



# MANDYA FINANCE COMPANY LIMITED

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## ANNUAL REPORT 2018-2019

Pursuant to compliance with Companies Act, 2013, rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time, Reserve Bank of India Act, 1934 and other laws, as may be applicable.



## ***Corporate Information***

**1. BOARD OF DIRECTORS**

- (a) Raj Kumar Jalan: Chairman & Independent Director
- (b) Apurva Salarpuria: Non-Executive Director
- (c) Anand Prakash: Non-Executive Director
- (d) Purushottam Lal Agarwal: Executive Director
- (e) Saileena Sarkar: Women Independent Director

**2. CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)**

Swetta Agarwala

**3. COMPANY SECRETARY (CS)**

Priyanka Rawat

**4. REGISTERED OFFICE**

7, Chittaranjan Avenue,  
3<sup>rd</sup> Floor, P.S. Bowbazar,  
Kolkata – 700072  
**Email:** [cs.sgroup2013@gmail.com](mailto:cs.sgroup2013@gmail.com)  
**Website:** [www.salarpuriagroup.biz](http://www.salarpuriagroup.biz)

**5. AUDITORS OF THE COMPANY:  
STATUTORY**

Mohit Jhunhunwala & Associates  
9, Weston Street, Siddha Weston,  
Unit No. 318, 3<sup>rd</sup> Floor,  
Kolkata – 700 013  
Contact: 033 4600 5893  
**Email:** [m\\_jhunhunwala\\_associates@outlook.in](mailto:m_jhunhunwala_associates@outlook.in)

**INTERNAL**

Rakesh Ram & Associates  
23A, Netaji Subhas Road,  
10th Floor, Room No. 10,  
Kolkata-700001  
Email: [inforakeshram@gmail.com](mailto:inforakeshram@gmail.com)

**6. BANKERS:**

Vijaya Bank, Brabourne Road Branch, Kolkata, W.B.

**7. REGISTRAR & SHARE TRANSFER AGENT:**

Niche Technologies Private Limited  
3A, Auckland Place, 7th Floor,  
Room No. 7A & 7B,  
Kolkata - 700 017  
**Contact:** 033 2280 6616/17  
**Email:** [nichetechpl@nicetechpl.com](mailto:nichetechpl@nicetechpl.com)  
**Website:** <https://nicetechpl.com>

**8. LISTED ON:**

The Calcutta Stock Exchange Limited (Scrip Code: 10023480)

## ***Notice to the Shareholders***

**NOTICE** is hereby given that the Thirty Eighth (38<sup>th</sup>) Annual General Meeting of the Members of **MANDYA FINANCE COMPANY LIMITED** (CIN:L51909WB1981PLC034018) will be held at 11.30 A.M. IST on Saturday, September 07, 2019 at the Registered Office of the Company viz. : 7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, P.S. Bowbazar, Kolkata - 700 072, West Bengal, India, to transact the following business:

### **ORDINARY BUSINESS**

**Item No. 1:** To receive, consider and adopt the Audited Annual Accounts of the Company for the financial year ended March 31, 2019 together with Reports of the Board of Directors and Auditors thereon

**Item No. 2:** To appoint a Director in place of Mr. Purushottam Lal Agarwal (DIN: 00061481), who retires by rotation and being eligible, offers himself for re-appointment

### **SPECIAL BUSINESS**

**Item No. 3: To re-appoint Mr. Raj Kumar Jalan (DIN: 00634156) as the Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Raj Kumar Jalan (DIN: 00634156), who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years on the Board of the Company w.e.f. the ensuing Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**Item No. 4: To re-appoint Ms. Saileena Sarkar (DIN: 06963882) as the Woman Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment

and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Ms. Saileena Sarkar (DIN: 06963882), who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, as a Woman Independent Director of the Company to hold office for a period of 5 (five) consecutive years on the Board of the Company w.e.f. the ensuing Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

*By the Order of the Board*  
**For Mandya Finance Company Limited**



**Priyanka Rawat**  
**Company Secretary**

**Date:** 30.05.2019

**Place:** Kolkata

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. Consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the first proviso to Section 139(1) of the Companies Act, 2013 read with the proviso and explanation to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 were omitted, thereby removing the requirement of ratification of appointment of Auditors by the Members at every AGM. Therefore, the Company is not seeking any ratification of appointment of M/s Mohit Jhunhunwala & Associates, Chartered Accountants, as the Auditors of the Company, by the Members at the ensuing AGM.
3. **A MEMBER ENTITLED TO ATTEND AGM AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form completed in every respect should be deposited at the registered office of the company not less than 48 (forty eight) hours before the time / commencement of the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organisation.**  
Members are requested to note that a person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate Members are requested to send at Company's Registered Office, a duly certified copy of the Board Resolution authorizing their representative together with attested specimen signature of the representative(s) under the said Board Resolution to attend and vote at the AGM.
5. In case of joint holders attending the AGM, persons whose name stands first on the Register shall alone be entitled to vote.
6. REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS WILL REMAIN CLOSED from Sunday, September 01, 2019 to Saturday, September 07, 2019 (BOTH DAYS INCLUSIVE).
7. Members/Proxies/Authorised Representatives should bring the attendance slip sent herewith duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
8. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy to the meeting.
9. Members desirous of having any information on the business to be transacted at the Annual General Meeting are requested to address their queries to the Company Secretary at the Registered Office of the

Company at least seven days before the date of the meeting, so that requisite information is made available at the meeting.

10. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of the Annual General Meeting.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants. Members holding shares in physical form can submit their PAN to the Company / its Registrar.
12. Pursuant to 'Green Initiative' Circular No. 17/2011 issued by the Ministry of Corporate Affairs, Govt. of India, the Company would affect electronic delivery of notice of Thirty Eighth (38th) Annual General Meeting and Annual Report for the year ended March 31, 2019 to those shareholders, whose email-ids were registered with the respective Depository Participants and down-loadable from the Depositories viz., NSDL / CDSL. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
13. Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent [M/s. Niche Technologies Private Limited, 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700017], quoting their folio number, any change in their registered address with PIN CODE/mandate/bank details and in case the shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
14. As per the provisions of the Companies Act, 2013 the facility for making/varying/cancelling nominations is available to individuals, holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Registrars and Share Transfer Agents/Company.
15. In compliance with the provisions of Section 108 of the Act and Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.
16. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Polling Paper.
  - The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - The Annual report of the Company circulated to the members of the Company is available at the Company's Website i.e. <http://www.salarpuriagroup.biz>
17. The instructions for e-voting are as under:

**VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR), Regulations, 2015 and the revised Secretarial Standard on General Meeting (SS-2) issued by ICSI, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**The process and manner for remote e-voting are as under:**

- (i) The remote e-voting period commences on Wednesday, September 04, 2019 (9:00 AM) and ends on Friday, September 06, 2019 (5:00 PM). During this period, members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, August 31, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. **Note: E-Voting shall not be allowed beyond said time.**
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:


For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **MANDYA FINANCE COMPANY LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

18. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e., Saturday, August 31, 2019. A person who is not a member as on cut-off date should treat this notice for information purpose only.
19. The notice of the 38<sup>th</sup> Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners' position list provided by depositories as at closing hours of business on Friday, July 19, 2019.
20. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, August 31, 2019 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
21. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. Saturday, August 31, 2019 are requested to send the written / email communication to the company at [cs.sgroup2013@gmail.com](mailto:cs.sgroup2013@gmail.com) mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
22. Mr. Rajan Singh, practicing Company Secretary (Certificate of Practice Number 13599) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than forty eight (48) hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.salarpuriagroup.biz> and on the website of CDSL. The same will be communicated to the stock exchange where the shares of the Company are listed viz. The Calcutta Stock Exchange Limited.
24. Attendance Slip, Proxy Form and the Route Map to the venue of the AGM are annexed to the Notice.

*By the Order of the Board*  
**For Mandya Finance Company Limited**

**Date:** 30.05.2019  
**Place:** Kolkata

  
**Priyanka Rawat**  
**Company Secretary**



CIN: L51909WB1981PLC034018

Website: [www.salarpuriagroup.biz](http://www.salarpuriagroup.biz)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 3: TO RE-APPOINT MR. RAJ KUMAR JALAN (DIN: 00634156) AS THE INDEPENDENT DIRECTOR OF THE COMPANY**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 30, 2019 has proposed that Mr. Raj Kumar Jalan (DIN: 00634156) be appointed as an Independent Director on the Board of the Company. The appointment of Mr. Raj Kumar Jalan shall be effective upon approval by the members in the Meeting.

The Board of Directors, subsequent to recommendation from the Nomination and Remuneration Committee, proposed the candidature of Mr. Raj Kumar Jalan to the office of Independent Director of the Company under Section 160 of the Act. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Raj Kumar Jalan is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mr. Raj Kumar Jalan is provided in "Annexure to the Notice" pursuant to the provisions of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by ICSI.

None of the Directors / Key Managerial Personnel of the Company / their relatives, other than Mr. Raj Kumar Jalan, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

**ITEM NO. 4: TO RE-APPOINT MS. SAILEENA SARKAR (DIN: 06963882) AS THE INDEPENDENT DIRECTOR OF THE COMPANY**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 30, 2019 has proposed that Ms. Saileena Sarkar (DIN: 06963228) be appointed as a Woman Independent Director on the Board of the Company. The appointment of Ms. Saileena Sarkar shall be effective upon approval by the members in the Meeting.

The Board of Directors, subsequent to recommendation from the Nomination and Remuneration Committee, proposed the candidature of Ms. Saileena Sarkar to the office of Woman Independent Director of the Company under Section 160 of the Act. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received a declaration from her that she meets the criteria of independence as prescribed under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Ms. Saileena Sarkar is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Ms. Saileena Sarkar is provided in "Annexure to the Notice" pursuant to the provisions of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by ICSI.


None of the Directors / Key Managerial Personnel of the Company / their relatives, other than Ms. Saileena Sarkar, are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

*By the Order of the Board*  
**For Mandya Finance Company Limited**

**Date:** 30.05.2019

**Place:** Kolkata

  
**Priyanka Rawat**  
**Company Secretary**

## ANNEXURE TO THE NOTICE

**Additional information of directors seeking appointment/re-appointment at the 38<sup>th</sup> Annual General Meeting pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015**

PARTICULARS	PURUSHOTTAM LAL AGARWAL	RAJ KUMAR JALAN	SAILEENA SARKAR
DIN	00061481	00634156	06963882
D.O.B.	31.08.1947	28.06.1956	05.05.1983
Date of Appointment	29.09.1994	01.02.1993	30.09.2014
Qualification	Bachelors in Commerce from University of Calcutta	Bachelors in Commerce from University of Calcutta and Chartered Accountancy from ICAI	Bachelors in Science from University of Calcutta & Diploma in Public Relation
Experience (including expertise in specific functional area)	Being the driving force behind the company, he has more than 45 years of experience in management, finance, banking and investment. He is responsible for the day to day operations of the Company and plays a key role in decision making	Rich experience in the field of finance, costing, accounting, taxation, business development and entrepreneurship	Several years of experience in the field of management and administration
Present Status of directorship in the Company	Executive Director	Independent Director	Women Independent Director
Relationship with other Directors/Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Directorship of other Listed Board as on date	1. Merlin Industrial Development Limited 2. Easun Capital Markets Limited	1. Merlin Industrial Development Limited 2. Easun Capital Markets Limited	1. Merlin Industrial Development Limited 2. Easun Capital Markets Limited
Membership / Chairmanship of Committees of other Listed Boards as on date	1. Merlin Industrial Development Limited <ul style="list-style-type: none"> <li>Member of Stakeholder Relationship Committee</li> <li>Chairman of Risk Management Committee</li> </ul> 2. Easun Capital Markets Limited <ul style="list-style-type: none"> <li>Member of Stakeholder Relationship Committee</li> <li>Chairman of Risk Management Committee</li> </ul>	1. Merlin Industrial Development Limited <ul style="list-style-type: none"> <li>Chairman of Audit Committee</li> <li>Member of Nomination &amp; Remuneration Committee</li> <li>Member of Stakeholder Relationship Committee</li> </ul> 2. Easun Capital Markets Limited <ul style="list-style-type: none"> <li>Chairman of Audit Committee</li> <li>Chairman of Stakeholders Relationship Committee</li> </ul>	1. Merlin Industrial Development Limited <ul style="list-style-type: none"> <li>Member of Audit Committee</li> <li>Member of Nomination &amp; Remuneration Committee</li> </ul> 2. Easun Capital Markets Limited <ul style="list-style-type: none"> <li>Member of Nomination &amp; Remuneration Committee</li> </ul>
Shareholding as on March 31, 2019	45010	Nil	Nil

*By the Order of the Board*  
**For Mandya Finance Company Limited**

Date: 30.05.2019  
Place: Kolkata

*P. Rawat*  
**Priyanka Rawat**  
Company Secretary

## Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. / *DP-ID & Client	

*\*Applicable for Investors holding shares in electronic form.*

I / We, being the member (s) of ..... shares of the above named company, hereby appoint:

1.	Name:	Address:
	E-mail Id:	Signature:

Or failing him

2.	Name:	Address:
	E-mail Id:	Signature:

Or failing him

3.	Name:	Address:
	E-mail Id:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty-Eighth (38<sup>th</sup>) Annual General Meeting of the Company to be held on Saturday, September 07, 2019 at 11:30 A.M. IST at its registered office at 7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, P.S. Bowbazar, Kolkata - 700072, and at any adjournment thereof in respect of such resolutions as is/are indicated below:

Item No.	Resolution(s)	For	Against
<b>ORDINARY BUSINESS</b>			
1.	To receive, consider and adopt the Audited Annual Accounts of the Company for the financial year ended March 31, 2019 together with Reports of the Board of Directors and Auditors thereon		
2.	To appoint a Director in place of Mr. Purushottam Lal Agarwal (DIN: 00061481), who retires by rotation and being eligible, offers himself for re-appointment		
<b>SPECIAL BUSINESS</b>			
3.	To re-appoint Mr. Raj Kumar Jalan (DIN: 00634156) as the Independent Director of the Company		
4.	To re-appoint Ms. Saileena Sarkar (DIN: 06963882) as the Woman Independent Director of the Company		

Signed this ..... day of ..... 2019

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s):

Affix  
Re.1  
Revenue  
Stamp

### Notes:

- This form should be signed across the stamp as per specimen signature registered with the Company.
- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.*
- A proxy need not be a member of the Company.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\*This is only optional.** Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

## ATTENDANCE SLIP

(to be presented at the entrance of the Annual General Meeting)

I/We hereby record my/our presence at the Thirty-Eighth (38<sup>th</sup>) Annual General Meeting of the Company to be held on Saturday, September 07, 2019 at 11:30 A.M. at its registered office at 7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, P.S. Bowbazar, Kolkata – 700072.

Name of the Member	
Address	
Registered Folio/ DP ID & Client ID	
No of Shares held	
Name of the Proxy / Authorised Representative, if any	

Member's / Proxy's Signature

## ROUTE MAP



Regd. Office: 7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, P.S. Bowbazar, Kolkata-700 072, West Bengal, India

Phone: +91 33 4014 5400, Fax: +91 33 2225 2471

Email ID: [gautamc2010@rediffmail.com](mailto:gautamc2010@rediffmail.com); [cs.sgroup2013@gmail.com](mailto:cs.sgroup2013@gmail.com)

**E-VOTING**

Name &amp; Registered Address of Sole/First named Member :

Joint Holders Name (If any) :

Folio No. / DP ID &amp; Client ID :

No. of Equity Shares Held :

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Thirty-Eighth (38<sup>th</sup>) Annual General Meeting to be held on Saturday, September 07, 2019 at 11.30 A.M. IST at 7, Chittaranjan Avenue, 3rd Floor, P.S. Bowbazar, Kolkata - 700072 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
190724025		

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
Wednesday, September 04, 2019 (9:00AM)	Friday, September 06, 2019 (5:00PM)

Please read the instructions mentioned in Point No.17 of the Notice before exercising your vote.

By the Order of the Board  
For Mandya Finance Company Limited



Priyanka Rawat  
Company Secretary

Date: 30.05.2019  
Place: Kolkata



### Independent Auditor's Report

**To the Members of  
M/s. Mandya Finance Company Limited**

#### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of Mandya Finance Company Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.





### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

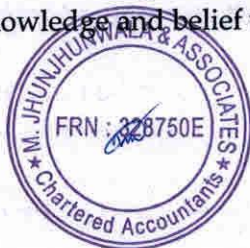
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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:
- The Company has no pending litigations that would impact its financial position.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - M/s. Mandya Finance Company Limited**

For M. Jhunjhunwala & Associates  
Chartered Accountants  
FRN: 328750E



**Mohit Jhunjhunwala**  
Proprietor  
Membership Number: 300180



Place: Kolkata  
Date: 30<sup>th</sup> May, 2019



**"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, at regular intervals, which in our opinion, is reasonable having regard to the size of the company and nature of its business and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The company does not hold any immovable properties and hence clause (c) is not applicable.
- 2) The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a), (b) (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- 5) The Company has not accepted any deposits from the public.
- 6) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of Cost Records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they





become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- 11) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company. In our opinion, the Company is not a nidhi company. Therefore, the provisions of Clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- 13) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and on overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- 15) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash





**M JHUNJHUNWALA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

CUG: 033 4600 5893  
FAX: 033 4600 5893

A: 9, WESTON STREET,  
SIDDHA WESTON  
UNIT NO 318, 3RD FLOOR  
KOLKATA-700013

Email: m\_jhunjhunwala\_associates@outlook.in

transactions with directors or persons connected with him.

- 16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For M. Jhunhunwala & Associates  
Chartered Accountants  
FRN: 328750E

*Mohit Jhunhunwala*



Mohit Jhunhunwala  
Proprietor  
Membership Number: 300180

Place: Kolkata  
Date: 30<sup>th</sup> May, 2019



**"Annexure B" to the Independent Auditor's Report of even date on the Standalone  
Financial Statements of M/s. Mandya Finance Company Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143  
of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s. Mandya Finance Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on [for example, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 system over financial reporting.





### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) 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.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on \_ [for example, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"].

**For M. Jhunjhunwala & Associates**  
**Chartered Accountants**  
**FRN: 328750E**



**Mohit Jhunjhunwala**  
**Proprietor**  
**Membership Number: 300180**

**Place: Kolkata**  
**Date: 30<sup>th</sup> May, 2019**

**MANDYA FINANCE COMPANY LIMITED**  
CIN - L51909WB1981PLC034018  
7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars	Note No.	Figures as at 31.03.2019 ₹	Figures as at 31.03.2018 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	1,92,00,000.00	1,92,00,000.00
(b) Reserves and surplus	4	5,81,23,971.41	5,93,43,795.05
<b>(2) Current Liabilities</b>			
(a) Other current liabilities	5	71,891.78	1,04,300.00
(b) Provision for Contingency Liability	6	1,21,303.00	65,487.00
<b>Total</b>		<b>7,75,17,166.19</b>	<b>7,87,13,582.05</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	7	43,818.00	69,601.00
(b) Non-current Investments	8	1,81,25,131.75	2,23,35,892.75
(c) Deferred Tax Assets	9	81,781.00	74,355.00
(d) Long-term loans and advances	10	2,49,07,801.00	2,49,43,472.00
<b>(2) Current assets</b>			
(a) Inventories	11	34,17,837.50	1,21,91,302.50
(b) Short Term Loans & Advances	12	3,03,34,211.00	1,87,10,496.00
(c) Cash and cash equivalents	13	3,37,489.94	1,53,549.80
(d) Other Current Assets	14	2,69,096.00	2,34,913.00
<b>Total</b>		<b>7,75,17,166.19</b>	<b>7,87,13,582.05</b>

Significant Accounting Policies and Notes on Financial Statement

1 to 42

**For M. Jhunhunwala & Associates**

Chartered Accountants

Firm Reg. No. : 328750E

*Mohit Jhunhunwala*

**Mohit Jhunhunwala**

Proprietor

Membership No. 300180

9, Weston Street, Room : 318

3rd Floor, Kolkata - 700013.

Dated : 30th May 2019.



FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
MANDYA FINANCE COMPANY LTD.

*Purushottam Lal Agarwal*

**Purushottam Lal Agarwal**  
Director

DIN - 00061481

*Swetta Agarwala*

**Swetta Agarwala**  
CEO & CFO

*Raj Kumar Jalan*

**Raj Kumar Jalan**  
Director

DIN - 00634156

*P. Rawat*

**Priyanka Rawat**  
Company Secretary

**MANDYA FINANCE COMPANY LIMITED**  
CIN - L51909WB1981PLC034018  
7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH ,2019**

Particulars	Note No.	Figures as at 31.03.2019 ₹	Figures as at 31.03.2018 ₹
I. Revenue from operations	15	2,07,99,965.82	1,31,73,391.35
II. Other Income	16	(32,60,344.78)	(7,30,321.59)
<b>III, Total Revenue ( I + II )</b>		<b>1,75,39,621.04</b>	<b>1,24,43,069.76</b>
IV. Expenses			
Purchase of Stock -in - Trade	17	83,50,000.00	90,00,000.00
Changes in Inventories of Stock-in-Trade	18	87,73,465.00	(14,29,590.00)
Employees Benefit Expenses	19	1,81,660.00	-
Depreciation and amortization expense	20	25,783.00	48,248.00
Other expenses	21	6,17,799.68	5,49,621.38
Provisions	22	55,816.00	19,469.00
<b>Total Expenses (IV)</b>		<b>1,80,04,523.68</b>	<b>81,87,748.38</b>
V. Profit before Tax ( III - IV )		(4,64,902.64)	42,55,321.38
VI. Tax expense :			
(1) Current Tax / MAT		7,38,700.00	12,97,000.00
LESS : MAT Credit Entitlement		-	(3,52,800.00)
(2) Deferred Tax		(7,426.00)	15,162.00
(3) Income Tax for Earlier Years		23,647.00	-
		7,54,921.00	9,59,362.00
VII. Profit / (loss) after tax for the year from continuing operation (V - VI )		(12,19,823.64)	32,95,959.38
VIII. Earning per equity share:			
(1) Basic		(0.64)	1.72
(2) Diluted		(0.64)	1.72

Significant Accounting Policies and Notes on Financial Statement

1 to 42

**For M. Jhunjhunwala & Associates**

Chartered Accountants

Firm Reg. No. : 328750E

*Mohit Jhunjhunwala*

**Mohit Jhunjhunwala**

Proprietor

Membership No. 300180

9, Weston Street, Room : 318

3rd Floor, Kolkata - 700013.

Dated : 30th May 2019.



**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
MANDYA FINANCE COMPANY LTD.**

*Purushottam Lal Agarwal*

**Purushottam Lal Agarwal**

Director

DIN - 00061481

*Swetta Agarwala*

**Swetta Agarwala**

CEO & CFO

*Raj Kumar Jalan*

**Raj Kumar Jalan**

Director

DIN - 00634156

*P. Rawat*

**Priyanka Rawat**

Company Secretary

**MANDYA FINANCE COMPANY LIMITED**

CIN - L51909WB1981PLC034018

7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	31.03.2019 ₹	31.03.2018 ₹
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit/(Loss) before tax and extraordinary items	(4,64,902.64)	42,55,321.38
Adjustment for Depreciation	25,783.00	48,248.00
Profit on Investments (Long Term)	34,62,744.78	9,92,296.59
Profit on Investments (Short Term)	-	(30,700.00)
<b>Opetating Profit/(Loss) before working Capital Changes</b>	<b>30,23,625.14</b>	<b>52,65,165.97</b>
<u>Adjustments for:</u>		
Inventories	87,73,465.00	(14,29,590.00)
Short Term Loans & Advances	(1,16,23,715.00)	(55,04,942.00)
Other Current Assets	(34,183.00)	(6,859.00)
Other Current Liabilities	23,407.78	31,802.31
<b>Cash Generated from Operations</b>	<b>1,62,599.92</b>	<b>(16,44,422.72)</b>
Direct Taxes Paid	(7,26,676.00)	(10,53,934.00)
<b>Net Cash from Operating activities</b>	<b>(5,64,076.08)</b>	<b>(26,98,356.72)</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Investments	(4,37,099.00)	(48,600.00)
Sale of Investments	11,85,115.22	15,33,838.41
Fixed Assets Written Off	-	4,670.00
<b>Net Cash from Investing Activities</b>	<b>7,48,016.22</b>	<b>14,89,908.41</b>
<b>C Cash Flow from Financing Activities</b>		
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net increased (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,83,940.14</b>	<b>(12,08,448.31)</b>
Cash and Cash Equivalents as at (Opening Balance)	1,53,549.80	13,61,998.11
Cash and Cash Equivalents as at (Closing Balance)	3,37,489.94	1,53,549.80
	<b>1,83,940.14</b>	<b>(12,08,448.31)</b>

**Note :**

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Schedule referred to above form in integral part of the Cash Flow Statement.
- Previous Year's Figures has been re-arranged, regrouped wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

**For M. Jhunjunwala & Associates**

Chartered Accountants

Firm Reg. No. : 328750E


**Mohit Jhunjunwala**

Proprietor

Membership No. 300180

9, Weston Street, Room : 318

3rd Floor, Kolkata - 700013.

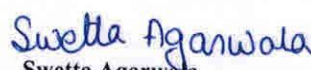
Dated : 30th May 2019.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
MANDYA FINANCE COMPANY LTD.**

**Purushottam Lal Agarwal**

Director

DIN - 00061481



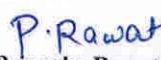
Swetta Agarwala

CEO &amp; CFO


**Raj Kumar Jalan**

Director

DIN - 00634156



Priyanka Rawat

Company Secretary

**MANDYA FINANCE COMPANY LIMITED**  
**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**NOTE : 1 GENERAL CORPORATE INFORMATION:**

Mandya Finance Company Ltd. ("The Company"). The company is an Non Banking Finance Company engaged in the business of Financing and Investments in Shares, Mutual Fund and other Financial activities.

**2 SIGNIFICANT ACCOUNTING POLICIES :**

**a) Basis of the Preparation of Financial Statements :**

The Financial Statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India under the Historical Cost Convention on Accrual Basis except Dividend Income which is accounted on Cash Basis. GAAP comprises Mandatory Accounting Standards as prescribed U/s 133 of the Companies Act, 2013 ("The Act") read with Rule 7 of the Companies (Accounts) Rules 2014, other Pronouncements of Institute of Chartered Accountants of India, and Guide Lines issued by the Securities' and Exchange Board of India ( SEBI).

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-concurrent classification of assets and liabilities.

The Accounting policies adopted in the preparation of Financial Statement are consistent with those of previous year.

**b) Fixed Assets :**

**Tangible Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use.

**c) Depreciation :**

Depreciation on Fixed Assets has been provided on written down value method based on useful life of the Assets as prescribed in Schedule II of the Companies Act, 2013.

**d) Stock-in-Trade :**

Stock-in-Trade of Shares and Mutual Fund are valued at cost or Market Price whichever is lower.

**e) Investments :**

Long Term Investments are valued at cost provisions are not being made for diminution in value of Investments being temporary in nature.

**f) Employee Benefits:**

Short Term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss to the year in which the related services are rendered.

**g) Sale of shares etc. are accounted for as and when the transaction takes place.**



Contd. ..

**MANDYA FINANCE COMPANY LIMITED**  
**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**NOTE : 2 Contd. ..**

**h) Taxes on Income:**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax liability / Asset resulting from 'timing difference' between books and taxable Profit is accounted for considering the tax rate and laws that have been enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty of its realization.

**i) Provisioning on Standard Assets :**

The Company has made provision on Standard Assets.

**j) Cash and Cash Equivalents :**

Cash and cash equivalents includes Cash on hand and at Bank, demand deposits with banks, cheques on hand and other short term highly liquid investments with an original maturity of three months or less.

**k) Earnings Per Share :**

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item, if any. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

**l) Use of Estimates:**

The preparation of financial statements require management to make judgment, estimates and assumption, that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosure of contingent liabilities at the date of these financial statements. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions of accounting estimates are recognized in the period in which the estimate is revised and future period effected.

**m) Business segment reporting:**

As company has one business segment, segment information as per AS17 is not required to be disclosed.

**n) Provision Contingent Liabilities & Assets:**

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**o) Revenue Recognition :**

a) Revenue is recognized to the extent that it is probable that the economic benefit will follow to the company and the revenue can be reliable measured.  
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rates.

b) Transaction of shares and mutual funds are accounted for as and when the transaction takes place.



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at 31.03.2019	As at 31.03.2018
	₹	₹

**Note : 3 SHARE CAPITAL****Authorised Share Capital**

2000000 (P.Y. 2000000) Equity Shares of Rs.10/- each	2,00,00,000.00	2,00,00,000.00
	<u>2,00,00,000.00</u>	<u>2,00,00,000.00</u>

**Issued subscribed and paid up**

1920000 (P.Y.1920000) Equity Shares of Rs.10/- each fully paid up	1,92,00,000.00	1,92,00,000.00
	<u>1,92,00,000.00</u>	<u>1,92,00,000.00</u>

The company has issued only one class of shares referred as Equity Shares having par value of Rs.10/- per share. Each, holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of remaining assets of the company, after distribution of all preferential amounts. However, no such the preferential amounts exist currently, the distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of the number of shares outstanding****Equity Shares****Particulars**

Number of shares at the beginning of the year  
Add / Less: During the year  
Number of shares at the end of the year

As at 31.03.2019 No.	As at 31.03.2018 No.
1920000	1920000
-	-
<b>1920000</b>	<b>1920000</b>

**DETAILS OF EQUITY SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY :**

Sl.No.	Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
		% of share holding	No. of Shares held	% of share holding	No. of Shares held
1	NARAYANI DEVI	5.47	1,05,100	5.47	1,05,100
2	EASUN CAPITAL MARKETS LIMITED	6.16	1,18,350	6.16	1,18,350
			<u>2,23,450</u>		<u>2,23,450</u>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>Note : 4 <u>RESERVES AND SURPLUS</u></b>		
<u>Securities Premium Reserve (A)</u>		
Opening Balance	1,14,50,000.00	1,14,50,000.00
Addition	-	-
Deduction	-	-
Closing Balance	1,14,50,000.00	1,14,50,000.00
<u>RBI Reserve Fund (B)</u>		
Opening Balance	80,05,800.00	73,43,500.00
Add: Addition during the year	-	6,62,300.00
Closing Balance	80,05,800.00	80,05,800.00
<u>General Reserve (C)</u>		
Opening Balance	1,28,25,396.01	1,16,48,096.01
Add: Addition during the year	24,75,807.83	11,77,300.00
Closing Balance	1,53,01,203.84	1,28,25,396.01
<u>Revaluation Reserve (D)</u>		
Opening Balance	24,75,807.83	36,53,107.83
Less: Deduction during the year	24,75,807.83	11,77,300.00
Closing Balance	-	24,75,807.83
<u>Surplus Account (E)</u>		
Opening Balance	2,45,86,791.21	2,19,53,131.83
Add: Net Profit after Tax transferred from Statement of Profit and loss	(12,19,823.64)	32,95,959.38
	2,33,66,967.57	2,52,49,091.21
Less: Transfer to RBI Reserve Fund	-	6,62,300.00
Closing Balance	2,33,66,967.57	2,45,86,791.21
<b>TOTAL (A + B + C + D + E)</b>	<b>5,81,23,971.41</b>	<b>5,93,43,795.05</b>

**Note : 5 OTHER CURRENT LIABILITIES**Other payables

Audit Fees Payable	31,500.00	33,480.00
Tax Audit Fees Payable	-	4,320.00
Employees Professional Tax Payable	110.00	-
Outstanding Telephone Expenses	470.82	-
Outstanding Demat Charges	910.96	-
TDS Payable	3,500.00	3,500.00
Internal Audit Fees Payable	35,400.00	23,000.00
Consultancy Fees Payable	-	40,000.00
	<b>71,891.78</b>	<b>1,04,300.00</b>

**Note : 6 CURRENT LIABILITIES**

Provision for Contingency Liability	1,21,303.00	65,487.00
	<b>1,21,303.00</b>	<b>65,487.00</b>



**MANDYA FINANCE COMPANY LIMITED**  
**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Note : 7. FIXED ASSETS**

Description	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2018 ₹	Additions ₹	Deductions/ Adjustments ₹	Total as at 31.03.2019 ₹	As at 01.04.2018 ₹	For the Year ₹	Deductions/ Adjustments ₹	Total Upto 31.03.2019 ₹
<b>TANGIBLE ASSETS</b>								
Other Office Equipments Furniture & Fixtures	3,838.00	-	3,838.00	-	3,838.00	-	3,838.00	-
Air Conditioner	1,13,175.00	-	-	1,13,175.00	1,09,250.00	-	-	1,09,250.00
Mobile Phone	16,577.00	-	16,577.00	-	16,577.00	-	16,577.00	-
Computer	34,114.00	-	34,114.00	-	34,114.00	-	34,114.00	-
Motor Car	7,97,867.00	-	-	7,97,867.00	7,32,191.00	25,783.00	-	7,57,974.00
<b>Total</b>	<b>9,65,571.00</b>	<b>-</b>	<b>54,529.00</b>	<b>9,11,042.00</b>	<b>8,95,970.00</b>	<b>25,783.00</b>	<b>54,529.00</b>	<b>8,67,224.00</b>
<b>Previous Year</b>	<b>9,70,241.00</b>	<b>-</b>	<b>4,670.00</b>	<b>9,65,571.00</b>	<b>8,47,722.00</b>	<b>48,248.00</b>	<b>-</b>	<b>8,95,970.00</b>
								<b>69,601.00</b>
								<b>43,818.00</b>
								<b>3,925.00</b>
								<b>65,676.00</b>
								<b>69,601.00</b>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****Note : 8 NON-CURRENT INVESTMENTS**

Sl. No.	Particulars	Subsidiary/ Associate/JV Controlled Entity/ Others	Face Value ₹	As At 31.03.2019		As At 31.03.2018	
				No. of Securities	Amount ₹	No. of Securities	Amount ₹

**A) Investment in Equity Shares (Quoted)( At Cost )**

1	Easun Capital Markets Ltd.	Others	10.00	1,74,308	4,82,450.00	1,74,308	4,82,450.00
2	IDBI Bank	Others	10.00	-	-	1,000	75,290.00
3	IDFC Bank	Others	10.00	-	-	2,000	1,60,950.00
4	Infrastructure Deve. Fin.Co. Ltd. (IDFCL)	Others	10.00	-	-	2,000	1,60,950.00
5	Jaiprakash Power Venture Ltd.	Others	10.00	-	-	44,000	29,74,400.00
6	Larsen & Toubro Ltd.	Others	2.00	300	-	300	-
7	The Karnataka Bank Ltd.	Others	10.00	-	-	5,000	6,17,050.00
8	ONGC Ltd.	Others	5.00	21,000	-	22,200	6,59,220.00
9	The Tata Power Compnay Ltd.	Others	10.00	6,000	4,37,099.00	-	-
<b>Total : 'A'</b>				<b>2,01,608</b>	<b>9,19,549.00</b>	<b>2,50,808</b>	<b>51,30,310.00</b>

**B) Investment in Equity Shares (Unquoted)( At Cost )**

1	Baid Finex Services Pvt. Ltd.	Others	10.00	2,60,000	2,64,937.00	2,60,000	2,64,937.00
2	Baid Trade Fina Pvt. Ltd.	Others	10.00	3,74,000	3,77,000.00	3,74,000	3,77,000.00
3	Belfast Holdings Pvt. Ltd.	Others	10.00	1,10,000	1,20,500.00	1,10,000	1,20,500.00
4	Canton Properties Pvt. Ltd.	Others	10.00	2,90,000	3,41,468.00	2,90,000	3,41,468.00
5	Right Aid Associates Pvt. Ltd.	Others	10.00	1,83,000	2,02,000.00	1,83,000	2,02,000.00
6	Salarpuria Investment Pvt. Ltd.	Others	10.00	40,032	1,04,037.00	40,032	1,04,037.00
7	Salarpuria Properties Pvt. Ltd.	Others	10.00	5,62,250	37,91,725.00	5,62,250	37,91,725.00
8	Salarpuria Real Estates Pvt. Ltd.	Others	10.00	10,000	11,550.00	10,000	11,550.00
9	Shivgauri Jewellers Pvt. Ltd.	Others	10.00	1,32,500	1,44,850.00	1,32,500	1,44,850.00
10	Trailokyasundar Realtors Pvt. Ltd	Others	10.00	900	9,000.00	900	9,000.00
<b>Total : 'B'</b>				<b>19,62,682</b>	<b>53,67,067.00</b>	<b>19,62,682</b>	<b>53,67,067.00</b>

**C) Investment in 'A' Class Equity Shares (Unquoted)( At Cost )**

1	Canton Properties Pvt. Ltd.	Others	1000.00	655	59,130.75	655	59,130.75
<b>Total : 'C'</b>				<b>655</b>	<b>59,130.75</b>	<b>655</b>	<b>59,130.75</b>

**D) Investment in Unsecured Non Convertible Debenture 1% (Unquoted)**

1	Chitrachal Realtors Pvt. Ltd.	1000.00	7,700	77,52,244.00	7,700	77,52,244.00
2	Orthodox Realtors Pvt. Ltd.	1000.00	4,000	40,27,141.00	4,000	40,27,141.00
<b>Total : 'D'</b>			<b>11,700</b>	<b>1,17,79,385.00</b>	<b>11,700</b>	<b>1,17,79,385.00</b>

**Total ('A' + 'B' + 'C' + 'D')****21,76,645      1,81,25,131.75      22,25,845      2,23,35,892.75**

Aggregate Value of Quoted Investment

Aggregate Value of Un-Quoted Investment

As At 31.03.2019		As At 31.03.2018	
Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
9,19,549.00	46,31,479.20	51,30,310.00	58,06,669.20
1,72,05,582.75	NA	1,72,05,582.75	NA

**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at	As at
	31.03.2019	31.03.2018
	₹	₹

**Note : 9 DEFERRED TAX ASSETS (NET)****Deferred Tax Assets**

Opening Balance	74,355.00	89,517.00
Addition	7,426.00	-
Deduction	-	15,162.00
Closing Balance	<u>81,781.00</u>	<u>74,355.00</u>

**Note : 10 LONG TERM LOANS AND ADVANCES**

Advance Against Properties (Related Party) (as per Note No. 41 )	2,41,00,000.00	2,41,00,000.00
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**OTHERS**

Advance Income Tax and Tax Deducted at Source ( Net of Provision for Income Tax Rs. 43,04,409/- (P.Y. Rs.41,61,700 /-))	8,07,801.00	8,43,472.00
	<u>2,49,07,801.00</u>	<u>2,49,43,472.00</u>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****Note : 11 INVENTORIES**

Particulars	Face Value ₹	As At 31.03.2019		As At 31.03.2018	
		No. of Securities	Amount ₹	No. of Securities	Amount ₹
<b>A) STOCK OF SHARES</b>					
(Valued at Cost or Market Price whichever is lower )					
1 Baid Finex Services Pvt. Ltd.	10.00	1,20,000	1,25,000.00	1,20,000	1,25,000.00
2 Dhanalakshmi Bank Ltd	10.00	-	-	7,000	1,37,200.00
3 DSQ Software Ltd.	10.00	22,650	1,49,490.00	22,650	1,49,490.00
4 Global Software Ltd.	10.00	13,475	9,62,500.00	13,475	9,62,500.00
5 I D B I Bank	10.00	-	-	2,000	1,30,600.00
6 I D F C Ltd.	10.00	-	-	4,000	1,61,800.00
7 I D F C Bank	10.00	-	-	4,000	1,89,400.00
8 IFCI Ltd.	10.00	-	-	6,000	64,800.00
9 The Karnataka Bank Ltd	10.00	-	-	3,500	2,48,815.00
10 Larsen & Turbo Ltd.	2.00	600	7,30,020.00	600	7,30,020.00
11 Mafatlal Dyes & Chemicals Ltd.	10.00	2,800	7,560.00	2,800	7,560.00
12 Novinon Ltd.	10.00	2,650	7,817.50	2,650	7,817.50
13 NMDC Ltd	1.00	-	-	2,000	1,96,000.00
14 Powergrid Corporation Ltd.	10.00	-	-	2,000	2,78,200.00
15 Quality Synthetics Ltd.	10.00	1,000	1,34,700.00	1,000	1,34,700.00
16 State Bank of India	1.00	-	-	1,000	1,94,250.00
17 Steel Authority of India Ltd.	10.00	30,000	12,93,000.00	34,000	14,65,400.00
18 Uniworth Textiles Ltd.	10.00	3,500	2,800.00	3,500	2,800.00
19 Uniworth International Ltd.	10.00	6,600	4,950.00	6,600	4,950.00
<b>TOTAL (A)</b>		<b>2,03,275</b>	<b>34,17,837.50</b>	<b>2,38,775</b>	<b>51,91,302.50</b>
<b>B) MUTUAL FUNDS</b>					
(Valued at Cost or Market Price whichever is lower )					
UTI Treasury Advantage Fund - Institutional Plan Direct Plan Growth		-	-	211.789	5,00,000.00
UTI Money Market Fund Institutional Plan Direct Plan Growth		-	-	3356.899	65,00,000.00
<b>TOTAL (B)</b>		<b>-</b>	<b>-</b>	<b>3,568.688</b>	<b>70,00,000.00</b>
<b>C) NON CONVERTIBLE DEBENTURES</b>					
1 National Thermal Power Co. Ltd. - (Bonus)	12.50	-	-	3,500	-
<b>TOTAL (C)</b>		<b>-</b>	<b>-</b>	<b>3,500</b>	<b>-</b>
<b>TOTAL ( A + B + C )</b>		<b>2,03,275.000</b>	<b>34,17,837.50</b>	<b>2,45,843.688</b>	<b>1,21,91,302.50</b>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at	As at
	31.03.2019	31.03.2018
	₹	₹

**Note :12 SHORT TERM LOANS & ADVANCES**Loan

Loans ( Unsecured, considered good)	3,03,25,711.00	1,87,10,496.00
Advance to Others	8,500.00	-
	<u>3,03,34,211.00</u>	<u>1,87,10,496.00</u>

**Note :13 CASH AND CASH EQUIVALENT**Cash and Bank Balances

Bank Balance with Current Accounts	3,13,945.52	1,21,251.38
Cash on Hand ( as Certified by the Management)	23,544.42	32,298.42
	<u>3,37,489.94</u>	<u>1,53,549.80</u>

**Note :14 OTHER CURRENT ASSETS**

Interest on NCD Receivable	1,05,300.00	1,05,300.00
Prepaid Expenses	49,100.00	14,917.00
Income Tax Refund Receivable	1,14,696.00	1,14,696.00
	<u>2,69,096.00</u>	<u>2,34,913.00</u>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
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**Note: 15 REVENUE FROM OPERATION**

Sale of Shares & Redemption of Mutual Fund	1,79,77,418.82	1,08,09,451.15
<u>Interest Received</u>		
Interest on Loan Given	2705547.00	2243236.00
Interest on Non Convertible Debenture	117000.00	120704.20
	<u>28,22,547.00</u>	<u>23,63,940.20</u>
	<u><b>2,07,99,965.82</b></u>	<u><b>1,31,73,391.35</b></u>

**Note: 16 OTHER INCOME**

Dividend Received	1,96,100.00	2,31,275.00
Profit on Sale of Investment (Long Term) STT (Net )	(34,62,744.78)	(9,92,296.59)
Profit on Sale of Investment (Short Term) STT (Net )	-	30,700.00
Outstanding Liability Written Back	6,300.00	-
	<u><b>(32,60,344.78)</b></u>	<u><b>(7,30,321.59)</b></u>

**Note: 17 PURCHASE OF STOCK IN TRADE**

Purchase of Shares & Mutual Fund	83,50,000.00	90,00,000.00
	<u><b>83,50,000.00</b></u>	<u><b>90,00,000.00</b></u>

**Note: 18 CHANGES IN INVENTORIES OF STOCK IN TRADE**

<b>Opening Stock</b>		
Stock of Shares & Mutual Fund	1,21,91,302.50	1,07,61,712.50
<b>TOTAL(A)</b>	<u>1,21,91,302.50</u>	<u>1,07,61,712.50</u>
<b>Closing Stock</b>		
Stock of Shares & Mutual Fund	34,17,837.50	1,21,91,302.50
<b>TOTAL(B)</b>	<u>34,17,837.50</u>	<u>1,21,91,302.50</u>
<b>(INCREASE) / DECREASE IN STOCK (A - B)</b>	<u><b>87,73,465.00</b></u>	<u><b>(14,29,590.00)</b></u>



**MANDYA FINANCE COMPANY LIMITED**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>Note: 19 EMPLOYEES BEBENEFIT EXPENSES</b>		
Salary , Bonus etc.	1,81,660.00	-
	<b>1,81,660.00</b>	-
<b>Note: 20 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible Assets	25,783.00	48,248.00
	<b>25,783.00</b>	<b>48,248.00</b>
<b>Note: 21 OTHER EXPENSES</b>		
Advertisement	6,804.00	7,078.00
Annual Depository Fee	27,140.00	32,500.00
Bank Charges	1,232.30	986.70
Computer Maintenance Charges	2,100.00	700.00
Demat Charges	4,093.52	7,612.88
Filing Fees	6,000.00	3,000.00
GST	1,125.34	2,846.35
Insurance Premium	12,835.00	9,009.00
Listing Fee	29,500.00	28,750.00
Maintenance Charges	7,130.00	7,327.00
Miscellaneous Expenses	41,428.25	28,813.00
Motor Car Expenses	2,12,788.00	1,85,947.00
<u>Payment to Auditors:</u>		
- As Audit Fees	35,000.00	36,580.00
- Tax Audit Fees	-	4,720.00
- As Internal Audit Fees	35,700.00	11,500.00
Penal Charges	5,900.00	-
Penal Interest	560.00	-
Postage & Stamp	9,781.00	9,973.00
Printing & Stationery	107.00	-
Professional Charges	34,100.00	87,500.00
Rates & Taxes	4,650.00	4,650.00
Security Transaction Tax	2,232.00	7,462.00
Service Tax Expenses	-	1,107.87
Share Transfer Maintenance Fee	18,880.00	16,118.58
Stipend	1,05,450.00	-
Telephone Expenses	8,313.27	14,369.00
Travelling & Conveyance	4,950.00	5,204.00
Revocation of Suspension Fee	-	31,197.00
Fixed Assets Written Off	-	4,670.00
	<b>6,17,799.68</b>	<b>5,49,621.38</b>
<b>Note: 22 PROVISIONS</b>		
Provision for Contingency (as per Note No. 33)	55,816.00	19,469.00
	<b>55,816.00</b>	<b>19,469.00</b>



**MANDYA FINANCE COMPANY LIMITED**

**7, CHITTARANJAN AVENUE, 3<sup>rd</sup> FLOOR, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

23. The company is primarily engaged in the single business of Financing and Investment and there is no reportable secondary segment i.e. geographical segment. Hence, the disclosure requirement of Accounting Standard 17 "Segment Reporting" as notified by Companies (Accounting Standards) Rules, 2006 (as amended) is not applicable.
24. Income and Expenditure in Foreign Currency Rs.NIL (NIL).
25. As per management, provision of the Gratuity Act is not applicable to the company at present.
26. The Company has classified its assets in accordance with the Prudential Norms prescribed by the Reserve Bank of India, as on the Balance Sheet date, the Company does not have any Non-performing asset.
27. There is no amount outstanding and payable to Investors' Education and Protection Fund as on 31.03.2019.
28. In accordance with AS-22 issued by The Institute of Chartered Accountants of India relating to "Accounting for Taxes on Income", the Deferred Tax Asset on account of timing difference in depreciation is Rs. 81,781.00 for the current year as on 31.03.2019.
29. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small, and Medium Enterprises Development Act, 2006" as at 31st March, 2019.
30. There is no amount outstanding and payable to Small Scale Industrial under taking as on 31.03.2019.
31. As per Accounting Standard (AS) 15 (Revised) "Employees Benefits" issued by The Institute of Chartered Accountants of India, Short-term Employees Benefits are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss to the year in which the related services are rendered.
32. The company has entered into 3 agreements with different companies for purchase of agricultural land in West Bengal and made an advance of Rs. 2,41,00,000.00 during the year ended 31st March, 2013 as initial payment. The total capital commitments for all the projects are Rs. 3,67,23,800.00. The balance amount of Rs.1,26,23,800.00 will be paid on completion of all legal formalities and possession.
33. In terms of Notification No. RBI/2014-15/299 dated 10.11.2014 issued by the Reserve Bank of India Provision for Contingency have been provided Rs. 1,21,303.00 on Standard Assets of Rs.3,03,25,711.00 on the outstanding balance as on 31.03.2019.
34. Previous year's figures have been regrouped & rearranged wherever necessary to confirm with this year's classification.
35. Due to sale of some of the revalued shares from investment account during the year, the company has transferred Rs.24,75,807.83 to General Reserve Account out of Opening Balance of revaluation reserve account amounting to Rs. 24,75,807.83 which was created in earlier years.
36. As market value of some of the equity shares are not available on 31.03.2019 due to delisting or not traded hence, value of such stock has been taken as per last year.
37. The company has no Contingent Liabilities as on the Balance Sheet Date.
38. Other disclosure requirements relating to manufacturing companies, trading companies, CIF & FOB value of import etc. as required by part-II of Schedule-III of the Companies Act, 2013 to the extent not applicable has not been given.
39. The Company in the FY 2018-19 has no dues from Directors, parties and Companies in which Directors is interested in terms of Section 185 of the Companies Act 2013.
40. The Company do not have loans on Hire Purchase Schemes or relating to leasing activities.



Contd. ..

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2019

**Note No.**

41. Related Party disclosure, as prescribed by Accounting Standard-18 issued by The Institute of Chartered Accountants of India is as below :

Srl. No.	Where common control exists	Relationship	Opening Balance as on 01.04.2018 ₹	Addition during the year ₹	Payment made during the year ₹	Balance Amount as on 31.03.2019 ₹
a) <u>Loan Given</u>						
1	Amazing Plaza Pvt. Ltd.	Common Control Exist	8,37,630.00	90,464.00	-	9,28,094.00
2	Bengal Salarpuria Eden Infr. Dev. Co. Pvt. Ltd.	Common Control Exist	-	50,87,287.00	50,87,287.00	-
3	Elegant Heights Pvt. Ltd.	Common Control Exist	14,53,402.00	1,72,141.00	-	16,25,543.00
4	Looklike Hirise Pvt. Ltd.	Common Control Exist	17,69,097.00	53,392.00	18,22,489.00	-
5	S. S. Associates	Common Control Exist	60,04,583.00	6,48,495.00	-	66,53,078.00
6	Salarpuria Signum Complex LLP	Common Control Exist	86,45,784.00	1,04,41,973.00	5,00,000.00	1,85,87,757.00
7	Salarpuria Sattva Realty LLP	Common Control Exist	-	60,31,239.00	35,00,000.00	25,31,239.00
	Total : a :		1,87,10,496.00	2,25,24,991.00	1,09,09,776.00	3,03,25,711.00

Sl. No.	Where Common Control Exists	Relationship	Amount as on 31.03.2019 ( ₹ )	Amount as on 31.03.2018 ( ₹ )
b) <u>Interest Received</u>				
1	Amazing Plaza Pvt. Ltd.	Common Control Exist	1,00,516.00	90,718.00
2	Bengal Salarpuria Eden Infr. Dev. Co. Pvt. Ltd.	Common Control Exist	96,986.00	-
3	Elegant Heights Pvt. Ltd.	Common Control Exist	1,74,601.00	1,56,459.00
4	Falcon Tie-up Pvt. Ltd.	Common Control Exist	-	5,75,211.00
5	Looklike Hirise Pvt. Ltd.	Common Control Exist	59,325.00	1,91,228.00
6	S. S. Associates	Common Control Exist	7,20,550.00	6,47,111.00
7	Salarpuria Signum Complex LLP	Common Control Exist	12,96,637.00	5,23,093.00
8	Salarpuria Sattva Realty LLP	Common Control Exist	2,56,932.00	-
9	Upperstar Hirise Pvt. Ltd.	Common Control Exist	-	59,416.00
	TOTAL : b :		27,05,547.00	22,43,236.00
c) <u>Key Managerial Personel Remuneration</u>				
1	Swetta Agarwala	CEO & CFO	9,165.00	-
2	Priyanka Rawat	Company Secretary	1,64,075.00	-
	TOTAL : c :		1,73,240.00	-

\* Ms. Swetta Agarwala appointed as CEO & CFO w.e.f. 12-03-2019. \*\* Ms. Priyanka Rawat appointed as Company Secretary w.e.f. 01-07-2018.

Srl. No.	Where common control exists	Relationship	Amount as on 31.03.2019 (₹)	Amount as on 31.03.2018 (₹)
<b>d) Advance Against Property</b>				
1	Everlike Realtors Pvt. Ltd.	Common Control Exist	1,80,00,000.00	1,80,00,000.00
2	Goldenheart Realtors Pvt. Ltd.	Common Control Exist	30,00,000.00	30,00,000.00
3	Lief Nirmans Pvt. Ltd.	Common Control Exist	31,00,000.00	31,00,000.00
<b>Total : d :</b>			<b>2,41,00,000.00</b>	<b>2,41,00,000.00</b>

42. **Earning Per Share:**

2018 - 2019

2017 - 2018

Net Profit/(Loss) available to Equity Shareholder  
Average number of Equity Share of Rs.10/- Each  
outstanding during the Period  
Earning per share (Basic and Diluted)

(12,19,823.64)  
1920000  
(0.64)

32,95,959.38  
1920000  
1.72

Signature to the above Schedules.

For M. Jhunjhunwala & Associates

Chartered Accountants

Firm Reg. No. : 328750E

Mohit Jhunjhunwala

Proprietor

Membership No. 300180

9, Weston Street, Room : 318

3rd Floor, Kolkata - 700013.

Dated : 30th May 2019.



FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
MANDYA FINANCE COMPANY LTD.

*Purushottam Lal Agarwal*

Purushottam Lal Agarwal

Director

DIN - 00061481

*Swetta Agarwala*

Swetta Agarwala

CEO & CFO

*Raj Kumar Jalan*

Raj Kumar Jalan

Director

DIN - 00634156

*P. Rawat*

Priyanka Rawat

Company Secretary

Particulars required to be furnished by the NBFC's as per paragraph 18 of a Non-Banking Financial Non-Systemically Important (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 issued by RBI are given herewith.

(₹ In Lakhs)

Particulars		As at 31.03.2019	
<i>Liabilities Side :</i>		<i>Amount Outstanding</i>	<i>Amount Overdue</i>
(1)	<b>Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :</b>		
(a)	Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than falling within the meaning of Public deposits) *		
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	NIL	NIL
(d)	Inter-corporate loans and borrowing	NIL	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Public Deposits *	NIL	NIL
(g)	Other Loans (Specify nature)	NIL	NIL
	* Please See Note 1 Below		
(2)	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>		
(a)	In the form of Unsecured debentures	NIL	NIL
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c)	Other public deposits	NIL	NIL
	* Please See Note 1 Below		
<i>Assets side :</i>		<b>Amount Outstanding</b>	
(3)	<b>Break-Up of Loans and Advances including bills receivables [Other than those included in (4) below] :</b>		
(a)	Secured		NIL
(b)	Unsecured (inclusive of interest receivable)		544.26
(4)	<b>Break up of Leased Assets and Stock on hire and other Assets counting towards AFC activities</b>		
	( i) Lease assets including lease rentals under Sundry Debtors :		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	( ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		NIL
	(b) Repossessed Assets		NIL
	(iii) Other Loans counting towards AFC activities :		
	(a) Loan where assets have been repossessed		NIL
	(b) Loan other than (a) above.		NIL



(5) **Break-up of Investments :**

**Current Investments**

1 **Quoted :**

( i ) Shares : (a) Equity	NIL
(b) Preference	NIL
( ii ) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
( iv ) Government Securities	NIL
( v ) Others (Please specify)	NIL

2 **Unquoted :**

( i ) Shares : (a) Equity	NIL
(b) Preference	NIL
( ii ) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
( iv ) Government Securities	NIL
( v ) Others (Please specify)	NIL

**Long Term Investments :**

1 **Quoted :**

( i ) Shares : (a) Equity	9.19
(b) Preference	NIL
( ii ) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
( iv ) Government Securities	NIL
( v ) Others (Please specify)	NIL

2 **Unquoted :**

( i ) Shares : (a) Equity	53.67
(b) Class "A" Equity	0.59
( ii ) Debentures and Bonds	117.80
(iii) Units of Mutual Funds	NIL
( iv ) Government Securities	NIL
( v ) Others (Please specify)	NIL

(6) **Borrower group-wise classification of Assets Financed as in (3) & (4) above :**

*Please See Note 2 Below*

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1 Related Parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	544.26	544.26
2 Other than related parties	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>544.26</b>	<b>544.26</b>



(7) **Investor group-wise classification of all investments (current and long term) of shares and securities (both quoted and unquoted):**

*Please See Note 3 Below*

Category		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	14,247.68	43.78
2	Other than related parties	958.52	133.10
		4.43	4.37
<b>Total</b>		<b>15,210.63</b>	<b>181.25</b>

Note : The Shares for which the market value / break up value is not available has been taken as Re.1/- per share and in case of Negative Net Worth, for those the market value/break up value/fair value has been taken as Re.1/- per share.

\*\* As per Accounting Standard of ICAI (Please See Note 3)

(8) **Other Information**

Particulars		Amount
i)	Gross Non-Performing Assets	
(a)	Related Parties	NIL
(b)	Other than related Parties	NIL
ii)	Net Non-Performing Assets	
(a)	Related Parties	NIL
(b)	Other than related Parties	NIL
iii)	Assets Acquired in satisfaction of debts	NIL

**Notes :**

- As defined in point xix of Paragraph 3 of Chapter - 2 of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in ( 5 ) above.

**For M. Jhunjunwala & Associates**

*Chartered Accountants*

Firm Reg. No. : 328750E

**Mohit Jhunjunwala**

*Proprietor*

Membership No. 300180

9, Weston Street, Room : 318

3rd Floor, Kolkata - 700013.

Dated : 30th May 2019.



**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
MANDYA FINANCE COMPANY LTD.**

*Purushottam Lal Agarwal*

**Purushottam Lal Agarwal**

*Director*

DIN - 00061481

*Swetta Agarwala*

**Swetta Agarwala**

*CEO & CFO*

*Raj Kumar Jalan*

**Raj Kumar Jalan**

*Director*

DIN - 00634156

*P. Rawat*

**Priyanka Rawat**

*Company Secretary*

## Board's Report

Dear Members,

Your Directors are pleased to present the Thirty Eighth (38<sup>th</sup>) Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2019.

### FINANCIAL SUMMARY AND HIGHLIGHTS

PARTICULARS	(In Rupees)	
	Year ended as on March 31, 2019	Year ended as on March 31, 2018
Revenue from Operations	2,07,99,965.82	1,31,73,391.35
Other Income	(32,60,344.78)	(7,30,321.59)
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	(4,39,119.64)	43,03,569.38
Less: Depreciation & Amortization	25,783.00	48,248.00
Profit /loss before Finance Costs, Exceptional items and Tax Expense	(4,64,902.64)	42,55,321.38
Less: Finance Costs	-	-
Profit /loss before Exceptional items and Tax Expense	(4,64,902.64)	42,55,321.38
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	(4,64,902.64)	42,55,321.38
Less: Tax Expense (Current & Deferred)	7,54,921.00	9,59,362.00
Profit /loss for the year (1)	(12,19,823.64)	32,95,959.38
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	(12,19,823.64)	32,95,959.38
Balance of profit /loss for earlier years	-	-
Less: Transfer to Reserves	-	-
Balance carried forward	(12,19,823.64)	32,95,959.38
<b>Earning per Equity Share:</b>		
Basic	(0.64)	1.72
Diluted	(0.64)	1.72

### **FINANCIAL REVIEW**

Your Company has prepared Financial Statements for the financial year ended March 31, 2019 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

During the financial year ended March 31, 2019, your Company has recorded a turnover of Rs. 2,07,99,965.82 as compared to a turnover of Rs. 1,31,73,391.35 recorded during the previous financial year ended March 31, 2018, thereby, embarking a remarkable growth as compared to the last financial year. The Company continues to strive and attain best rewards through prudent business decisions and largely due to growing economic and capital markets of India.

### **TRANSFER TO RESERVES**

Due to unavailability of sufficient profits, your directors have decided not to transfer any amount to the Reserves for the year under review.

### **DIVIDEND**

Due to unavailability of sufficient profits, your directors did not recommend any dividend for the financial year ended 31st March, 2019.

### **INVESTOR EDUCATION & PROTECTION FUND (IEPF)**

Your Company do not have any amount / shares which is transferred or pending to be transferred to Investor Education & Protection Fund (IEPF).

### **MAJOR EVENTS DURING THE YEAR**

#### **A. State of Company's Affairs**

Your Company is mainly into investing in and acquiring and holding shares, stocks, debentures, bonds, mutual funds and/or other securities issued or guaranteed by any company constituted or carrying on business in India and/or by any Government, state, public body or authority. The major revenue of the Company has been generated by way of carrying out the activity of investment in shares, securities and mutual funds.

#### **B. Change in the Nature of Business**

There has been no change in the nature of business carried on by your Company during the financial year under review.

#### **C. Material changes and commitment, if any, affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of your company has occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### **CHANGE IN SHARE CAPITAL**

During the year under review, there has been no change in the capital structure of your Company.

### **MANAGEMENT**

#### **Directors and Key Managerial Personnel (KMP)**

The Board of Directors of your Company is duly constituted under the Chairmanship of an Independent Director and comprises of one other Independent Director, two Non-Executive Directors and one Executive Director. The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

In accordance with the provisions of Section 152 (6) & (7) of the Companies Act, 2013, the executive and non-executive directors of the Company, apart from Independent Directors, are subject to retirement by rotation. Accordingly, Mr. Purushottam Lal Agarwal, who was appointed on September 29, 1994, being the longest-serving member and who is liable to retire, being eligible, seeks re-appointment. The Board recommends his appointment.

During the year under review, the Board in its meeting held on July 01, 2018 appointed Ms. Priyanka Rawat as the "Company Secretary" accordance with the provisions of Section 203 of the Companies Act, 2013. Thereafter, Ms. Swetta Agarwala was appointed to the post of "Chief Executive Officer (CEO)" and "Chief Financial Officer (CFO)" in the meeting of the Board held on March 12, 2019.

There was no change in the composition of the Board of Directors during the financial year under review.

#### **Independent Director**

With the introduction to the concept of Independent Director in the Companies Act, 2013, Mr. Raj Kumar Jalan and Ms. Saileena Sarkar were appointed as the Independent Directors on the Board of the Company in accordance with the provisions of Section 149 of the Companies Act, 2013 in the Annual General Meeting of the members of the Company held on September 30, 2014 for a term up to five consecutive years.

The term of the Independent Directors comes to an end in the ensuing Annual General Meeting and being eligible, all the Independent Directors seek re-appointment. The Board recommends their re-appointment subject to the approval of the members at the ensuing Annual General Meeting.

All Independent Directors have submitted declarations confirming that they meet the criteria of independence, as prescribed under Section 149(6) of the Companies Act, 2013. Independent Directors have also confirmed compliance with the Company's code of conduct and the Code of Independent Directors prescribed in Schedule IV to the Companies Act, 2013 during the FY 2018-19.

#### **FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS AND THAT OF ITS COMMITTEES**

The Companies Act, 2013 stipulates the performance evaluation of the Directors including Chairman, Board and its committees. Considering the said provisions, the Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination Committee and approved by the Board.

#### **The Criteria for performance evaluation are as under:**

Attendance at meeting; Participation and Contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Participation, Updating of Knowledge; Leadership; Relationships and Communications; Resources; Conduct of Meetings.

#### **Performance Evaluation of Board:-**

Composition and Diversity of Board; Committees of the Board; Board & Committee Meetings; Understanding of the Business of the Company and Regulatory environment; Contribution to effective corporate governance and transparency in Company's Operation; deliberation/decisions on the Company's Strategies; Monitoring and implementation of the strategies and the executive management performance and quality of decision making and Board's Communication with all stakeholders.

#### **Performance Evaluation of the Board Level Committees:-**

The Performance and effectiveness of the Committee; Frequency and duration; spread of talent and diversity in the Committee; Understanding of regulatory environment and development; interaction with the Board.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of the provisions of section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:

- a. In the preparation of the Annual Accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors had 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, 2019 and of the profit /loss of the Company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the Annual Accounts on a going concern basis;
- e. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- f. 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.

#### **EXTRACT OF ANNUAL RETURN**

In accordance with the provisions of Companies Act, 2013, the extract of Annual Return, in Form MGT - 9, for the Financial Year 2018-19 can be accessed from the following link: <http://www.salarpuriagroup.biz>

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Your Company does not have any Subsidiary, Joint Venture or Associate Company.

Your company does not have any "Material Subsidiary Company" whose income or net worth exceeds 10% of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

#### **DISCLOSURE ON REMUNERATION OF DIRECTORS AND EMPLOYEES**

**a. Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Ratio of the remuneration of each Director/ KMP to the median remuneration of all employees of the Company for the financial year:

Particulars	Designation	Amount	Percentage
Median Remuneration of all employees of the Company for FY 2018-19	Chief Executive Officer (CEO) & Chief Financial Officer (CFO)	9,165.00*	5.29%
	Company Secretary (CS)	1,64,075.00	94.71%
The percentage increase in median remuneration of employees in the Financial Year	Chief Executive Officer (CEO) & Chief Financial Officer (CFO)	-	-
	Company Secretary (CS)	-	-
The number of permanent employees on rolls of Company as on March 31, 2019	Chief Executive Officer (CEO) & Chief Financial Officer (CFO)		
	Company Secretary (CS)		
<b>Total</b>	<b>2 Employees</b>		

*Note: The ratio of remuneration to median remuneration is based on remuneration paid during the period from April 1, 2018 to March 31, 2019. The remuneration paid is as per the terms of agreement, mutually agreed upon and as permissible under the Act or Statute.*

*The Company does not pay any remuneration to any other Director.*

*\*Appointed on March 12, 2019*

**b. Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee of the Company draws remuneration in excess of the limits as set out in the said rules.

#### **PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The disclosure requirements as specified under Section 186 of Companies Act, 2013 is not applicable as the Company is engaged in the business of NBFC activities.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

Pursuant to the requirement under section 134(3)(h) of the Companies Act, 2013 the particulars of contracts or arrangements with related parties under section 188(1) of the Companies Act, 2013 is attached and furnished in **Form AOC-2** as annexed to this report as *Annexure - I*.

#### **NUMBER OF BOARD MEETINGS**

During the financial year ended March 31, 2019, the Board met seven times, i.e., on April 16, 2018; May 30, 2018; July 01, 2018; August 13, 2018; November 14, 2018; February 06, 2019 and March 12, 2019. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

Name of the Director	Category	Shareholding	No. of Board Meetings	Attendance of meetings during 2018-2019		No. of Directorships and Committee Memberships/ Chairmanships		
				Board Meeting	Last AGM	Other Directorships*	Committee Membership	Committee Chairmanship
Mr. Raj Kumar Jalan	Chairman – Independent Director	0	7	7	Yes	19	8	4
Mr. Apurva Salarpuria	Non-Executive Director	77,350	7	7	Yes	19	9	2

Mr. Purushottam Lal Agarwal	Executive Director	45,010	7	7	Yes	18	6	3
Mr. Anand Prakash	Non-Executive Director	35,100	7	7	Yes	14	6	2
Ms. Saileena Sarkar	Woman Independent Director	0	7	7	Yes	19	5	-

\* Excluding Foreign Companies and Companies under section 8 of the Companies Act, 2013.

### **COMMITTEES OF THE BOARD**

As on March 31, 2019, the Board has 4 (four) committees, namely, the Audit Committee, the Nomination & Remuneration Committee, the Stakeholders Relationship Committee and the Risk Management Committee.

### **AUDIT COMMITTEE**

#### **Composition**

The Board of Directors of the Company have constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of SEBI (LODR) Regulations, 2015. As on March 31, 2019, the Audit Committee is composed of the following:

NAME OF THE MEMBER	CATEGORY	STATUS
Mr. Raj Kumar Jalan	Independent Director	Chairman
Mr. Apurva Salarpuria	Non – Executive Director	Member
Ms. Saileena Sarkar	Women Independent Director	Member

All the members of the Audit Committee have accounting and financial management expertise. The Company Secretary, Ms. Priyanka Rawat, acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee attended Annual General Meeting held on September 24, 2018 to answer shareholder's queries.

#### **Meetings and Attendance**

During the year under review, the Audit Committee met 4 times on: May 30, 2018, August 13, 2018, November 14, 2018 and February 06, 2019. The attendance details of members of committee are as under:

NAME OF THE MEMBER	NO. OF MEETINGS	
	HELD	ATTENDED
Mr. Raj Kumar Jalan	4	4
Mr. Apurva Salarpuria	4	4
Ms. Saileena Sarkar	4	4

#### **Powers of the Audit Committee**

The powers of the Audit Committee include the following:

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

#### **Functions of Audit Committee**

The Audit Committee reviews the Reports of the Statutory Auditors periodically and discusses their findings. The role of the Audit committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees;
3. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
4. Reviewing with the management, the annual financial statements before submission to the board for approval; with particular reference to:

- (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - (iii) Compliance with listing and other legal requirements relating to financial statements.
  - (iv) Disclosure of any related party transactions
5. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
  6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  7. Scrutiny of inter-corporate loans and investments;
  8. Evaluation of internal financial controls and risk management systems;
  9. 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;
  10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
  11. Discussion with internal auditors any significant findings and follow up;
  12. Reviewing, the findings of any internal investigations by the internal auditors;
  13. The Audit Committee shall mandatorily review the following:
    - i. Management discussion and analysis of financial condition and result of operation;
    - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
    - iii. Management letters/letters of internal control weakness issued by the statutory auditors;
    - iv. Internal audit reports relating to internal control weaknesses;

## **NOMINATION AND REMUNERATION COMMITTEE**

### **Composition**

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 19 of SEBI (LODR) Regulations, 2015. As on March 31, 2019, the Nomination and Remuneration Committee is composed of the following:

NAME OF THE MEMBER	CATEGORY	STATUS
Mr. Apurva Salarpuria	Non-Executive Director	Chairman
Mr. Raj Kumar Jalan	Independent Director	Member
Ms. Saileena Sarkar	Women Independent Director	Member

### **Meetings and Attendance**

During the year under review, the Nomination and Remuneration Committee met three times on: May 30, 2018, July 01, 2018 and March 12, 2019 to review the performance of the Directors and recommend to the Board the appointment of Ms. Priyanka Rawat to the post of "Company Secretary" and Ms. Swetta Agarwala to the post of "Chief Executive Officer (CEO) & Chief Financial Officer (CFO)". The attendance details of members of committee are as under:

NAME OF THE MEMBER	NO. OF MEETINGS	
	HELD	ATTENDED
Mr. Apurva Salarpuria	3	3
Mr. Raj Kumar Jalan	3	3
Ms. Saileena Sarkar	3	3

### **Role of the Nomination and Remuneration Committee**

The roles and responsibilities of the committee include the following:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. Identifying 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.
3. Formulate the criteria for evaluation of director's and Board's performance and to carry out the evaluation of every director's performance.
4. Devising a policy on Board diversity.
5. To decide the remuneration of consultants engaged by the Committee.

6. Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Persons (KMP) & other Employees, including ESOP, pension right and any other compensation payment.
7. Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
8. Framing the Employees Share Purchase Scheme / Employees Stock Option Scheme and recommending the same to the Board/shareholders for their approval and implementing/administering the scheme approved by the shareholders.

As a token of long term commitment and long term vision towards the Company none of the directors of the Company receive any sort of monetary benefit from the Company inter-alia no sitting fees or remuneration is paid to other directors.

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE / SHARE TRANSFER COMMITTEE**

### **Composition**

The Board of Directors of the Company has duly constituted a Stakeholders Relationship Committee in terms of the requirements of Regulation 20 of SEBI (LODR) Regulations, 2015. As on March 31, 2019, the Stakeholders Relationship Committee is composed of the following:

NAME OF THE MEMBER	CATEGORY	STATUS
Mr. Anand Prakash	Non- Executive Director	Chairman
Mr. Purushottam Lal Agarwal	Executive Director	Member
Mr. Raj Kumar Jalan	Independent Director	Member

### **Meetings and Attendance**

The Stakeholders Relationship Committee meets once every year to review and redress all the grievances. During the year under review, the Stakeholders Relationship Committee met twice on November 14, 2018 and March 11, 2019. The Company has not received any grievances during the financial year 2018-2019. The attendance details of members of committee are as under:

NAME OF THE MEMBER	NO. OF MEETINGS	
	HELD	ATTENDED
Mr. Anand Prakash	2	2
Mr. Purushottam Lal Agarwal	2	2
Mr. Raj Kumar Jalan	2	2

### **Powers of the Stakeholders Relationship Committee**

The role of the committee shall, *inter-alia*, include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

## **RISK MANAGEMENT COMMITTEE**

### **Composition**

The Board of Directors of the Company has duly constituted a Risk Management Committee in terms of the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015. As on March 31, 2019, the Risk Management Committee is composed of the following:

NAME OF THE MEMBER	CATEGORY	STATUS
Mr. Purushottam Lal Agarwal	Executive Director	Chairman
Mr. Apurva Salarpuria	Non- Executive Director	Member
Mr. Anand Prakash	Non- Executive Director	Member

### **Meetings and Attendance**

The Risk Management Committee meets once every year to review the risk management plan. During the year under review, the Risk Management Committee met twice on May 30, 2018 and March 11, 2019. The attendance details of members of committee are as under:

NAME OF THE MEMBER	NO. OF MEETINGS	
	HELD	ATTENDED
Mr. Purushottam Lal Agarwal	2	2
Mr. Apurva Salarpuria	2	2
Mr. Anand Prakash	2	2

#### **Powers of the Risk Management Committee**

The role of the Committee is as under:

1. Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis.
2. To review critical risks identified.
3. To report key changes in critical risks to the Board.
4. To report critical risks to Audit Committee in detail.
5. To perform such other functions as may be deemed or prescribed fit by the Board.

#### **COMPLIANCE WITH SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company/Employer is committed to provide a protective environment at workplace for all its employees. To ensure that every woman employee is treated with dignity and respect and as mandated under the "The Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013" the Company/Employer takes due care for prevention of the sexual harassment of its women employees as and when the Company employs any women employee.

During the year under review, no case of sexual harassment was reported.

#### **MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors of the Company met separately on Wednesday, February 06, 2019 without the presence of Non-Independent Directors and the members of the management. The Meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

#### **DISCLOSURE ON VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a vigil through which concerned persons [directors, employees, and business associates] may report unethical behavior, malpractices, wrongful conduct etc., without fear of reprisal. The Company has set up a Direct Touch Initiative, under which all directors, employees/business associates have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy aims to:

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractices, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated. The Company Secretary of the Company ensures compliance with the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, to the extent applicable.

#### **AUDITORS**

##### **Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s Mohit Jhunjunwala & Associates, Chartered Accountants (ICAI FRN: 328750E), was appointed as the Auditors of the Company for a consecutive period of 4 years from conclusion of the 37<sup>th</sup> Annual General Meeting held in the year 2018 until conclusion of the 41<sup>st</sup> Annual General Meeting scheduled to be held in the year 2022.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s Mohit

Jhunjhunwala & Associates, Chartered Accountants as the Statutory Auditors of the Company, by the Members at the ensuing AGM.

**NBFC Auditor's Report (Reserve Bank) Directions 2008:** In view of the directions issued by Reserve Bank of India, the Auditors have given their report to the above effect which is self-explanatory.

#### **Secretarial Auditor**

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon recommendation of the Audit Committee, has appointed Mr. Rajan Singh, Company Secretary in Practice, as the Secretarial Auditor and his report in **Form MR-3** is annexed to the Board's Report as *Annexure - 2*.

The Company has taken a certificate as laid down under sec 92(2) of the Companies Act 2013 and Rule 11(2) of Companies (Management and Administration) Rules, 2014 from Mr. Rajan Singh, Practising Company Secretary.

#### **Qualification, reservation or adverse remark in the Auditor's Reports and Secretarial Audit Report**

There is no qualification, reservation or adverse remark made by the Auditors in their Reports to the Financial Statements or by the Secretarial Auditor in his Secretarial Audit Report for the financial year ended March 31, 2019.

#### **Cost Audit and Cost Records**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is not applicable for the business carried out by the Company.

#### **ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE, ETC**

Information pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 in respect of conservation of Energy and Technology Absorption are not applicable to company under the year under review and expenditure on Research and Development and Foreign Exchange Earning & Outgo stands NIL for the year under review.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There has been no significant and material order(s), passed by any Regulator(s) or Court(s) or Tribunal(s), impacting the going concern status of the Company's operations. No material changes and commitments have occurred after the close of the financial year till the date of this Report which affects the financial position of the Company for the reporting period.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDAR)**

In accordance with the SEBI (LODR) Regulations, 2015, Management Discussion & Analysis Report forms a part of this Annual Report. The management has well-perceived and deliberated on following areas. It includes, among others, discussion on the following matters:

- Industry structure and developments
- Risks and concerns
- Discussion on financial performance with respect to operational performance
- Details of significant changes in key financial ratios

#### **ACCOUNTING TREATMENT**

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Management continuously reviews the Internal Control Systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. Internal Control System are implemented to safeguard the Company's assets from loss or damage, to keep a constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

The Board appointed has **M/s Rakesh Ram & Associates**, Chartered Accountants, for conducting the Internal Audit of the Company. The report thereof is placed before the Audit Committee for evaluation of internal financial controls and risk management systems.

The Board has designated a senior officer as the Chief Investor Relations Officer ("CIRO") to ensure that fairness and transparency is maintained while dealing with unpublished price sensitive information.

Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of your Company are adequate and are operating effectively.

### **DEPOSITS**

Your company has not accepted any public deposit during the financial year under review.

### **LISTING**

The equity shares of your Company continued to be listed on The Calcutta Stock Exchange Limited (CSE).

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility is the continuing commitment by the business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

As per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company is not required to constitute a CSR committee and enact thereon.

### **COMPLIANCE WITH SECRETARIAL STANDARDS ISSUED BY ICSI**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) along with Secretarial Standard on Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India (ICSI).

### **ADDITIONAL DISCLOSURES PURSUANT TO SEBI (LODR) REGULATIONS, 2015**

#### **1. MEANS OF COMMUNICATION:**

##### **A) Financial Results:**

Shareholders were intimated through the press about the quarterly performance and financial results of the Company. The quarterly and half-yearly unaudited financial results and the annual audited financial results are published in newspapers i.e. The Echo of India – Kolkata (English) and Arthik Lipi (Bengali) and are also sent immediately to the stock exchange i.e. The Calcutta Stock Exchange Limited with which the shares of the Company are listed.

##### **B) Other information:**

The Company has email address [cs.sgroup2013@gmail.com](mailto:cs.sgroup2013@gmail.com) to interface with the investors.

#### **2. GENERAL SHAREHOLDER INFORMATION**

##### **a) Annual General Meeting**

The Thirty-Eighth (38<sup>th</sup>) Annual General Meeting (AGM) of the Company will be held at the Registered Office of the Company situated at 7, Chittaranjan Avenue, 3rd Floor, P.S. Bowbazar, Kolkata-700072 on Saturday, September 07, 2019 at 11:30 A.M.

##### **b) Financial Year**

The Financial Year of the Company is from 1st April to 31st March

Financial Calendar [Current Financial Year 2019-20]	Tentative Dates
First Quarter Financial Results (June 30)	By 14 <sup>th</sup> of August 2019
Second Quarter Financial Results (September 30)	By 14 <sup>th</sup> of November 2019
Third Quarter Financial Results (December 31)	By 14 <sup>th</sup> of February 2020
Fourth Quarter & Annual Audited Financial Results of the current Financial Year (March 31)	By end of May 2020

**Date of Book Closure:** The books will be closed for the Annual General Meeting from September 01, 2019 to September 07, 2019 (both days inclusive).

**c) Listing of Equity Shares on the Stock Exchanges with Stock Code:**

The Equity Shares of the Company are listed on the Calcutta Stock Exchange, 7, Lyons Range, Kolkata – 700 001 [CSE Scrip Code: 10023480]

**d) Registrar and Transfer Agent:**

Niche Technologies Private Limited (SEBI Registration Number : INR000003290) having its office at 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700 017, West Bengal provide for processing the transfers, transmission, sub-division, consolidation, splitting of shares, etc. and to process the Members' requests for dematerialization and / or re-materialization of shares.

**e) Distribution of Shareholding as at 31st March, 2019**

• **According to Category of Holding:**

Shareholders	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	No. of Shares	%	No. of Shares	%
Promoters	896610	46.70%	896610	46.70%
Financial Institutions	0	0	0	0
Private Corporate Bodies (Excluding Promoters)	0	0	0	0
Public	1023390	53.30%	1023390	53.30%
<b>Total</b>	<b>1920000</b>	<b>100.00%</b>	<b>1920000</b>	<b>100.00%</b>

• **According to Number of Shares held:**

Shareholding Range	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
1-500	326	83.8046	43,390	2.2599
501-1000	3	0.7712	2,880	0.1500
1001-5000	5	1.2853	16,700	0.8698
5001-10000	7	1.7995	68,300	3.5573
10001 -50000	41	10.5398	11,93,030	62.1370
50001-100000	5	1.2853	3,72,250	19.3880
100001 and above	2	0.5141	2,23,450	11.6380
<b>Total</b>	<b>389</b>	<b>100.0000</b>	<b>19,20,000</b>	<b>100.0000</b>

**Dematerialization of shares:** As stated earlier, the Company's shares are listed on the Stock Exchange. As per the SEBI notifications, trading in Company's shares has been made compulsorily in dematerialized form w.e.f. 26<sup>th</sup> December, 2000 and Company's Registrar & Transfer Agent have established connectivity with NSDL & CDSL and the process of getting shares converted to equity and tradable is under process.

**f) General Body Meetings**

The location, date and time of Annual General Meetings held during the preceding three years are given below:

Year	Venue	Day & Date	Time
2018-19	<b>Registered Office:</b> 7, Chittaranjan Avenue, 3rd Floor, P.S. Bowbazar, Kolkata-700072	Monday, September 24, 2018	11:30 A.M.
2017-18		Tuesday, September 12, 2017	11:30 A.M.
2016-17		Monday, September 26, 2016	11:30 A.M.

**g) Postal Ballots**

During the financial year 2018-19, there were no ordinary or special resolutions passed by the members through Postal Ballot.

**i) Details of Non- Compliances**

There are no non-compliance by the Company and no penalties or strictures have imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

**RESERVE BANK OF INDIA RESERVE FUND**

During the year under review, no sum of monies was transferred to RBI Reserve Fund under section 45IC of the Reserve Bank of India Act 1934 since the company has incurred losses.

**APPRECIATION**

Your Directors record their sincere appreciation for the assistance, support and guidance provided by Government Authorities, Bankers, investors, financial institution and shareholders for their consistent support to the company. The Directors also commend the continuing commitment and dedication of the employees at all levels which has been critical for the Company's growth. The Directors look forward for their continuing support in future.

*for and on behalf of the Board of Directors of*  
**MANDYA FINANCE COMPANY LIMITED**



*Purushottam Lal Agarwal*  
Purushottam Lal Agarwal  
Director  
DIN: 00061481



*Raj Kumar Jalan*  
Raj Kumar Jalan  
Director  
DIN: 00634156

Date: 30.05.2019  
Place: Kolkata

**FORM NO. AOC -2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<b>NIL</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

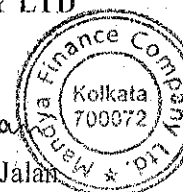
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Note No. 41 of the Financial Statements
b)	Nature of contracts / arrangements / transaction	
c)	Duration of the contracts / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

for and on behalf of the Board of Directors of  
MANDYA FINANCE COMPANY LTD



Purushottam Lal Agarwal  
Director  
DIN: 00061481



Raj Kumar Jalan  
Director  
DIN: 00634156

Date: 30.05.2019

Place: Kolkata



**FORM MR-3**  
**Secretarial Audit Report**

For the Financial Year ended 31<sup>st</sup> March, 2019  
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the  
Companies (Appointment and Remuneration of Managerial Personnel) Rules,  
2014]

To  
The Members  
**MANDYA FINANCE COMPANY LIMITED**  
**CIN: L51909WB1981PLC034018**  
7, Chittaranjan Avenue,  
3<sup>rd</sup> Floor, P.S. Bowbazar,  
Kolkata-700 072,  
West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANDYA FINANCE COMPANY LIMITED [CIN: L51909WB1981PLC034018]** (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 hereon.

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 31<sup>st</sup> March, 2019, 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.

The Company is an "Investment Company" engaged in the business of Non-Banking Financial Institution (Non deposit accepting Company) as defined under Section 45-IA of the Reserve Bank of India Act, 1934.

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 31<sup>st</sup> March, 2019 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under, as applicable;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the results made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

  
**RAJAN SINGH**  
COMPANY SECRETARY




- 4) Foreign Exchange Management Act, 1999 and rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Not applicable during the Audit Period]**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the Audit Period]**
  - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999; **[Not applicable during the Audit Period]**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the Audit Period]**
  - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the Audit Period]**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the Audit Period]**
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 6) Reserve Bank of India Act, 1934.

I further report that having regarded to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-checks basis, the Company has complied with the laws applicable specifically to the Company as represented by the Management.

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India,
- 2) The Listing Agreement entered into by the Company with The Calcutta Stock Exchange Ltd. The Company is generally regular in giving intimations under various clauses of the Listing Agreement;

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

  
RAJAN SINGH  
COMPANY SECRETARY  
MEMBERSHIP NUMBER-A34691  
CPIN NUMBER-8599



**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 change in the composition of the Board Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

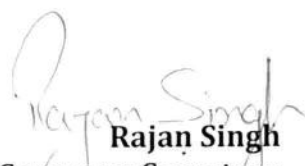
Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

On the basis of information provided, I further report that during the audit period there were no instances of:

- (i) Public /Right/ Preferential issue of shares/ debentures/ sweat equity, etc.
- (ii) Redemption buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

**Place:** Konnagar  
**Date:** 30.05.2019

  
**Rajan Singh**  
**Practising Company Secretary**  
COMPANY SECRETARY  
MEMBERSHIP NUMBER: 34691  
CP Number: 13599  
CP NUMBER-13599



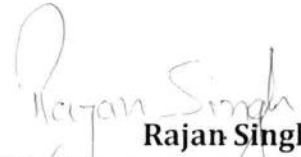
**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To  
The Members  
**MANDYA FINANCE COMPANY LIMITED**  
**CIN: L51909WB1981PLC034018**  
7, Chittaranjan Avenue,  
3<sup>rd</sup> Floor, P.S. Bowbazar,  
Kolkata-700 072,  
West Bengal

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. The Company was the following system of obtaining reports from other departments to ensure compliance with applicable laws, rules, regulations and guidelines as informed to us.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place:** Konnagar  
**Date:** 30.05.2019

  
**Rajan Singh**  
**Practising Company Secretary**  
COMPANY SECRETARY  
MEMBERSHIP NUMBER: 34691  
CP NUMBER: 13599  
CP NUMBER-13599