meghraj Sohanlal Jain	4,359.50	5,319.10	-	-	-	-
Shri Hardik Meghraj Jain	25.00	-	-	-	-	-
Debt securities / loans repaid :						
Shri Meghraj Sohanlal Jain	3,648.50	4,305.10	-	-	-	-
Shri Hardik Meghraj Jain	185.00	-	-	-	-	-
Shri Manish Rathi	10.00	-	-	-	-	-
Issue of equity shares:						
Shri Hardik Meghraj Jain	275.00	-	-	-	-	-
Issue of equity share warrants						
Shri Hardik Meghraj Jain	426.25	-	-	-	-	-
Outstanding as at:						
Trade and Others - Net (Payable) / Receivable :						
Shri Manish Rathi	-	(13.32)	-	-	-	-
MEW Electricals Ltd.	-	-	-	-	-	-
Shri Meghraj Sohanlal Jain	(2.48)	-	-	-	-	-
Shri Hardik Meghraj Jain	(3.20)	(160.00)	-	-	-	-
Shri Nilesh Jain	(0.83)	(1.40)	-	-	-	-
Shri Sujan Sinha	(0.32)	-	-	-	-	-
Shri Chirag Narendra Parmar	(0.82)	-	-	-	-	-
Smt. Bhavika Mehta	-	(0.40)	-	-	-	-
Mangal Compusolution Ltd.	-	-	-	-	(0.14)	-
Interest accrued & due on Loans :						
Shri Hardik Meghraj Jain	-	(1.44)	-	-	-	-
Shri Manish Rathi	-	(0.85)	-	-	-	-
Shree Mangal Jewels Pvt. Ltd.	-	-	-	-	-	0.34
Shree Ratna Mangal Jewels Pvt. Ltd.	-	-	-	-	-	0.36
Swarna Bhavya Mangal Jewels Pvt. Ltd.	-	-	-	-	-	0.36
Security deposit :						
Chakshu Realtors Pvt. Ltd (Rented premises)					50.00	50.00



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Particulars	(₹ in Lakhs)					
	Referred in (a) above		Referred in (b) above		Referred in (c) above	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Loans given :						
Mangal Royal Jewels Pvt. Ltd.	-	-	-	-	-	-
Shree Mangal Jewels Pvt. Ltd.	-	-	-	-	-	42.50
Shree Ratna Mangal Jewels Pvt. Ltd.	-	-	-	-	-	45.00
Swarna Bhavya Mangal Jewels Pvt. Ltd.	-	-	-	-	-	45.00
Debt securities / loans outstanding :						
Shri Hardik Meghraj Jain	-	160.00				
Shri Manish Rathi	-	10.00				
Shri Meghraj Sohanlal Jain	2,500.00	1,789.00	-	-	-	-
Corporate guarantee given :						
Mangal Compusolution Ltd.	-	-	-	-	-	732.00
Personal guarantee :						
Term Loans : (to the extent amount outstanding)						
Secured :						
Shri Meghraj Sohanlal Jain	4,969.25	2,679.25	-	-	-	-
Shri Nilesh Jain	1,660.54	2,679.25	-	-	-	-
Shri Hardik Meghraj Jain	854.66	-	-	-	-	-
Short Term Loans:						
Secured :						
Shri Meghraj Sohanlal Jain	1,500.00	-				
Loan Repayable on Demand :						
Secured						
Shri Meghraj Sohanlal Jain	2,000.00	1,550.00	-	-	-	-

*Undiscounted Value

47.1 The Company had issued corporate guarantee aggregate to ₹ 732 lakhs for loans availed by M/s Mangal Compusolution Ltd. (erstwhile Mangal Compusolution Pvt. Ltd.), a company in which a director of the Company is a director and shareholder, in favour of two Non Banking Financial Companies. Outstanding Loan amount is ₹ Nil (P.Y. 633 lakhs).

47.2 Contribution to a charitable trust in which one of the director and his relatives are trustees :

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Contribution towards Corporate Social Responsibility	19.31	15.69

47.3 Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Name of Company	(₹ in Lakhs)			
	Loans & Advances		Loans & Advances	
	Amount O/s as on March 31, 2024	Maximum Balance as on March 31, 2024	Amount O/s as on March 31, 2023	Maximum Balance as on March 31, 2023

Notes

forming part of financial statement for the year ended March 31, 2024

Companies Under Common Control				
Shree Mangal Jewels Pvt Ltd	-	42.50	42.50	62.50
Shree Ratna Mangal Jewels Pvt Ltd	-	45.00	45.00	65.00
Swarna Bhavya Mangal Jewels Pvt Ltd	-	45.00	45.00	65.00
	-	132.50	132.50	192.50

Note 48 - Additional regulatory information under division III to schedule III as per notification dated March 24, 2021

(i) Relationship with Struck off Companies

Details of Struck off companies with whom the company has transaction during the year or outstanding balance:

Name of the Struck of Company	Nature of transaction with struck off Company
Key-Elkars Finance & Leasing Pvt. Ltd.	Unclaimed Dividend (net of TDS)
Star of Karnataka Holding & Manufacturing Pvt. Ltd.	Unclaimed Dividend (net of TDS)

48.1 Insignificant amount

(ii) Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance (if above 25%)
(a) Capital to risk weighted assets ratio (CRAR)	Total Capital Funds	Total risk weighted assets/ exposures	47.23%	57.93%	10.70%	NA
(b) Tier I CRAR	Net Owned Fund	Total risk weighted assets/ exposures	47.23%	57.93%	10.70%	NA
(c) Tier II CRAR	Aggregate Tier II Capital	Total risk weighted assets/ exposures	0%	0%	0%	NA

(iii) Details of Crypto Currency or Virtual Currency - The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note '49'

Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

**As per our Report of even date
For Bhagwagar Dalal & Doshi
Chartered Accountants
FRN: 128093W**

**For and on behalf of the board of directors
Mangal Credit And Fincorp Limited**

Sd/-
Jatin V. Dalal
Partner
M.No. 124528

Sd/-
Meghraj Jain
Managing Director
DIN:- 01311041

Sd/-
Nilesh Jain
Director & CFO
DIN:- 08788781

Sd/-
Chirag Parmar
Company Secretary
M. No. A66852

Place: Mumbai
Date : 7th May, 2024

Place: Mumbai
Date : 7th May, 2024



NOTICE

NOTICE is hereby given that the 62nd Annual General Meeting of the Members of **Mangal Credit and Fincorp Limited** ("the Company") is scheduled to be held on Wednesday, 25th September, 2024 at 11:30 A.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the below mentioned business:

Ordinary Business:

1. Adoption of Annual Accounts:

To receive, consider and adopt the Annual Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the reports of the Board of Directors and Statutory Auditors thereon;

2. Declaration of dividend:

To declare the final dividend of ₹ 0.6 per equity share of face value of ₹ 10/- each for the financial year ended 31st March, 2024;

3. Re-appointment of Mr. Nilesh Jain (DIN: 08788781), the retiring director:

To appoint a Director in place of Mr. Nilesh Jain (DIN: 08788781), who retires by rotation and being eligible, offers himself for re-appointment;

4. Re-appointment of Mr. Sujan Sinha (DIN: 02033322), retiring director:

To appoint a Director in place of Mr. Sujan Sinha (DIN: 02033322), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

5. Re-appointment of Mr. Meghraj Sohanlal Jain (DIN : 01311041) as Chairman and Managing Director along with revision of remuneration :

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

"RESOLVED THAT, pursuant to the provisions of Sections 178, 196, 197, 198 and 200 read with Schedule V and all other provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, all applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), provisions of the Articles of Association of the Company, recommendation of Nomination and Remuneration Committee and the approval of the Board of Directors, and such other

approvals, permissions and sanctions, as may be required, approval of the Members be and is hereby accorded to re-appoint Mr. Meghraj Sohanlal Jain (DIN : 01311041) as Chairman and Managing Director of the Company for a period of 5 (Five) years with effect from 12th August, 2024 to 11th August, 2029 with revision of remuneration from ₹ 30,00,000/- (Rupees Thirty Lakhs only) per annum to ₹ 48,00,000/- (Rupees Forty Eight Lakhs only) per annum on such terms and conditions as detailed in the explanatory statement attached hereto, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 (1) of the Act.

RESOLVED FURTHER THAT, where in any financial year during the tenure of Mr. Meghraj Sohanlal Jain, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Meghraj Sohanlal Jain, as a Chairman and Managing Director or Director of the Company, the remuneration as approved by the Members from time to time, as the minimum remuneration.

RESOLVED FURTHER THAT, any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and execute all such documents, instruments and writings as may be required with regard to the said appointment as it may in its sole and absolute discretion deem fit, to give effect to this resolution without being required to seek any further consent or approval of the shareholders."

6. Approval for Material Related Party Transactions:

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

"RESOLVED THAT, pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), read with Section 188 of the Companies Act, 2013 ('the Act'), read with the rules made thereunder (including any other applicable provision(s) or statutory modification(s) or re-enactment thereof for the time being in force) read with the Company's 'Policy on Related Party Transactions' and as per the recommendation/ approval of the Audit Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded to the Company for entering into and/or continuing with Material Related Party Transactions with Mr. Meghraj Sohanlal Jain, a Related Party within the meaning of Section 2(76) of the Companies Act, 2013, and Regulation 2(1)(zb) of the SEBI Listing Regulations for availment of Loan upto a sum of ₹. 70,00,00,000/- (Rupees Seventy Crore only), in one and more tranches, for the financial year 2024-25 and further up to the date of 63rd Annual General Meeting of the Company,

provided that the said contracts/arrangements/ transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT, any of the Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT, all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

7. Approval for Material Related Party Transactions:

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

"RESOLVED THAT, pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), read with Section 188 of the Companies Act, 2013 ('the Act'), read with the rules made thereunder (including any other applicable provision(s) or statutory modification(s) or re-enactment thereof for the time being in force) read with the Company's 'Policy on Related Party Transactions' and as per the recommendation/ approval of the Audit Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded to the Company for entering into and/or continuing with Material Related Party Transactions with Mr. Hardik Jain, a Related Party within the meaning of Section 2(76) of the Companies Act, 2013, and Regulation 2(1)(zb) of the SEBI Listing Regulations for availment of Loan upto a sum of ₹ 30,00,00,000/- (Rupees Thirty Crore only), in one and more tranches, for the financial year 2024-25 and further up to the date of 63rd Annual General Meeting of the Company, provided that the said contracts/arrangements/transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT, any of the Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT, all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

8. Revision in remuneration of Mr. Nilesh Jain (DIN : 08788781), Executive Director (designated as

Executive Director and Chief Financial Officer) of the Company:

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

"RESOLVED THAT, pursuant to the provisions of Sections 178, 196, 197, 198 and 200 read with Schedule V and all other provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, all applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), provisions of the Articles of Association of the Company, recommendation of Nomination and Remuneration Committee and the approval of the Board of Directors, and such other approvals, permissions and sanctions, as may be required, approval of the members be and is hereby accorded to the revision of remuneration of Mr. Nilesh Jain, as an Executive Director (designated as Executive Director and Chief Financial Officer) of the Company, by increasing the remuneration from ₹ 20,00,000/- (Rupees Twenty Lakhs only) to ₹ 24,00,000/- (Rupees Twenty Four Lakhs only) per annum with effect from 12th August, 2024, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 (1)(i) of the Act.

RESOLVED FURTHER THAT, except for the revision in the remuneration as an Executive Director all other terms and conditions of appointment of Mr. Nilesh Jain, as an Executive Director (designated as an Executive Director and Chief Financial Officer) of the Company as approved earlier by the members, and which are not dealt with in this Resolution, shall remain unchanged and continue to be effective.

RESOLVED FURTHER THAT, where in any financial year during the tenure of Mr. Nilesh Jain, as Director (designated as an Executive Director and Chief Financial Officer) of the Company has no profits or its profits are inadequate, the Company may pay to Mr. Nilesh Jain, as an Executive Director (designated as an Executive Director and Chief Financial Officer) the remuneration as approved by the Members from time to time, as the minimum remuneration by way of salary.

RESOLVED FURTHER THAT, any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and execute all such documents, instruments and writings as may be required in this connection at their sole and absolute discretion deem fit, to give effect to this resolution without being



required to seek any further consent or approval of the shareholders.”

9. Transfer of Contingency Reserve and Investment Reserve to Capital Reserve:

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

“**RESOLVED THAT**, considering the best interest of the Company and on the basis of recommendation of Audit Committee and the approval of the Board of Directors, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be

prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, consent of the Members be and is hereby accorded the amount of ₹ 25,00,000/- (Rupees Twenty Five Lakhs only) currently held in Contingency Reserve and amount of ₹ 7,00,000/- (Rupees Seven Lakhs only) held in Investment Reserve shall be transfer to Capital Reserve with immediate effect.

RESOLVED FURTHER THAT, any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution.”

**By order of the Board of Directors
For Mangal Credit and Fincorp Limited**

**Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041**

Place: Mumbai
Date: 12th August, 2024

Registered Office:
1701/02, 'A'Wing, Lotus Corporate Park,
Off Western Express Highway,
Goregaon East, Mumbai- 400063

Tel.: +91 22-42461300
E-mail: compliance@mangalfincorp.com

NOTES:

1. The Ministry of Corporate Affairs, Government of India (“MCA”) vide its General Circular No. 14/2020 dated April 08, 2020, 10/2022 dated 28th December, 2022 read with the latest General Circular No. 09/2023 dated 25th September, 2023 (“collectively referred to as “MCA Circulars”), and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CFD-PoD2/P/CIR/2023/163 dated 7th October, 2023, have permitted companies to conduct Annual General Meeting (“AGM”) through Video Conferencing (“VC”) and Other Audio Visual Means (“OAVM”) without the physical presence of the Members at a Common Venue and has granted relaxation in respect of sending physical copies of the annual report to members. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Sixty Second (62nd) AGM of the Company is being held through VC/OAVM. The Registered Office of the Company i.e. 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Western Express Highway, Goregaon (E), Mumbai: 400063, shall be deemed to be the venue for the AGM.
2. In terms of the MCA Circulars, physical attendance of Members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 62nd AGM, Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The Company has engaged the services of National Securities Depository Limited (“NSDL”) for providing the facility for remote e-voting, for participation in the AGM through VC / OAVM and for e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained in the Notes.
4. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors who retire by rotations and being eligible, offer themselves for re-appointment at this AGM are also annexed to this Notice.
5. The Explanatory Statement pursuant to Section 102 of the Act, the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (“Secretarial Standards”) and the SEBI Listing Regulations, for business at Item no. 5 to Item no. 9 as set out in the Notice convening the AGM (“AGM Notice”) is annexed hereto.

6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting process. The said Resolution/Authorization shall be sent by email through its registered email address to compliance@mangalfincorp.com and with a copy marked to evoting@nsdl.com.
7. The Notice of the AGM has been uploaded on the website of the Company at www.mangalfincorp.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company or the Depositories/ Depository Participant(s). Annual Report can also be downloaded from Company's website on www.mangalfincorp.com

Physical copy of the Notice of the AGM along with Annual Report for the FY 2023-24 shall be sent to those shareholders who request for the same at compliance@mangalfincorp.com mentioning their Folio No/DP ID and Client ID.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. A brief profile of the Directors, who are appointed/re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Chapter IV of SEBI Listing Regulations are provided as annexure to this notice.



11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. 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 Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
13. The Record Date fixed for the purpose of determining entitlement of the Members to the Final Dividend for the financial year ended 31st March, 2024 is Tuesday, 17th September, 2024, and such dividend, if approved at the AGM, will be paid on or before Friday, 25th October, 2024 to those Members entitled thereto subject to deduction of tax at source.
14. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with the physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime India Private Limited for assistance in this regard.
15. The Board of Directors has appointed Mr. Vijay Tiwari (Membership No. A33084 and CP No. 12220) of M/s. Vijay S. Tiwari & Associates, Practicing Company Secretary to act as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.
- The Results of remote e-Voting and voting at the Meeting shall be declared by the Chairman or by any other director or Company Secretary duly authorized in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website www.mangalfincorp.com and also be displayed on the website of NSDL <https://www.evoting.nsdl.com/> immediately after the results are communicated to the Stock Exchange in compliance with Regulation 44(3) of the SEBI Listing Regulations. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, 25th September, 2024, subject to receipt of the requisite number of votes in favor of the Resolutions.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available for inspection during the AGM. All the relevant documents referred to in the accompanying Notice are made available for inspection by members at the Registered Office of the Company, situated at 1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park, Western Express Highway, Goregaon(East), Mumbai City: 400063 on all working days (From Monday to Friday) during the business hours up to the date of AGM.
17. As per the provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
- 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 respectively. The said forms can be downloaded from the Company's website at www.mangalfincorp.com
- Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held in physical form.
- SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. Further, all members holding shares in physical mode are required to compulsory link their PAN Card and Aadhaar Card to avoid freezing of folios. Pursuant to SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10th June, 2024, for existing investors/ unit holders it has been decided that –
- Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts,
 - Security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders,
 - Dividend, interest or redemption payment withheld presently, only for want of 'choice of nomination' shall be processed accordingly. However, all new investors/ unit holders shall
- continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts (except for jointly held Demat Accounts).
- Pursuant to SEBI Notification No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, the Company shall issue securities in dematerialized 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, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, format of which is available on the Company's website at: www.mangalfincorp.com Further, members holding shares in physical form are requested to take action to dematerialize the Equity Shares, promptly to avoid inconvenience in future.
18. Pursuant to the SEBI Listing Regulations, the Company is required to maintain Bank details of its members for the purpose of payment of Dividends, etc. Members are requested to register / update their Bank details with the Company in case shares are held in physical form and with their Depository Participants where shares are held in dematerialized mode to enable expeditious credit of the dividend into their respective Bank accounts electronically through the Automated Clearing House (ACH) mode.
19. TDS on dividend in accordance with the provisions of the Income Tax Act, 1961 ("IT Act"), as amended by and read with the provisions of the Finance Act, 2020, dividend declared and paid by the Company with effect from 1st April, 2020, is taxable in the hands of Shareholders and the Company is required to deduct tax at source from dividend paid to the Shareholders at the applicable rates. The Company shall consider the requests received by it from its shareholders as on the Record date fixed by the Company in relation to its proposed dividend(s);
- a. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to compliance@mangalfincorp.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20% and 10% in case of Members having valid Permanent Account Number ("PAN") or as notified by the Government of India. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2024 does not exceed ₹ 5,000/- and also in cases where members provide Form 15G (Applicable to any person other than a
- Company or a Firm) / Form 15H (Applicable to an individual above the age of 60 years) subject to conditions specified in the IT Act.
- b. For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable to them. However, Non-resident shareholders[including Foreign Institutional Investors(FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to compliance@mangalfincorp.com
20. Unclaimed Dividends:
- Members of the Company are requested to note that as per the provisions of Section 124(5) and Section 124(6) of the Act, dividend not encashed/ claimed by the Member of the Company, within a period of seven years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF") and all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Demat Account of IEPF Authority notified by MCA ('IEPF Demat Account').
 - Members/claimants whose shares, unclaimed dividend have been transferred to the IEPF, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fees, if any, as decided by the IEPF Authority from time to time.
 - Details of Unclaimed Dividend and Shares attached thereto on Website:
- The details of the unpaid/unclaimed dividend are available on the website of the Company i.e. www.mangalfincorp.com it is in the Members' interest to claim any unclaimed dividend and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.
- Members who wish to claim unclaimed dividend are requested to contact the Registrar and



Share Transfer Agents, at rnt.helpdesk@linkintime.co.in.

21. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the MCA Circular.

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

The remote e-voting period begins on Sunday, 22nd September, 2024 at 09:00 A.M. and ends on Tuesday, 24th September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 17th 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, Tuesday, 17th September, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 hold 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for CDSL Easi / Easiest, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or at toll free no. 1800 22 55 33



B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csvijaytiwari@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and

e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Rahul Rajbhar at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide 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 compliance@mangalfincorp.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@mangalfincorp.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated 9th December, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

- The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the EGM/AGM 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 in the EGM/AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.



4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@mangalfincorp.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item no. 5

Pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Act and Articles of Association of the Company, The Board of Directors of the Company in its meeting held on 12th August, 2024, based on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Meghraj Sohanlal Jain as Managing Director of the Company for a period of 5 (Five) years effective from 12th August, 2024, to 11th August, 2029.

Mr. Meghraj Sohanlal Jain is an entrepreneur and businessman, having more than three decades of experience. He is a co-founder & promoter of the Company. He directs planning the marketing and business development function of the Company and is also responsible for developing strategic business relationships for different business. He has always been a leading member of core Senior Management team. He has the business acumen and in-depth knowledge about the industry, overall market scenario and management of the affairs of the Company.

The valuable and precious guidance of Mr. Meghraj Sohanlal Jain will be required for the Company to take a big leap, in the years to come and hence it is felt prudent for continuation of Mr. Meghraj Sohanlal Jain with the Company as Managing Director of the Company.

The Company as on date is not in default in payment of dues to any bank or public financial institution or nonconvertible debenture holders or any other secured creditors of the Company and accordingly, their prior approval is not required, for approval of the proposed special resolutions.

The details of Mr. Meghraj Sohanlal Jain, as per the requirements specified under Secretarial Standard (SS-2) and Regulation 36 (3) of the SEBI Listing Regulations are given in 'Annexure-A' of this Notice.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Mr. Meghraj Sohanlal Jain are as under:

- He shall be paid a remuneration of ₹ 48,00,000/- (Rupees Forty Eight Lakhs only) per annum with the power to the Board to verify his terms of re-appointment and remuneration;
- The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- The Managing Director shall adhere to the Company's Code of Conduct.
- The office of Managing Director may be terminated by the Company or by him by giving 3 (three) months' prior notice in writing or such other period as may be specified by the Board of Directors.

Mr. Meghraj Sohanlal Jain satisfies the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being re-appointed as Managing Director in terms of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Meghraj Sohanlal Jain under Section 190 of the Act.

Except Mr. Meghraj Sohanlal Jain and Mr. Hardik Jain, none of the other Directors or KMP of the Company, are in any way, concerned or interested, financially or otherwise, in resolution stated in Item No. 5 of the Notice.

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the members.

Statement containing additional information as required in Schedule V of the Companies Act, 2013-

I. General Information:

Nature of Industry	Engaged in the business of Non-Banking Financial Company without accepting public deposits.
Date or expected date of commencement	Existing company in operation since 1961
In the case of new companies, the expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus	Not Applicable
Financial performance based on given indicators:	
For the year ended 31 st March, 2024	(₹ In Lakhs)
➤ Total Income	3327.49
➤ Total Expenditure	1894.99
➤ Profit Before Tax	1432.50
➤ Tax Expenses	377.91
➤ Profit after tax	1054.59
Foreign Investments or collaborations, if any.	Not Applicable

II. Information about the appointee:

Name	Mr. Meghraj Sohanlal Jain (DIN : 01311041)
Background details	Mr. Meghraj Sohanlal Jain is an entrepreneur and businessman for more than three decades. He has contributed to several family companies in India in various positions. He is a Co-founder & Promoter of Mangal Credit and Fincorp Limited and has more than 3 decades of experience in lending business. He directs planning the marketing and business development function of the Company and is also responsible for developing strategic business relationships for different business. He has always been a leading member of core Senior Management team. He has the business acumen and in-depth knowledge about the industry, overall market scenario and management of the affairs of the Company.
Past remuneration	During the Financial year 2023-24 he has drawn ₹ 30.00 Lakhs as remuneration.
Recognition or awards	Nil
Job profile and his suitability	Mr. Meghraj Sohanlal Jain is the Chairman & Managing Director of the Company and associated with the Company since 14 th August, 2013. His role as a Chairman & Managing Director includes oversight of businesses, development and focus on growth and value creation across businesses.



Remuneration proposed	Maximum ₹ 48,00,000/- p.a.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the position held and the responsibility shouldered by Mr. Meghraj Sohanlal Jain as the Chairman and Managing Director of the Company, the enhanced business activities of the Company and the plans for growth, the proposed remuneration is commensurate with the industry standards and Board Level positions held in similar sized and similarly positioned businesses
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Meghraj Sohanlal Jain draws remuneration as the Managing Director and also providing Loan to the Company at arm's length basis as and when instant needs arises. Except as stated above, Mr. Meghraj Sohanlal Jain does not have any pecuniary relationship whether directly or indirectly with the Company. He is the father of Mr. Hardik Jain, Executive Director of the Company. He is holding 47,86,565 equity shares as a Promoter in the Company.

III. Other information:

Reasons of loss or inadequate profits	During the financial year Company has earned a Profit of ₹ 1054.59 Lakhs after tax, represents growth of 33.26% as compared to previous year.
Steps taken or proposed to be taken for improvement	During the Financial year 2023-24, the Company has opened 7 Branches across multiple states of India and planning to open more than 15 branches during the Financial year 2024-25 across multiple states to optimise the profitability.
Expected increase in productivity and profits in measurable terms	The Management is confident about the growth in the business and expecting increase in business and profits.

Item no. 6 and 7

Section 177 of the Companies Act, 2013 ("the Act") read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), provide that all related party transactions and subsequent material modifications shall require prior approval of the Audit Committee and further in sub-regulation (4) of Regulation 23 of the SEBI Listing Regulations provides that all the material related party transactions and subsequent material modifications shall require prior approval of the Shareholders through resolution.

As the Company involved in the business of Non-Banking Financial Company and considering the funding requirements for both short term and long term goals, the Company may require to borrow from the related parties to mitigate instant needs. The threshold limit to attract the requirements of material related party transactions, stipulated under the SEBI Listing Regulations, may likely to be achieved in near future.

In light of the aforesaid requirements the Audit Committee and Board of Directors of the Company has approved to avail loans from Mr. Meghraj Sohanlal Jain, Managing Director & Promoter and Mr. Hardik Jain, Executive Director & Promoter of the Company, for a sum not exceeding ₹ 70 Crores and ₹ 30 Crores, respectively, in one or more tranches. The said contracts/arrangements/transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

Accordingly, it is proposed to seek the approval of Shareholders to approve material related party transactions for availment of loans from Mr. Meghraj Sohanlal Jain and Mr. Hardik Jain amounting to not exceeding ₹ 70 Crores and ₹ 30 Crores, respectively, in one or more tranches.

Disclosures in terms of SEBI Circular no. SEBI/HO/CFD/CMD-1/CIR/P/2021/662 dated 22nd November, 2021 for approval of Related Party Transactions are as follows;

Sr. Criteria No.	Loans avail from Mr. Meghraj Sohanlal Jain	Loans avail from Mr. Hardik Jain
1. Type, material terms and particulars of the proposed transaction.	Availment of unsecured loan for a sum not exceeding ₹ 70 Crores in one and more tranches.	Availment of unsecured loan for a sum not exceeding ₹ 30 Crores in one and more tranches.
2. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name: Mr. Meghraj Sohanlal Jain Relationship with the listed entity: Chairman and Managing Director of the Company and holding 24.47% of the total paid up capital.	Name: Mr. Hardik Jain Relationship with the listed entity: Executive Director and holding 4.23 % of the total paid up capital.
3. Tenure of the proposed transaction (particular tenure shall be specified)	For the financial year 2024-25 and further up to the date of 63 rd Annual General Meeting of the Company	For the financial year 2024-25 and further up to the date of 63 rd Annual General Meeting of the Company
4. Value of the proposed transaction.	Not exceeding ₹ 70,00,00,000/- (Rupees Seventy Crores only)	Not exceeding ₹ 30,00,00,000/- (Rupees Thirty Crores only)
5. 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)	210.87%	90.37%
6. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Details of the source of funds in connection with the proposed transaction.	Not Applicable
	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, - nature of indebtedness; - cost of funds; and - tenure	Not Applicable
	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not Applicable
	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable



Sr. No.	Criteria	Loans avail from Mr. Meghraj Sohanlal Jain	Loans avail from Mr. Hardik Jain
7.	Justification as to why the RPT is in the interest of the listed entity.	As the Company involved in the business of Non-Banking Financial Company and considering the funding requirements for both short term and long term goals, the Company may require to borrow from the related parties to mitigate instant needs. The said contracts/arrangements/ transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company	As the Company involved in the business of Non-Banking Financial Company and considering the funding requirements for both short term and long term goals, the Company may require to borrow from the related parties to mitigate instant needs. The said contracts/arrangements/ transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company
8.	A copy of the valuation or other external party report, if any such report has been relied upon.	Not required to take valuation for the proposed transaction.	Not required to take valuation for the proposed transaction.
9.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.	Since the counter party is an individual , criteria of percentage to the annual consolidated turnover is not applicable	Since the counter party is an individual , criteria of percentage to the annual consolidated turnover is not applicable
10.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not required to take valuation for the proposed transaction.	Not required to take valuation for the proposed transaction.
11.	Any other information that may be relevant.	Not Applicable	Not Applicable

Except Mr. Meghraj Sohanlal Jain and Mr. Hardik Jain, none of the other Directors or KMP of the Company, are in any way, concerned or interested, financially or otherwise, in the resolutions stated in Item No. 6 and 7 of the Notice.

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 6 and 7 of the accompanying Notice for the approval of the members.

Item no. 8

Mr. Nilesh Jain (DIN : 08788781) was appointed as an Executive Director of the Company on 30th October, 2021 and later regularized by the members of the Company at 60th Annual General Meeting held on 30th September, 2022. Since his induction on the Board, Company has expand its business in multiple states by opening branches over there. The Board is of the view that he has provided dedicated and meritorious services and made significant contribution towards the overall growth of the Company, therefore by considering the increased responsibility and projected future growth of the Company under the guidance and leadership of Mr. Meghraj Sohanlal Jain as Chairman and Managing Director, the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and subject to approval of the Members, have approved the revision in the terms of remuneration of Mr. Nilesh Jain from ₹ 20,00,000/- (Rupees Twenty Lakhs only) to ₹ 24,00,000/- (Rupees Twenty Four

Lakhs only) per annum with effect from 12th August, 2024. Accordingly, the resolution under Item no. 8 of the accompanying Notice has been placed before the members for their approval by way of Special Resolution.

Except for the revision in the remuneration of Mr. Nilesh Jain as an Executive Director (Designated as Director and Chief Financial Officer) mentioned in resolution under Item no. 8 of the accompanying notice, all other terms and conditions as approved earlier by the members remain unchanged and continue to be effective.

The Company as on date is not in default in payment of dues to any bank or public financial institution or nonconvertible debenture holders or any other secured creditors of the Company and accordingly, their prior approval is not required, for approval of the proposed special resolutions.

The Explanatory Statement attached to resolution no.5 passed at the 60th Annual General Meeting of the Company held on 30th September, 2022 and further modified by the Explanatory Statement attached to the resolution no.8 of this notice may be treated as a written memorandum setting out the terms of remuneration of Mr. Nilesh Jain, Executive Director (designated as Executive Director and Chief Financial Officer) of the Company in terms of Section 190 of the Act.

The other disclosures as required under the Companies Act, 2013 ("the Act") read with the rules made thereunder and Schedule V to the Act, and as per Secretarial Standard- 2 (SS-2), regarding Special Resolutions under Item No. 8 of the accompanying Notice, are annexed as "Annexure-A" to this notice.

Except Mr. Nilesh Jain, none of the other Directors or KMP of the Company, are in any way, concerned or interested, financially or otherwise, in resolution stated in Item No. 8 of the Notice.

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 8 of the accompanying Notice for the approval of the members.

Statement containing additional information as required in Schedule V of the Companies Act, 2013-

I. General Information:

Nature of Industry	Engaged in the business of Non-Banking Financial Company without accepting public deposits.
Date or expected date of commencement	Existing company in operation since 1961
In the case of new companies, the expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus	Not Applicable
Financial performance based on given indicators:	
For the year ended 31 st March, 2024	(₹ In Lakhs)
➤ Total Income	3327.49
➤ Total Expenditure	1894.99
➤ Profit Before Tax	1432.50
➤ Tax Expenses	377.91
➤ Profit after tax	1054.59
Foreign Investments or collaborations, if any.	Not Applicable

II. Information about the appointee:

Name	Mr. Nilesh Jain (DIN : 08788781)
Background details	Mr. Nilesh Jain is an Executive Director & Chief Financial Officer of Mangal Credit and Fincorp Limited. He holds an MBA in Finance and Marketing and has more than 11 years of Professional Experience in the financial sector with in depth knowledge of Gold Loans, Housing Loans, Mortgages and Construction Finances. His area of expertise includes sales, Marketing & strategic Planning.
Past remuneration	During the Financial year 2023-24 he has drawn ₹ 19.50 Lakhs as remuneration.
Recognition or awards	Nil
Job profile and his suitability	Mr. Nilesh Jain is an Executive Director & Chief Financial Officer of the Company and associated with the Company since 30 th October, 2021. His role as an Executive Director and Chief Financial Officer is to monitor the business operations and Strategy as well as control the finance and monitor the use of funds.
Remuneration proposed	₹ 24,00,000/- p.a.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the position held and the responsibility shouldered by Mr. Nilesh Jain as an Executive Director (designated as Executive Director and Chief Financial Officer) of the Company, the enhanced business activities of the Company and the plans for growth, the proposed remuneration is commensurate with the industry standards and Board Level positions held in similar sized and similarly positioned businesses.



Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any

Except for drawing remuneration as an Executive Director and Chief Financial Officer, Mr. Nilesh Jain does not have any pecuniary relationship whether directly or indirectly with the Company.

III. Other information:

Reasons of loss or inadequate profits	During the financial year Company has earned a Profit of ₹ 1054.59 Lakhs after tax, represents growth of 33.26% as compared to previous year.
Steps taken or proposed to be taken for improvement	During the Financial year 2023-24, the Company has opened 7 Branches across multiple states of India and planning to open more than 15 branches during the Financial year 2024-25 across multiple states to optimise the profitability.
Expected increase in productivity and profits in measurable terms	The Management is confident about the growth in the business and expecting increase in business and profits.

Item no. 9

Mangal Credit and Fincorp Limited (MCFL) was established in the year 2012, after acquiring a Fifty years old company TAK Machineries & Leasing Ltd (TMLL) which was incorporated in the year of 1961 with the object of carrying out the business of manufactures and dealers in machinery, plant and engineering goods. Considering the nature of the business and as per the regulatory requirements, specified from time to time, TMLL had created the contingency reserve and investment reserve out of its profit to handle unforeseen emergencies at a plant, minimize downtime, and maintain operational continuity. After acquisition of TMLL, the name of the Company is changed to MCFL on 10th May, 2013 and obtained certificate of registration to carry on the business of non-banking financial company under the provisions of Reserve Bank of India Act, 1934. However, as per the nature of NBFC Business, there is no need to maintain contingency reserve and investment reserve to carry out the business.

relation to Contingency reserve, nor have any needs have arisen to use investment reserve, created by former management, therefore the Board has decided to align the "Other equity - Reserves and Surplus" note forming part of the Balance sheet with the nature of existing business and to take care of any claim of TMLL employee and labor in relation to contingency reserve that may arise in the future.

It is proposed to seek the approval of Shareholders by way of Special Resolution to transfer the amount of ₹ 25,00,000/- (Rupees Twenty Five Lakhs only) currently held in the Contingency Reserve and ₹ 7,00,000/- (Rupees Seven Lakhs only) held in Investment Reserve to Capital Reserve with immediate effect.

None of the Directors or KMP of the Company, are in any way, concerned or interested, financially or otherwise, in the resolutions stated in Item No. 9 of the Notice.

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 9 of the accompanying Notice for the approval of the members.

Furthermore, since the change in management and business nature to NBFC, neither the Company has received any claim from any TMLL employee or labor in

**By the Order of the Board of Directors
For Mangal Credit and Fincorp Limited**

**Sd/-
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041**

Place: Mumbai
Date: 12th August, 2024

Registered Office:
1701/02, 'A'Wing, Lotus Corporate Park,
Off Western Express Highway,
Goregaon East, Mumbai- 400063

Tel.: +91 22-42461300
E-mail: compliance@mangalfincorp.com

ANNEXURE-A

Additional Information of Directors for appointment / re-appointment / revision of remuneration as per regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (ss-2) are as follows:

Name of the Director	Mr. Meghraj Sohanlal Jain	Mr. Nilesh Jain	Mr. Sujan Sinha
DIN	01311041	08788781	02033322
Date of Birth	25.06.1970	16.01.1988	12.11.1958
Age	54	36	66
Date of first appointment on the Board	14.08.2013	30.10.2021	11.11.2020
Designation	Chairman and Managing Director	Executive Director and Chief Financial Officer	Non-Executive Non-Independent Director
Qualifications	Graduate	MBA in Finance and Marketing	Bachelor of Science (Honours) from Calcutta University
Brief resume, Experience and Nature of his expertise in functional areas	Mr. Meghraj Sohanlal Jain is an Entrepreneur and Businessman, having more than three decades of experience. He is a co-founder & promoter of the Company. His area of expertise include marketing planning, business development, strategic business relationships, etc.	Mr. Nilesh Jain has more than 10 years of experience in the financial sector with in-depth knowledge of Gold Loan, Housing Loan, Mortgages and Construction Finance. His area of expertise includes sales, marketing & Strategic planning.	Mr. Sujan Sinha is a senior finance professional having more than three & half decades of experience with Banks, NBFCs, retail industry etc. His area of expertise includes Finance, Banking and Management Spheres.
No. of Board Meetings attended during the year 2023-24	7	7	7
Directorships held in other Companies	Nil	Nil	- Transcorp International Limited - Mindex Fincap Private Limited - Stragility Consulting Private Limited - SMS Vans Skilling and Advisory Private Limited - MS Fincap Private Limited - Transwire Forex Limited - Transcorp Payments Limited - RTDT Fintech Private Limited
Names of other listed entities in which Director holds Directorship	Nil	Nil	Transcorp International Limited
Membership / Chairmanship of Committees of other Board*	Membership : 1 Chairmanship : Nil	Membership : 2 Chairmanship : Nil	Membership : 1 Chairmanship : 1



Name of the Director	Mr. Meghraj Sohanlal Jain	Mr. Nilesh Jain	Mr. Sujan Sinha
No. of Equity shares held in the Company	47,86,565 Equity Shares	2,000 Equity Shares	Nil

held in the Company**as on 31.03.2024**

Disclosure of relationships with other directors and KMP	Mr. Meghraj Sohanlal Jain is the father of Mr. Hardik Jain, Executive director of the Company	Not related with any director, Manager or KMP of the Company	Not related with any director, Manager or KMP of the Company
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Terms and Conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Mr. Meghraj Sohanlal Jain is proposed to be re-appointed as Managing Director of the Company for a period of 5 (Five) years for a remuneration of ₹ 48,00,000/- p.a. and other terms and conditions are set out in the explanatory statement to resolution no.5 forming part of this Notice.	It is proposed to revise in the terms of remuneration of Mr. Nilesh Jain from ₹ 20,00,000/- (Rupees Twenty Lakhs only) to ₹ 24,00,000/- (Rupees Twenty Four Lakhs only) per annum. Except for the revision in the remuneration of Mr. Nilesh Jain as an Executive Director (Director and Chief Financial Officer), mentioned in resolution under Item no. 8 of the accompanying notice, all other terms and conditions as approved earlier by the members remain unchanged and continue to be effective.	As per the resolution passed by the Members at the 59 th Annual General Meeting held on 29 th September, 2021, read with explanatory statement thereto, Mr. Sujan Sinha was appointed as Non- Executive Non Independent Director of the Company, liable to retire by rotation, who retires by rotation at this AGM and being eligible offers himself for reappointment. All the terms and conditions as approved earlier by the members remain unchanged and continue to be effective.
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* In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

By the Order of the Board of Directors
For Mangal Credit and Fincorp Limited

Sd/
Meghraj Sohanlal Jain
Chairman and Managing Director
DIN: 01311041

Place: Mumbai
Date: 12th August, 2024

Registered Office:
1701/02, 'A'Wing, Lotus Corporate Park,
Off Western Express Highway,
Goregaon East, Mumbai- 400063

Tel.: +91 22-42461300
E-mail: compliance@mangalfincorp.com

Abbreviations

Term	Description	Term	Description
The Act or Companies Act	The Companies Act, 2013 to the extent in force as on the date hereof and as amended, modified or re-enacted from time to time	LAP	Loan Against Property
AC	Audit Committee	MCA	Ministry of Corporate Affairs
AGM	Annual General Meeting	MCFL / the Company	Mangal Credit and Fincorp Limited
ALCO	Asset and Liability Management Committee	MD	Managing Director
ALM	Asset and Liability Management	MDAR	Management Discussion and Analysis Report
AOA	Articles of association of the Company	MOA	Memorandum of association of the Company.
AUM	Asset Under Management	MSME	Micro Small and Medium Enterprises
Board or BOD	The Board of Directors of the Company	N.A.	Not applicable.
BL	Business Loan	NBFC	Non-banking financial company as defined under Section 45-IA of the RBI Act, 1934
Bps	Basic Points	NCD	Non-Convertible Debentures
BSE	Bombay Stock Exchange	NII	Net Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CARO	Companies Auditor Report Order	NNPA	Net Non-Performing Assets
CDSL	Central Depository Services (India) Limited	NPA	Non-Performing Assets
CIC	Central Information Commission	NRC	Nomination and Remuneration Committee
CEO	Chief Executive Officer	NSDL	National Securities Depository Limited
CFO	Chief Financial Officer	NSE	National Stock Exchange of India Limited
CRAR	Capital to risk weighted asset ratio	OAVM	Other Audio Visual Means
CS	Company Secretary	OCI	Other Comprehensive Income
CSR	Corporate Social Responsibility	PAT	Profit after Tax
CWIP	Capital Work in Progress	PBT	Profit before Tax
DIN	Director Identification Number	PL	Personal Loan
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation	POSH	Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
ECLGS	Emergency Credit Line Guarantee Scheme	PPE	Property Plant Equipment
EGM	Extra- Ordinary General Meeting	PSUs	Public Sector Undertakings
EIR	Effective Interest Rate	PIT	Prohibition of Insider Trading
EPS	Earnings Per Share	RBI	Reserve Bank of India
ESOP	Employee Stock Option Plan	RBI Directions	Circulars / directions / notifications issued by the RBI
ESPs	E-Voting Service Providers	ROA	Return on Assets
FY	Financial year commencing from 1 st April and ending on 31 st March of that particular year	ROC	Registrar of Companies
GAAP	Generally accepted accounting principles	ROI	Return of Interest
GDP	Gross Domestic Product	RMC	Risk Management Committee
GNPA	Gross Non-Performing Assets	RPTs	Related Party Transactions
GST	Goods and Services Tax	RTA	Registrar and Transfer Agent
HO	Head Office	SBR	Scale Based Regulation
HUF	Hindu Undivided Family	SEBI	Securities Exchange Board of India
IC	Internal Committee	SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification thereof
ICAI	Institute of Chartered Accountants of India	Shares	Equity Shares
ICSI	Institute of Company Secretaries of India	SME	Small And Medium-Sized Enterprises
ID	Independent Directors	SRC	Stakeholders Relationship Committee
IEPF	Investor Education and Protection Fund	SS	Secretarial Standard
IMF	International Monetary Fund	TDS	Tax Deducted at Source
IND AS	Indian Accounting Standards	Warrants-	Convertible Equity Warrants
INR / ₹	Indian Rupees	URL	Uniform Resource Locator
IT	Information Technology	VC	Video Conferencing
KMP	Key Managerial Personnel	WEO	World Economic Outlook
Know Your Customer	Know Your Customer	Y-O-Y	Year-on-Year



MANGAL
CREDIT & FINCORP LIMITED

Mangal Credit and Fincorp Limited

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