



**MANGAL CREDIT & FINCORP LIMITED**

(1701/1702, 17th Floor, 'A' Wing, Lotus Corporate Park Western Express  
Highway, Goregaon (East), Mumbai - 400063)

**STATUTORY AUDIT**

(U/S 134 of Companies Act, 2013)

**OF**

**STANDALONE FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR 2020-21**

**(For the year ended 31<sup>st</sup> March 2021)**

**Auditor :**

**MGB & Co. LLP**

**Chartered Accountants**

**Jaipur**

## **INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**Mangal Credit & Fincorp Limited**

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

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **M/S Mangal Credit & Fincorp Limited** (the "Company") which comprises the Balance Sheet as at March 31<sup>st</sup>, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Statement of Changes in Equity on that date; and
- d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing 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.





### **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

Note No 29 to the Financial Statements stating the fact of non-provision of liability of Rs. 59,83,730/- arising on Income Tax Assessment for the A.Y. 2017-18 consequent upon Income tax assessment under Section 143(3) of Income Tax Act, 1961.

Our opinion is not modified in respect of the above matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements of the current period. These matters are 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**

Management 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements ,management is responsible for assessing the Company's ability to continue as a going concern, disclosing ,as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations ,or has no realistic alternative but to do so.

The board of directors is also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility**

Our objective 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 are 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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

1) As required by Companies (Auditor's Report) Order, 2016 ("The Order"), as amended, issued by Central Government of India in terms of Sub Section (11) of Section 143 of Companies Act, 2013 we enclose in the **"Annexure A"**, a statement of matters specified in paragraph 3 & 4 of the said order to the extent applicable.

2) 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, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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:
  - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 29 to the financial statements.





- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN: 101169W/W-100035**

  
**Sandeep Jhanwar**  
**Partner**  
**M.No. 078146**



**Place: Jaipur**  
**Date: 19<sup>th</sup> May 2021**

**UDIN: 21078146AAAAC04921**

**(Annexure A)**

**Annexure to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

1.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
  - c. According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
2. The company is a NBFC Company, primarily engaged in rendering loans services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the Company.
3. The Company has granted loan to 13 body corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.





- c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- 4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5. The Company has not accepted any deposits from the public.
- 6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) Act, for any of the services rendered by the Company.
- 7.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess goods and service tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:



<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (in Rs.)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax & Interest	59,83,730	A.Y. 2018-19	DCIT(A)


8. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, bank, and Government or Debenture holder as at the balance sheet date.
9. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loans during the year. Hence the clause 3 (ix) of the order is not applicable and hence not commented upon.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.





14. Based on the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company and hence not commented upon.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN: 101169W/W-100035**

  
**Sandeep Jhanwar**  
**Partner**  
**M.No. 078146**



**Place: Jaipur**  
**Date: 19<sup>th</sup> May 2021**

**UDIN: 21078146AAAAC04921**

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

We have audited the internal financial controls over financial reporting of Mangal Credit & Fincorp Limited ("the Company") as of 31<sup>st</sup> March 2021 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 the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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





controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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



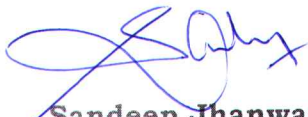
## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MGB & Co. LLP**  
**Chartered Accountants**  
**FRN: 101169W/W-100035**

  
**Sandeep Jhanwar**  
**Partner**  
**M.No. 078146**



**Place: Jaipur**  
**Date: 19<sup>th</sup> May 2021**

**UDIN: 21078146AAAAC04921**



**BALANCE SHEET AS AT MARCH 31, 2021**

Particulars	Note no.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
a) Cash and cash equivalents	4	39,96,143	1,76,63,543
b) Bank balances other than (a) above	5	8,44,019	8,09,834
c) Receivables			
i) Trade receivables		-	-
ii) Other receivables	6	31,71,453	7,56,16,838
d) Loans	7	83,72,68,307	65,01,42,108
e) Investments	8	15,47,20,505	15,27,45,186
f) Other financial assets	9	36,63,459	50,50,750
<b>TOTAL</b>		<b>1,00,36,63,886</b>	<b>90,20,28,259</b>
<b>2 Non-Financial Assets</b>			
a) Income tax assets (net)		83,98,047	83,98,047
b) Deferred tax assets (net)	27	15,62,656	36,84,439
c) Investment property	11	13,16,11,205	71,24,925
d) Property, plant and equipment	12(A)	34,47,511	40,30,509
e) Right of use asset		85,30,597	-
f) Intangible Assets	12(B)	4,34,989	7,26,596
g) Other non-financial assets	13	44,59,342	11,33,78,495
<b>TOTAL</b>		<b>15,84,44,347</b>	<b>13,73,43,011</b>
<b>TOTAL ASSETS</b>		<b>1,16,21,08,232</b>	<b>1,03,93,71,270</b>
<b>LIABILITIES AND EQUITY</b>			
<b>1 Financial Liabilities</b>			
a) Payables		-	-
i) Trade payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of micro enterprises other than micro enterprises and small enterprises			
ii) Other payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of micro enterprises other than micro enterprises and small enterprises	14	45,59,131	31,75,481
b) Lease liabilities		87,15,879	
c) Borrowings(Other than debt securities)	15	13,11,13,825	6,29,69,334
d) Other financial liabilities	16	34,93,199	22,84,900
<b>TOTAL</b>		<b>14,78,82,034</b>	<b>6,84,29,716</b>
<b>2 Non-Financial Liabilities</b>			
a) Current tax liabilities (net)	17	1,39,74,604	2,12,79,950
b) Other non- financial liabilities	18	24,69,889	8,56,941
<b>TOTAL</b>		<b>1,64,44,493</b>	<b>2,21,36,891</b>
<b>3 Equity</b>			
a) Equity share capital	19(A)	19,31,39,860	19,31,39,860
b) Other equity	19(B)	80,46,41,845	75,56,64,803
<b>TOTAL</b>		<b>99,77,81,705</b>	<b>94,88,04,663</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,16,21,08,232</b>	<b>1,03,93,71,270</b>
The accompanying notes form an integral part of the financial statements	1 to 40		

In terms of our audit report of even date  
FOR MGB & Co. LLP  
Chartered Accountants  
FRN: 101169W/W-100035

Sandeep Jhanwar  
Partner  
M.No. 078146  
Place: Mumbai  
Date : 19th May 2021  
UDIN :-21078146AAAAC04921



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

Meghraj Jain  
Managing Director  
DIN: 01311041

Naval Maniyar  
Director & CFO Company Secretary  
DIN-06657440

Supriya Agarwal  
M.No. A35286



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Note No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Revenue from Operations</b>			
Interest Income	20	10,59,76,152	8,16,53,407
Fees and commission income	21	70,73,531	69,98,614
<b>Total revenue from operations</b>		<b>11,30,49,682</b>	<b>8,86,52,021</b>
<b>Other Income</b>	22	<b>10,54,033</b>	<b>7,45,75,948</b>
<b>Total Income (I)</b>		<b>11,41,03,715</b>	<b>16,32,27,970</b>
<b>Expenses</b>			
Finance Costs	23	56,94,125	19,73,583
Impairment on financial instruments	24	22,53,542	47,13,729
Employee Benefits Expense	25	1,39,98,506	94,21,616
Depreciation and Amortization Expenses	12(A) & 12(B)	24,00,107	14,00,307
Other Expenses	26	79,22,654	1,00,84,884
<b>Total Expenses (II)</b>		<b>3,22,68,935</b>	<b>2,75,94,119</b>
<b>Profit Before Tax (I - II)</b>		<b>8,18,34,780</b>	<b>13,56,33,851</b>
<b>Tax Expense</b>			
Current Tax		2,30,54,281	3,08,84,655
Short / (Excess) provision for tax relating to prior years			
Net Current Tax Expense	27	2,30,54,281	3,08,84,655
Deferred Tax	27	16,69,830	(35,12,937)
Tax in respect of Earlier Year			6,14,780
<b>Profit for the Year</b>		<b>5,71,10,669</b>	<b>10,76,47,353</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		19,75,319	27,40,446
Income tax relating to items that will not be reclassified to profit or loss		(4,51,953)	(6,27,014)
<b>Total Other Comprehensive Income</b>		<b>15,23,366</b>	<b>21,13,432</b>
<b>Total Comprehensive Income for the year</b>		<b>5,86,34,035</b>	<b>10,97,60,784</b>
<b>Earning Per Equity Share</b>	28		
Equity Shares of par value ₹10/- each			
(1) Basic (₹)		2.96	5.57
(2) Diluted (₹)		2.96	5.57
Nominal Value of each ordinary share is Rs.10/-			
Significant Accounting Policies	3		
Other Notes on Accounts	4 to 40		

In terms of our audit report of even date  
FOR MGB & Co. LLP  
Chartered Accountants  
FRN: 101169W/W-100035

Sandeep Jhanwar  
Partner  
M.No. 078146  
Place: Mumbai  
Date : 19th May 2021  
UDIN :-21078146AAAAC04921



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

Meghraj Jain  
Managing Director  
DIN: 01311041

Naval Maniyar  
Director & CFO  
DIN-06657440

Supriya Agarwal  
Company Secretary  
M.No. A35286

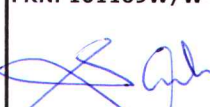




**MANGAL CREDIT AND FINCORP LIMITED**  
Statement of cash flows for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flows from operating activities</b>		
Profit before tax	<b>8,18,34,780</b>	<b>13,56,33,851</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	24,00,107	14,00,307
Loss/ gain on sale of property, plant and equipment (net)	-	-
Finance cost	56,94,125	19,73,583
Dividend income	-	(460)
Impairment on financial instruments	22,53,542	47,13,729
(Profit)/ loss on sale of investment	-	(7,23,84,846)
Gain on fair value of investment	-	-
Balances written back	-	(59,651)
<b>Operating profit before working capital changes</b>	<b>9,21,82,555</b>	<b>7,12,76,513</b>
<b>Adjustment for working capital changes</b>		
(Increase)/ decrease in trade and other receivables	7,24,45,385	(3,95,21,952)
(Increase)/ decrease in loans	(18,93,79,741)	(10,88,23,859)
(Increase)/ decrease in other financial asset	13,87,291	36,83,255
(Increase)/ decrease in non- financial asset	(36,10,847)	6,95,187
Increase / (Decrease) in trade and other payables	13,83,650	13,24,197
Increase / (Decrease) in other financial liabilities	33,415	(1,37,428)
Increase / (Decrease) in non financial liabilities	16,12,948	(83,592)
<b>Cash flow from operating activities</b>	<b>(2,39,45,344)</b>	<b>(7,15,87,679)</b>
Income taxes paid	(3,03,59,626)	(2,21,39,069)
<b>Net cash generated from operating activities (A)</b>	<b>(5,43,04,970)</b>	<b>(9,37,26,748)</b>
<b>B. Cash flows from investing activities</b>		
Payments for property, plant and equipment and capital advance	(6,43,025)	(14,23,417)
Sale of investment property	-	69,79,320
Purchase of investment property	(1,19,56,280)	(11,25,30,000)
Investment in Shares of Subsidiary & Associates	-	-
Sale of shares of subsidiary	-	18,00,26,159
Sale of investment in shares of other subsidiary	-	-
Dividend received	-	460
Movement in earmarked balances with bank	(34,186)	1,37,411
<b>Net cash used in investing activities (B)</b>	<b>(1,26,33,491)</b>	<b>7,31,89,933</b>
<b>C. Cash flows from financing activities</b>		
Proceeds of short term borrowings	12,30,76,570	25,88,58,513
Repayment of short term borrowings	(5,49,32,079)	(21,57,56,899)
Interest paid	(45,19,241)	(4,79,624)
Payment of lease liability	(6,97,195)	-
Dividend paid, including dividend distribution tax	(96,56,993)	(1,10,25,358)
<b>Net cash generated from financing activities (C)</b>	<b>5,32,71,062</b>	<b>3,15,96,632</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(1,36,67,399)</b>	<b>1,10,59,816</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,76,63,543</b>	<b>66,03,727</b>
<b>Cash and cash equivalents at end of the year (refer note 4)</b>	<b>39,96,143</b>	<b>1,76,63,543</b>

In terms of our audit report of even date  
FOR MGB & Co. LLP  
Chartered Accountants  
FRN: 101169W/W-100035

  
Sandeep Jhanwar  
Partner  
M.No. 078146  
Place: Mumbai  
Date : 19th May 2021  
UDIN :-21078146AAAAC04921



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

  
Meghraj Jain  
Managing Director  
DIN: 01311041

  
Naval Maniyar  
Director & CFO  
DIN-06657440

  
Supriya Agarwal  
Company Secretary  
M.No. A35286



## Notes Forming Part of Financial Statement

### 1. Corporate Information

Mangal Credit & Fincorp Limited (the company) is a public company domiciled in India and incorporated under the Companies Act, 2013 whose Corporate Identity No. is L65990MH1961PLC012227. The Company has granted certificate of registration to carry on the business of Non-Banking Financial Institution by Reserve Bank of India, vide certificate no. 13.00329 dated March 11, 1998 which has been revised in the name of "Mangal Credit & Fincorp Ltd." and fresh certificate is reissued on May 3, 2016. The Company is Non Systemically Important Non Deposit Taking NBFC (NBFC-ND-Non SI) vide circular no. RBI/DNBR/2016-17/44DNBS (PD).007/03.10.119/2016-17 dated September 01, 2016. Its shares are listed on Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange (ASE).

### 2. Significant Accounting Policies

#### i. Basis of preparation of accounts

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Company's financial statements up to and for the year ended March 31, 2019 were prepared in accordance with the Generally Accepted Accounting Principles in India (IGAAP) under the historical cost convention as a going concern and on accrual basis, unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended), prudential norms for income recognition, assets classification and provisioning for non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India (RBI) for NBFCs and the guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable, collectively referred as "Previous GAAP".

These are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from Previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 38.

#### ii. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency.

#### iii. Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

#### iv. Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.





## Notes Forming Part of Financial Statement

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### **v. Use of estimates and judgments and Estimation uncertainty**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

#### **Effective Interest Rate (EIR) Method:**

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

#### **Impairment of Financial Assets:**

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

#### **Provisions and other contingent liabilities:**

The reliable measure of the estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### **vi. Revenue recognition**

#### **a. Recognition of interest income on loans**

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortized cost. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.



## Notes Forming Part of Financial Statement

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

**b. Fee and commission income:**

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

**c. Dividend and interest income on investments:**

Dividends are recognized in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

**vii. Property Plant and Equipment (PPE)**

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

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

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

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

<b>Asset</b>	<b>Useful life (in years)</b>
Plant and equipment	<b>15</b>
Furniture and fixtures	<b>10</b>
Vehicles	<b>6</b>
Office equipment	<b>3</b>
Computer peripherals	<b>3</b>





## Notes Forming Part of Financial Statement

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

### **viii. Intangibles assets**

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

Intangible assets comprise of computer software which is amortized over the estimated useful life. The amortization period is equal to 5 years which is based on management's estimates of useful life. Amortization is calculated using the straight-line method to write down the cost of intangible assets over their estimated useful lives.

### **ix. Investments in subsidiaries and associates**

Investments in subsidiaries and associate are measured at cost less accumulated impairment, if any.

### **x. Financial instruments**

#### **a. Recognition and initial measurement:**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

#### **b. Classification and Subsequent measurement of financial assets:**

**On initial recognition, a financial asset is classified as measured at-**

- Amortized cost;

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortized cost.

- FVOCI - equity instruments;

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

#### **Subsequent measurement of financial assets:**

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income and



## Notes Forming Part of Financial Statement

impairment are recognized in Statement of profit and loss. Any gain and loss on derecognition is recognized in Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

### **c. Financial liabilities and equity instruments:**

#### **Classification as debt or equity -**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments -**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an equity transaction are recognized as a deduction from equity.

#### **Financial liabilities -**

Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

### **d. Derecognition:**

#### **Financial assets:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### **Financial liabilities:**

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

#### **Impairment of financial instruments**

Equity instruments are not subject to impairment under Ind AS 109.

Overview of the ECL principles: The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit





## Notes Forming Part of Financial Statement

risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in these notes. The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognized, the Company recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Forward looking information in its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as: • GDP growth • Unemployment rates. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments.

Loan commitment: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provision.

- A. Contractual payments of either principal or interest are past due for more than 90 days;  
B. The loan is considered to be in default by the management.

Calculation of ECLs: The Company calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The key elements of the ECL are summarized below:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.





## Notes Forming Part of Financial Statement

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value. The mechanics of the ECL method are summarized below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

### **e. Write offs**

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/ borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in Statement of profit and loss.

## **xi. Employee benefits**

### **Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably

### **Contribution to provident fund and ESIC**

Company's contribution paid/payable during the year to provident fund and ESIC is recognized in the Statement of profit and loss.

## **xii. Finance cost**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Finance costs are charged to the Statement of profit and loss.

## **xiii. Taxation- Current and deferred tax:**

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

### **Current tax:**





## Notes Forming Part of Financial Statement

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **Deferred tax:**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### **xiv. Impairment of assets other than financial assets:**

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or Company of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

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

### **xv. Provisions:**

Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.





## Notes Forming Part of Financial Statement

### **xvi. Leases:**

#### **Company as a lessee:**

The Company's lease asset classes primarily consist of leases for building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

However, company is having lease with term of 12 months or less (short term leases). the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### **Company as a lessor:**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### **xvii. Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

### **xviii. Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is





## Notes Forming Part of Financial Statement

adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 3. Standards issued but not yet effective:

There is no addition in standards issue but not effective as on date.



MANGAL CREDIT AND FINCORP LIMITED  
Notes forming part of financial statement for the year ended March 31, 2021

A. Equity share Capital

	Amount in Rs.
Balance as at March 31, 2019	19,31,39,860
Changes in equity share capital during the year	
Issue of equity shares	-
Balance as at March 31, 2020	19,31,39,860
Changes in equity share capital during the year	
Issue of equity shares	-
Balance as at March 31, 2021	19,31,39,860

B. Other equity

Particulars	Reserves and Surplus							Total Other Equity	
	Capital reserve	Security Premium	General reserve	Statutory Reserve Fund	Contingency Reserve	Investment Reserve	Retained earnings		Other Comprehensive Income
<b>Balance as at March 31, 2019</b>	<b>1,50,46,050</b>	<b>35,88,19,290</b>	<b>3,65,00,000</b>	<b>5,70,46,407</b>	<b>25,00,000</b>	<b>7,00,000</b>	<b>18,63,17,631</b>	<b>-</b>	<b>65,69,29,378</b>
Profit for the year							10,76,47,353		10,76,47,353
Other comprehensive income for the year, net of income tax								21,13,432	21,13,432
Transactions with owners in their capacity as owners									
- Dividend including dividend tax								(1,10,25,358)	(1,10,25,358)
Transferred to Statutory Reserve Fund				2,15,29,471			(2,15,29,471)		
<b>Balance as at March 31, 2020</b>	<b>1,50,46,050</b>	<b>35,88,19,290</b>	<b>3,65,00,000</b>	<b>7,85,75,877</b>	<b>25,00,000</b>	<b>7,00,000</b>	<b>26,14,10,155</b>	<b>21,13,432</b>	<b>75,56,64,804</b>
Profit for the year							5,71,10,669		5,71,10,669
Other comprehensive income for the year, net of income tax								15,23,366	15,23,366
Transactions with owners in their capacity as owners									
- Dividend including dividend tax				1,14,22,134			(96,56,993)		(96,56,993)
Transferred to Statutory Reserve Fund							(1,14,22,134)		
<b>Balance as at March 31, 2021</b>	<b>1,50,46,050</b>	<b>35,88,19,290</b>	<b>3,65,00,000</b>	<b>8,99,98,011</b>	<b>25,00,000</b>	<b>7,00,000</b>	<b>29,74,41,698</b>	<b>36,36,798</b>	<b>80,46,41,846</b>





**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note '4'</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash in hand	27,02,742	2,00,043
Balance with banks		
- in current accounts	12,93,401	1,74,63,500
<b>Total</b>	<b>39,96,143</b>	<b>1,76,63,543</b>
<b>Note '5'</b>		
<b>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Earmarked balances with banks-		
- in unpaid dividend account	8,44,019	8,09,834
<b>Total</b>	<b>8,44,019</b>	<b>8,09,834</b>
<b>Note '6'</b>		
<b>RECEIVABLES</b>		
Unsecured, considered good	31,71,453	7,56,16,838
<b>Total</b>	<b>31,71,453</b>	<b>7,56,16,838</b>
<b>Note '7'</b>		
<b>LOANS</b>		
<b>Loans at Amortised cost</b>		
<b>(A) (i) Term loans</b>	<b>84,11,03,525</b>	<b>65,69,23,784</b>
<b>Total A (Gross)</b>	<b>84,11,03,525</b>	<b>65,69,23,784</b>
Less: Impairment loss allowance	(38,35,218)	(67,81,676)
<b>Total A (Net)</b>	<b>83,72,68,307</b>	<b>65,01,42,108</b>
<b>(B) (i) Secured by tangible asset</b>	<b>35,57,25,913</b>	<b>23,76,18,119</b>
<b>(ii) Unsecured</b>	<b>48,53,77,612</b>	<b>41,93,05,665</b>
<b>Total B (Gross)</b>	<b>84,11,03,525</b>	<b>65,69,23,784</b>
Less: Impairment loss allowance	(38,35,218)	(67,81,676)
<b>Total B (Net)</b>	<b>83,72,68,307</b>	<b>65,01,42,108</b>
<b>(C) (i) Loans in India</b>	<b>-</b>	<b>-</b>
- Public sector	-	-
- Others	-	-
<b>Total C (i) (Gross)</b>	<b>84,11,03,525</b>	<b>65,69,23,784</b>
Less: Impairment loss allowance	(38,35,218)	(67,81,676)
<b>Total C (i) (Net)</b>	<b>83,72,68,307</b>	<b>65,01,42,108</b>
<b>(ii) Loans outside India</b>	<b>-</b>	<b>-</b>
Less: Impairment loss allowance	-	-
<b>Total C (ii) (Net)</b>	<b>-</b>	<b>-</b>
<b>Total C (i+ii) (Net)</b>	<b>83,72,68,307</b>	<b>65,01,42,108</b>
<b>Note:</b> There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.		
<b>Note '8'</b>		
<b>INVESTMENTS</b>		
<b>Investment in unquoted equity instruments of other entities at FVTOCI</b>		
- Unquoted Equity Shares	15,47,20,505	15,27,45,186
<b>Total</b>	<b>15,47,20,505</b>	<b>15,27,45,186</b>



**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note '9'</b>		
<b>OTHER FINANCIAL ASSET</b>		
Security Deposits	36,63,459	50,50,750
<b>Total</b>	<b>36,63,459</b>	<b>50,50,750</b>
<b>Note '10'</b>		
<b>INCOME TAX ASSETS (NET)</b>		
IT Refund Receivable	83,98,047	83,98,047
<b>Total</b>	<b>83,98,047</b>	<b>83,98,047</b>
<b>Note '13'</b>		
<b>OTHER NON FINANCIAL ASSET</b>		
Balances with Revenue Authorities*	7,96,395	7,96,395
Prepaid Expenses	24,87,247	43,100
Capital advance	-	11,25,30,000
Other advances	11,51,900	
Advance to Staff	23,800	9,000
<b>Total</b>	<b>44,59,342</b>	<b>11,33,78,495</b>
*Balance with revenue authorities includes cash of the Company seized by the Income Tax Authorities on 01.10.2013 from the residence of director of the company.		
<b>Note '14'</b>		
<b>PAYABLES</b>		
<b>Trade Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
<b>Other payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	45,59,131	31,75,481
<b>Total</b>	<b>45,59,131</b>	<b>31,75,481</b>
<b>Note '15'</b>		
<b>BORROWINGS (OTHER THAN DEBT SECURITIES)</b>		
<b>At amortised cost</b>		
<b>Secured Loan</b>		
Digibiz loan from Federal Bank	4,90,44,053	
Bank overdraft from South Indian Bank	4,34,18,486	
<b>At amortised cost</b>		
<b>Loan repayable on demand</b>		
Inter-Corporate Loans	-	5,49,32,079
Loan from Directors	3,86,51,286	80,37,255
<b>Total</b>	<b>13,11,13,825</b>	<b>6,29,69,334</b>





**MANGAL CREDIT AND FINCORP LIMITED**
**Notes forming part of financial statement for the Period ended March 31, 2021**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note:</b>  <b>Secured Loan</b>  <b>Federal Bank:</b> 1. The company has taken the digibiz gold loan having Sanction Limit of Rs. 5 Crores and current outstanding of Rs. 4,90,44,053.  2. Security:  a. Primary security- Receivable of Borrower(s) arising out of loan extended to obligors against security of pledge of gold ornaments which are repledged in favour of the bank and Statement for the same is to be submitted  b. Collateral Security- Repledge of gold ornaments pledged by Obligors  3. Term of loan: 9 months  4. Rate of interest: Rate of interest is 8.40% p.a.  <b>South Indian Bank:</b> 1. The company has taken the bank overdraft facility having Sanction limit of Rs. 5 Crores and Current Outstanding of Rs. 4,34,18,486.  2. Collateral Security: Repledge of gold ornaments pledged by Obligors  3. Rate of interest: Rate of interest is 11.10%  <b>Unsecured loan:</b> All loans are repayable with 12 months from the reporting date having interest rate ranging from 9%- 12%.p.a.		
<b>Note '16'</b>  <b>OTHER FINANCIAL LIABILITIES</b>  Unpaid Dividends* Interest Accrued on borrowings  <b>Total</b>	8,24,356 26,68,843  <b>34,93,199</b>	7,90,941 14,93,959  <b>22,84,900</b>
<b>Note '17'</b>  <b>CURRENT TAX LIABILITY</b>  Provision for tax [net of advance tax Rs. 62,25,920 (as at 31 March 2020: Rs.7,210,050)]  <b>Total</b>	1,39,74,604  <b>1,39,74,604</b>	2,12,79,950  <b>2,12,79,950</b>
<b>Note '18'</b>  <b>OTHER NON FINANCIAL LIABILITIES</b>  Loan Disbursement Reimbursement Unearned interest income Other Payables Statutory dues  <b>Total</b>	8,45,350 3,21,120 14,453 12,88,966  <b>24,69,889</b>	- - - 8,56,941  <b>8,56,941</b>



**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the period ended March 31, 2021

**Note 11 - Investment Property**

Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
Carried at cost		
Investment in land	13,16,11,205	71,24,925
<b>Total</b>	<b>13,16,11,205</b>	<b>71,24,925</b>
*Fair Market Value Rs. 13,16,11,205/-		

**Note 12(A) - Property, plant and equipment**

Description of assets	Amount in Rs.				
	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments/ Computer Peripherals	Total
<b>I. Cost</b>					
Balance as at March 31, 2019	27,37,820	1,59,52,860	60,339	57,49,393	2,45,00,412
Additions	2,61,400	-	-	3,62,017	6,23,417
Disposals	-	-	-	-	-
Balance as at March 31, 2020	29,99,220	1,59,52,860	60,339	61,11,409	2,51,23,829
Additions	-	-	-	5,92,225	5,92,225
Disposals	-	-	-	-	-
Balance as at March 31, 2021	29,99,220	1,59,52,860	60,339	67,03,635	2,57,16,054
<b>II. Accumulated depreciation/impairment</b>					
Balance as at March 31, 2019	18,13,586	1,28,13,186	57,322	51,86,546	1,98,70,640
Depreciation for the year	1,80,550	8,29,226	-	2,12,902	12,22,678
Disposals	-	-	-	-	-
Balance as at March 31, 2020	19,94,136	1,36,42,412	57,322	53,99,448	2,10,93,318
Depreciation for the year	1,87,180	6,08,362	-	3,79,681	11,75,223
Disposals	-	-	-	-	-
Balance as at March 31, 2021	21,81,316	1,42,50,774	57,322	57,79,129	2,22,68,541
<b>Net block (I-II)</b>					
Balance as at March 31, 2021	8,17,904	17,02,086	3,017	9,24,505	34,47,513
Balance as at March 31, 2020	10,05,084	23,10,448	3,017	7,11,961	40,30,510

**Note 12(B) - Intangible assets**

Description of asset	Intangible Asset
<b>I. Cost</b>	
Balance as at March 31, 2019	1,63,500
Additions	8,00,000
Disposals	-
Balance as at March 31, 2020	9,63,500
Additions	50,800
Disposals	-
Balance as at March 31, 2021	10,14,300
<b>II. Accumulated impairment losses</b>	
Balance as at March 31, 2019	59,275
Amortization for the year	1,77,629
Disposals	-
Balance as at March 31, 2020	2,36,904
Amortization for the year	3,42,407
Disposals	-
Balance as at March 31, 2021	5,79,311
<b>Net block (I-II)</b>	
Balance as at March 31, 2021	4,34,989
Balance as at March 31, 2020	7,26,596





Notes Forming Part of Financial Statement

**MANGAL CREDIT AND FINCORP LIMITED**  
Notes forming part of financial statement for the period ended March 31, 2021

**Note '19A' - EQUITY SHARE CAPITAL**

Share Capital	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	Amount	Number of Shares	Amount
(a) Authorised Equity Shares of Rs.10/- each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
<b>Total</b>	<b>2,50,00,000</b>	<b>25,00,00,000</b>	<b>2,50,00,000</b>	<b>25,00,00,000</b>
(b) Issued, Subscribed and Paid up Equity Shares of Rs.10/- each	1,93,13,986	19,31,39,860	1,93,13,986	19,31,39,860
<b>Total</b>	<b>1,93,13,986</b>	<b>19,31,39,860</b>	<b>1,93,13,986</b>	<b>19,31,39,860</b>

**Note :- The Company has only one class of Share referred to as Equity Share having a Par Value of ₹10/- per share. Each Shareholder of Equity share is entitled to one vote per Share.**

In the event of liquidation of the Company, the shareholder of Equity Share will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholder, after distribution of all preferential amounts. The company declares and pays dividend in Indian Rupees (₹). The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting, except in case of Interim dividend. The distribution will be proportional to the number of Equity Shares held by the shareholders.

**(c) Reconciliation of the number of shares outstanding at the beginning and at the end of June-19 Quarter**

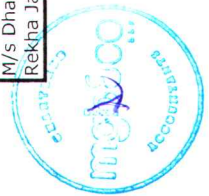
Particulars	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	1,93,13,986	19,31,39,860	1,93,13,986	19,31,39,860
Issued during the year	-	-	-	-
- on account of equity shares to the promoters/non-promoters against share	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,93,13,986</b>	<b>19,31,39,860</b>	<b>1,93,13,986</b>	<b>19,31,39,860</b>

**(d) Rights attached to equity Shares**

- The Company has only one class of equity shares having face value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.
- Every share is entitled to receive dividends in Indian Rupees, if declared.
- In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the company after distribution of the preferential
- The distribution will be in proportion to the number of equity shares held by the shareholders.

**(e) Details of shares held by each shareholder holding more than 5% equity shares**

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Meghraj S Jain	44,70,342	23.15	41,14,372	21.30
Ajit S Jain	24,84,240	12.86	24,84,240	12.86
M/S E-ally Consulting (I) Pvt. Ltd	16,79,700	8.70	16,79,700	8.70
M/s Dhakad Properties and Financial Services Pvt Ltd	12,59,205	6.52	12,59,205	6.52
Rekha Jagdish Jain	10,00,000	5.18	10,00,000	5.18



## Notes Forming Part of Financial Statement

### MANGAL CREDIT AND FINCORP LIMITED Notes forming part of financial statement for the period ended March 31, 2021

#### Note '19A' - EQUITY SHARE CAPITAL

(f) 1,93,13,986 Equity shares of face value of Rs. 10 each includes 70,44,075 fully paid Equity shares of face value of Rs. 10 each issued as bonus shares during the quarter ended December 31, 2015 pursuant to shareholders approval of issue of 5 bonus Equity shares for every 1 existing shares held.

#### (g) Split of shares:-

The 'Record Date' for the purpose of ascertaining the Members entitled to receive the said sub-divided equity shares of the Company was fixed by the Board of Directors of the Company as '06/05/2017'. Subsequently, the Company has issued ten (10) sub-divided equity shares of Re.1/- each in lieu of one (1) equity share of Rs.10/- each to the eligible Members of the Company. In case of Members holding equity shares of the Company in physical form, the Company, without requiring the surrender of old share certificate(s), has directly issued and dispatched the new share certificate(s) of the Company for the sub-divided equity shares of Re.1/- each. The said new share certificate(s) were issued in lieu of the old share certificate(s), which were deemed to have been automatically cancelled and be of no effect. In the case of equity shares of the Company held in dematerialized form, the sub-divided equity shares have been duly credited to the respective beneficiary accounts of the Members with the respective Depository Participants, as per the existing credits representing the equity shares of the Company. In view of the aforesaid Stock Split, the number of equity shares of the Company and price of underlying equity share in the stock markets has been correspondingly adjusted by the Stock Exchanges, where the Company's shares are listed (i.e. BSE). The details of the Authorised and Paid-up share capital of

Particulars	Authorised Share Capital		Paid up Share Capital	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Pre Stock Split	25000000	25,00,00,000	16112038	16,11,20,380
Post stock Split	250000000	25,00,00,000	161120380	16,11,20,380

#### (h) Consolidation of shares:-

During the year 2017, pursuant to the shareholders approval the face value of existing equity shares of Rs. 1 each has been consolidated to Rs. 10 each. Accordingly, the Company has issued one (1) consolidated equity share of Re.10/- each in lieu of ten (10) sub-divided equity share of Rs.1/- each to the eligible Members of the Company. In case of Members holding equity shares of the Company in physical form, the Company, without requiring the surrender of old share certificate(s), has directly issued and dispatched the new share certificate(s) of the Company for the consolidated equity share of Re.10/- each. The said new share certificate(s) were issued in lieu of the old share certificate(s), which were deemed to have been automatically cancelled and be of no effect. In the case of equity shares of the Company held in dematerialized form, the sub-divided equity shares have been duly credited to the respective beneficiary accounts of the Members with the respective Depository Participants, as per the existing credits representing the equity shares of the Company. In view of the aforesaid Stock Consolidation, the number of equity shares of the Company and price of underlying equity share in the stock markets has been correspondingly adjusted by the Stock Exchanges, where the Company's shares are listed (i.e. BSE). The details of the Authorised and Paid-up share capital of the Company (pre & post Stock Consolidation) is as follows:

Particulars	Authorised Share Capital		Paid up Share Capital	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Pre Stock Consolidation	250000000	25,00,00,000	193139860	19,31,39,860
Post stock Consolidation	25000000	25,00,00,000	19313986	19,31,39,860

\* Consolidation of Shares

The consolidation of equity shares of the company from face value Rs.1/- each to face value of Rs.10/- each ("Stock Sumup") and consequent alteration in Capital clause of MOA of the company was approved by the Members on 29/09/2018.





**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the period ended March 31, 2021

**Note '19B'- OTHER EQUITY**

Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
(a) Capital reserve	1,50,46,050	1,50,46,050
(b) Security premium reserve	35,88,19,290	35,88,19,290
(c) General reserve	3,65,00,000	3,65,00,000
(d) Statutory reserve fund	8,99,98,011	7,85,75,877
(e) Contingency reserve	25,00,000	25,00,000
(f) Investment reserve	7,00,000	7,00,000
(g) Retained earnings	29,74,41,698	26,14,10,155
(h) Other Comprehensive Income	36,36,798	21,13,432
<b>Total</b>	<b>80,46,41,846</b>	<b>75,56,64,804</b>

**Nature and purpose of reserve****Capital reserve**

This reserve is created out of amount received against equity share warrants (first tranche i.e. 25% of total value of warrants) due to non exercising of options of conversion and the said amount is forfeited.

**Securities premium reserve**

The amount received in excess of face value of the equity shares is recognised in Securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

**General reserve**

This reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Statutory fund reserve**

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

**Retained earnings**

Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

**Other Comprehensive Income**

Other Comprehensive Income includes fair value on investment through OCI, net of taxes that will not be reclassified to profit & loss.



**MANGAL CREDIT AND FINCORP LIMITED**
**Notes forming part of financial statement for the Period ended March 31, 2021**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Note '20'</b>		
<b>INTEREST INCOME</b>		
<b>On financial instruments measured at Amortised cost</b>		
Interest on loans	10,59,76,152	8,16,53,407
<b>Total</b>	<b>10,59,76,152</b>	<b>8,16,53,407</b>
<b>Note '21'</b>		
<b>FEES AND COMMISSION INCOME</b>		
Fees/ interest on corporate guarantee	22,74,314	14,28,579
Service charges and other fees on loan transaction	15,55,948	5,49,786
Loan Foreclosure Charges - Income	1,93,269	20,250
Financial Consultancy Fees	30,50,000	50,00,000
<b>Total</b>	<b>70,73,531</b>	<b>69,98,614</b>
<b>Note '22'</b>		
<b>OTHER INCOME</b>		
Dividend	-	460
Reimbursement of Common Expenses	8,91,921	16,35,496
Profit/(Loss) on sale of shares	-	7,23,84,846
Interest income on security deposit discounting	1,62,112	4,95,495
Misc. Income	-	59,651
<b>Total</b>	<b>10,54,033</b>	<b>7,45,75,948</b>
<b>Note '23'</b>		
<b>FINANCE COSTS</b>		
<b>On financial liabilities measured at Amortised cost</b>		
Interest on inter corporate borrowings	4,04,799	10,09,004
Interest on other borrowings	47,06,836	7,33,148
Interest on lease liabilities	4,27,805	-
Other finance cost	1,54,686	2,31,431
<b>Total</b>	<b>56,94,125</b>	<b>19,73,583</b>
<b>Note '24'</b>		
<b>IMPAIRMENT ON FINANCIAL INSTRUMENT</b>		
<b>On financial instruments measured at Amortised cost</b>		
Bad debt and write offs	-	1,65,504
Loans	22,53,542	45,48,225
<b>Total</b>	<b>22,53,542</b>	<b>47,13,729</b>





**MANGAL CREDIT AND FINCORP LIMITED**
**Notes forming part of financial statement for the Period ended March 31, 2021**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Note '25'</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Director's Remuneration	21,00,000	14,40,000
Directors Sitting Fees	1,30,000	1,50,000
Salaries, Bonus and Allowances	1,14,66,989	75,98,375
Staff Welfare Expenses	3,01,517	2,33,241
<b>Total</b>	<b>1,39,98,506</b>	<b>94,21,616</b>
<b>Note '26'</b>		
<b>OTHER EXPENSES</b>		
Valuation Expense	18,887	-
Credit Enquiry Expense	76,092	-
Advertisement Expenses	82,310	1,28,152
Payment to Auditor		
- Statutory Audit Fees	2,50,000	2,50,000
- Tax Audit Fees	25,000	25,000
- Others	20,000	1,72,196
Internal Audit Fees	60,000	60,000
Secretarial Audit Fees	1,00,000	-
Conveyance Expenses	52,033	7,760
CDSL/NSDL custody fees	1,13,500	70,993
Office Expenses	1,08,621	28,728
Business promotion expenses	53,388	8,500
Electricity Charges	11,22,660	15,48,884
Legal & Prof.Charges	18,42,648	29,16,548
CSR expense	12,73,148	11,11,576
Repair & Maintenance	8,850	42,512
Registration charges	33,000	1,19,269
Annual Maintenance Charges	32,250	18,600
Membership Fees	10,000	19,583
Listing Fees	3,00,000	3,00,000
GST Exp - Others	5,20,504	4,30,286
Software expense	1,68,323	64,135
Computer Exp.	24,621	23,311
Postage, Courier & Telegrams	35,103	97,091
Printing & Stationery	2,00,969	3,65,616
Insurance premium	45,363	-
Rent, Rates and Taxes	6,62,963	16,91,003
ROC Filling Fee	14,100	-
Professional tax	5,000	-
Travelling Expenses	1,37,728	1,62,199
Telephone & Internet Charges	3,83,157	3,77,376
Website development	-	31,636
Trademark Registration Exp	30,000	-
Stamp Duty Registration Fees	18,500	-
Commission Expense	23,692	-
Miscellaneous Expenses	70,243	13,930
<b>Total</b>	<b>79,22,654</b>	<b>1,00,84,884</b>



**MANGAL CREDIT AND FINCORP LIMITED**  
Notes forming part of financial statement for the Period ended March 31, 2021

**Note '27' - CURRENT TAX AND DEFERRED TAX**

**(A) Major Components of income tax expenses**

Particulars	Amount in Rs.	
	April 1, 2020 to March 31, 2021	April 1, 2019 to March 31, 2020
<b>(a) Statement of profit and loss:</b>		
(i) Current tax:		
- In respect of current year	2,30,54,281	3,08,84,655
(ii) Deferred tax:		
- Relating to origination and reversal of temporary differences	16,69,830	(35,12,937)
<b>Total tax expense recognised in statement of profit and loss</b>	<b>2,47,24,111</b>	<b>2,73,71,718</b>
<b>(b) Other comprehensive income:</b>		
(i) Deferred tax impact	4,51,953	6,27,014
<b>Total tax expense recognised in total comprehensive loss</b>	<b>2,51,76,064</b>	<b>2,79,98,732</b>

**(B) Numerical reconciliation between average effective tax rate and applicable tax rate :**

Particulars	Amount in Rs.	
	April 1, 2020 to March 31, 2021	April 1, 2019 to March 31, 2020
<b>Profit before tax</b>	<b>8,18,34,780</b>	<b>13,56,33,851</b>
Applicable tax rate	25.17%	25.17%
Computed tax expense	2,05,97,814	3,41,39,040
Effect of expenses that is non-deductible in determining taxable profit / accounting profit	17,24,493	16,63,912
Exempted income	-	-
Adjustments in respect of current income tax of previous years	28,53,757	6,14,780
Effect of different tax rates (tax on capital gain)	-	(84,18,999)
<b>Income tax expense recognised in statement of profit and loss</b>	<b>2,51,76,064</b>	<b>2,79,98,732</b>
<b>Effective tax rate</b>	<b>30.76%</b>	<b>20.64%</b>

**(C) Deferred Tax**

Particulars	For the year ended March 31, 2021			
	As at March 31, 2020	Recognised in		As at March 31, 2021
		Profit and Loss	OCI	
<u>Tax effect of items constituting deferred tax liability on:</u>				
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(89,639)	2,345		(87,293)
On Right to use assets	-	21,47,151		21,47,151
(A)	(89,639)	21,49,496	-	20,59,858
<u>Tax effect of items constituting deferred tax assets:</u>				
Provision for impairment loss	17,06,812	(17,06,812)		-
Property, plant and equipment and intangible assets	12,60,974	(7,309)		12,53,666
Provision for CSR		-		-
Fair value of investment through OCI	6,27,014	-	(4,51,953)	1,75,061
Deferred tax asset on lease liability		21,93,787		21,93,787
(B)	35,94,801	4,79,666	(4,51,953)	36,22,513
Deferred tax assets have been restricted to the extent of deferred tax liabilities	-	-	-	-
<b>Deferred tax liabilities/(assets) (net) (A-B)</b>	<b>(36,84,439)</b>	<b>16,69,831</b>	<b>4,51,953</b>	<b>(15,62,656)</b>

Particulars	For the year ended March 31, 2020			
	As at March 31, 2019	Recognised in		As at March 31, 2020
		Profit and Loss	OCI	
<u>Tax effect of items constituting deferred tax liability on:</u>				
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	11,68,794	(12,58,433)		(89,639)
(A)	11,68,794	(12,58,433)	-	(89,639)
<u>Tax effect of items constituting deferred tax assets:</u>				
Provision for impairment loss	5,24,317	11,82,495		17,06,812
Property, plant and equipment and intangible assets	14,42,994	(1,82,020)		12,60,974
Provision for CSR		-		-
Fair value of investment through OCI			6,27,014	6,27,014
(B)	19,67,311	10,00,476	6,27,014	35,94,801
Deferred tax assets have been restricted to the extent of deferred tax liabilities	-	-	-	-
<b>Deferred tax liabilities/(assets) (net) (A-B)</b>	<b>(7,98,517)</b>	<b>(22,58,909)</b>	<b>(6,27,014)</b>	<b>(36,84,439)</b>





**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

**Note '28' - EARNING PER SHARE**

Particulars	As at March 31, 2021	As at March 31, 2020
Profit after tax for the year attributable to the equity shareholders	5,71,10,669	10,76,47,353
No of Equity Shares Outstanding at the end of the year	1,93,13,986	1,93,13,986
Weighted average number of equity shares (Nos.)	1,93,13,986	1,93,13,986
Face value per share (In Rs.)	10	10
Basic and diluted earnings per share (in Rs.)	2.96	5.57

**Note '29' - CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Amount in Rs.

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Contingent Liabilities</b>		
(a) Claims against company not acknowledged as debt*	0.59 crore	0.49 crore
(b) Guarantees- - Counter Guarantees Provided to Bank	27.32 crore	59.58 crore
	<b>27.91 crore</b>	<b>60.07 crore</b>
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Other commitments (loan sanctioned but not disbursed)	-	0.31 crore
	<b>-</b>	<b>0.31 crore</b>

\*Claims against the company not acknowledged as debts for the year ended 31st March, 2021 include demand from the Income Tax Authorities for payment of tax of Rs. 59,83,730/- upon completion of their tax assessment for Assessment Years 2017-18. The company has to filed an appeal with the income tax appellate authorities. The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and result of operation.

**Note '30' - DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2021 together with interest paid /payable are required to be furnished.



**MANGAL CREDIT AND FINCORP LIMITED****Notes forming part of financial statement for the Period ended March 31, 2021****Note 31- Leases**

The Company has entered into lease contracts for office premises used in its operation. The Company has adopted Indian Accounting Standard (Ind AS) 116 on 'Leases'. The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has used a single discount rate to a portfolio of leases with similar characteristics. The Company recognised a lease liability and asset measured at the present value of the lease payments. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

The details of the right of use held by the Company is as follows:

**Amount in Rs.**

Particulars	Office premises	Total
As at 1st April 2020	-	-
Additions	94,13,074	94,13,074
Depreciation for the year	(8,82,477)	(8,82,477)
<b>As at 31st March 2021</b>	<b>85,30,597</b>	<b>85,30,596</b>

Depreciation of right of use asset is as follows:

**Amount in Rs.**

Particulars	Year ended March 31, 2021
Office premises	8,82,477
	<b>8,82,477</b>

The total cash outflow for leases is Rs. 15,25,000 for the year ended March 31, 2021.

Ind AS 116 Impact taken for cash outflow of Rs. 11,25,000/- as lease agreement short renewed hence earlier impact reversed.

Below are the carrying amounts of lease liabilities and movement during the period :

**Amount in Rs.**

Particulars	Office premises	As at March 31 2021
As at 1st April 2020	-	-
Additions	94,13,074	94,13,074
Accretion of interest	4,27,805	4,27,805
Payments	(11,25,000)	(11,25,000)
<b>As at 31st March 2020</b>	<b>87,15,879</b>	<b>87,15,879</b>
<b>Non- current liability</b>		71,15,431
<b>Current liability</b>		16,00,447

The following are the amounts recognised in profit and loss account :

Particulars	Year ended March 31, 2020
Depreciation expense of right-of-use assets	8,82,477
Interest expense on lease liabilities	4,27,805
<b>Total amount recognised in profit or loss</b>	<b>13,10,281</b>

The table below provides details regarding the contractual maturities of lease liabilities under Ind AS 116 as at March 31, 2021, on an undiscounted basis:

**Amount in Rs.**

Tenure	As at March 31, 2021
Less than 1 year	16,00,447
1-5 years	71,15,432
More than 5 years	-

**Note '32' - CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The company has constituted CSR Committee and has undertaken CSR activities in accordance with Schedule VII to the Companies Act, 2013. The gross amount required to be spent by the company as per Section 135 of the Companies Act, 2013 is Rs. 12,73,148 (March 31, 2020: 11,11,576) and the company has spent Rs. 23,22,724 (March 31, 2020: 62,000).

**Note '33' - OPERATING SEGMENT**

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.





**MANGAL CREDIT AND FINCORP LIMITED**  
**Notes forming part of financial statement for the period ended March 31, 2021**

**Note '34' - CAPITAL MANAGEMENT**

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. below given disclosure of capital adequacy as per applicable RBI regulations.

**Note '35'- FINANCIAL RISK MANAGEMENT FRAMEWORK**

The company is committed to create value for its stakeholders through sustainable business growth and with that intent has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining such value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

**(i) Credit risk management**

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes. The company has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises. Also, being in asset financing business, most of the company's lending is covered by adequate collaterals from the borrowers.

**(ii) Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the company are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self-assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The company also undertakes risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self assessment, the risk-based audit would assure effective implementation of selfcertification and internal financial controls adherence, thereby, reducing enterprise exposure.



**MANGAL CREDIT AND FINCORP LIMITED**  
Notes forming part of financial statement for the period ended March 31, 2021

**Note '34' - CAPITAL MANAGEMENT**  
(iii) Market risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company continuously monitors these risks and manages them through appropriate risk limits. The Board of the company reviews market-related trends and

**(iv) Foreign currency risk**

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. However the company is not exposed to the risk of fluctuations on change in exchange rates as company does not have any foreign transaction.

**(v) Liquidity Risk**

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required.

		Amount in Rs.		
		Maturity within 12 months	Maturity after 12 months	Total contracted cash flows
<b>As at March 31, 2021</b>				
Other payables and other financial liabilities		80,52,330	-	80,52,330
Borrowings (Other than debt securities)		13,11,13,825	-	13,11,13,825
Lease liability		16,00,447	71,15,431	87,15,879
<b>Total</b>		<b>14,07,66,603</b>	<b>71,15,431</b>	<b>14,78,82,034</b>
<b>As at March 31, 2020</b>				
Other payables and other financial liabilities		54,60,381	-	54,60,381
Borrowings (Other than debt securities)		6,29,69,334	-	6,29,69,334
<b>Total</b>		<b>6,84,29,716</b>	<b>-</b>	<b>6,84,29,716</b>

The amount of financial guarantees included in contingent liabilities are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if the amount is claimed by the counterparty to the guarantee.





**MANGAL CREDIT AND FINCORP LIMITED**  
**Notes forming part of financial statement for the Period ended March 31, 2021**

**Note '35'- FINANCIAL INSTRUMENTS**

**(a) Categories of financial instruments and fair value thereof**

Amount in Rs.

	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>A Financial assets</b>				
<b>i) Measured at cost</b>				
Investment in subsidiary	-	-	-	-
<b>ii) Measured at fair value through OCI</b>				
Investment	15,47,20,505	15,47,20,505	15,27,45,186	15,27,45,186
<b>iii) Measured at amortised cost</b>				
Cash and cash equivalents	39,96,143	39,96,143	1,76,63,543	1,76,63,543
Bank balances other than above	8,44,019	8,44,019	8,09,834	8,09,834
Loan	83,72,68,307	83,72,68,307	65,01,42,108	65,01,42,108
Other Receivables	31,71,453	31,71,453	7,56,16,838	7,56,16,838
Other financial assets	36,63,459	36,63,459	50,50,750	50,50,750
<b>Total</b>	<b>1,00,36,63,886</b>	<b>1,00,36,63,886</b>	<b>90,20,28,259</b>	<b>90,20,28,259</b>
<b>B Financial liabilities</b>				
<b>i) Measured at amortised cost</b>				
Borrowings	13,11,13,825	13,11,13,825	6,29,69,334	6,29,69,334
Other payables	45,59,131	45,59,131	31,75,481	31,75,481
Lease liabilities	87,15,879	87,15,879	-	-
Other financial liabilities	34,93,199	34,93,199	22,84,900	22,84,900
<b>Total</b>	<b>14,78,82,035</b>	<b>14,78,82,035</b>	<b>6,84,29,715</b>	<b>6,84,29,715</b>

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**(b) Fair value measurement**

All the financial assets and liabilities of the Company are measured at amortised cost except for investment.

**Financial instruments measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values, except for investment since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Fair value hierarchy:**

Quantative disclosure fair value measurement hierarchy:

Amount in Rs.

Particulars	As at March 31, 2021	As at March 31, 2020	Fair value hierarchy
	Fair Value	Fair Value	
Assets for which fair value is disclosed			
Investment in equity instruments - unquoted	15,47,20,505	15,27,45,186	Level 3

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. The company has no level 1 fair value measurement.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

**Note '36' - Disclosure under Prudential Norms & RBI guidelines**
**Note '36(i)'-**

The leverage ratio of the Non-Banking Finance Company is less than 7 as per norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

**Note '36(ii)'-**

The company has complied with norms prescribed by Reserve Bank of India vide circular no. RBI/2016-17/44 DNBR (PD) CC No.077/ 03.10.119/2016-17 dated 01 September, 2016 for NBFCs-ND.

**Note '36(iii)'-**

Additional disclosures:

**Capital to Risk Assets Ratio (CRAR)**

Particulars	March 31, 2021	March 31, 2020
CRAR (percent)	86.43%	93.27%
CRAR - Tier I Capital (percent)	86.43%	93.27%
CRAR - Tier II Capital (percent)	-	-

**Note '36(iv)'-**

Loan portfolio classification and provision (As per RBI Prudential Norms)

(Rs. in Lacs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gross Loan Outstanding	Provision For Assets	Net Loan Outstanding	Gross Loan Outstanding	Provision For Assets	Net Loan Outstanding
Standard Asset	8,300.95	20.34	8,280.60	6,322.74	15.57	6,307.17
Sub Standard Asset	40.09	4.01	36.08	186.50	18.65	167.85
Doubtful Asset	70.00	14.00	56.00	33.00	6.60	26.40
Loss Asset	-	-	-	27.00	27.00	-
<b>Total</b>	<b>8,411.04</b>	<b>38.35</b>	<b>8,372.68</b>	<b>6,569.24</b>	<b>67.82</b>	<b>6,501.42</b>

**Note '36(v)'-**

Schedule to the Balance Sheet of Non-Deposit Taking Non-Banking Financial Company

(as required in terms of paragraph 18 of chapter IV - Prudential Regulations of Master Directions - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking company (Reserve Bank) Directions, 2016)

(Rs. in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount O/s	Amount Overdue	Amount O/s	Amount Overdue
<b>Liability side:</b>				
<b>1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>				
(a) Debenture : Secured	-	-	-	-
Unsecured	-	-	-	-
(Other than falling within the meaning of public deposits*)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	490.44	-	-	-
(d) Inter-Corporate Loans and Borrowings	-	-	549.32	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans;				
- Bank Overdraft	434.18	-	-	-
- Loan from Directors	386.51	-	80.37	-
*Please see Note (a) Below				
<b>2. Break up of (1)(f) above (Outstanding Public Deposits inclusive of Interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured Debenture	-	-	-	-
(b) In the form of Partly Secured Debenture i.e. debenture where there is a shortfall in the value of securities.	-	-	-	-
(c) Other Public Deposits*	-	-	-	-
*Please see Note (a) Below				

(Rs. in Lacs)

Particulars	March 31, 2021	March 31, 2020
	Amount O/s	Amount O/s
<b>Assets Side :</b>		
<b>3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a) Secured	3,557.26	2,376.18
(b) Unsecured	4,853.78	4,193.05
<b>4. 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) Financing Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Asset on hire	-	-
(b) Repossessed Asset	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where asset have been repossessed	-	-
(b) Loans other than (a) above	-	-





**MANGAL CREDIT AND FINCORP LIMITED**  
Notes forming part of financial statement for the Period ended March 31, 2021

Note '36' - Disclosure under Prudential Norms & RBI guidelines

Particulars	(Rs. in Lacs)	
	March 31, 2021 Amount O/s	March 31, 2020 Amount O/s
<b>5. Break-up of Investments :</b>		
<b>Current Investments :</b>		
1. Quoted	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
<b>Long Term Investments :</b>		
1. Quoted	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted	-	-
(i) Shares : (a) Equity	1,547.21	1,527.45
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	1,316.11	71.25

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Please see Note (b) below

Category	As at March 31, 2021			As at March 31, 2020		
	Amount Net Of Provision as per Prudential Norms			Amount Net Of Provision as per Prudential Norms		
	Secured	Unsecured	TOTAL	Secured	Unsecured	TOTAL
1. Related Parties	-	-	-	-	-	-
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	1,014.96	182.51	1,197.47	1,201.59	915.18	2,116.77
2. Other than related parties	2,533.56	4,641.65	7,175.21	1,168.71	3,215.94	4,384.65
<b>TOTAL</b>	<b>3,548.52</b>	<b>4,824.16</b>	<b>8,372.68</b>	<b>2,370.30</b>	<b>4,131.12</b>	<b>6,501.42</b>

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

Please see Note (c) below

Category	As at March 31, 2021		As at March 31, 2020	
	Market Value Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties	-	-	-	-
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	1,547.21	1,547.21	1,527.45	1,527.45
<b>TOTAL</b>	<b>1,547.21</b>	<b>1,547.21</b>	<b>1,527.45</b>	<b>1,527.45</b>

(8) Other Information:

Category	(Rs. in Lacs)	
	March 31, 2021 Amount	March 31, 2020 Amount
(i) Gross Non-Performing Assets	-	-
(a) Related Parties	-	-
(b) Other than related parties	110.09	246.50
(ii) Net Non-Performing Assets	-	-
(a) Related Parties	-	-
(b) Other than related parties	92.08	194.24
Assets acquired in satisfaction of debt	-	-

**Sub Notes:**

a. As defined in point xix of paragraph 3 of chapter II of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking company (Reserve Bank) Directions, 2016.

b. Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking company (Reserve Bank) Directions, 2016

c. 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.



**MANGAL CREDIT AND FINCORP LIMITED**  
Notes forming part of financial statement for the Period ended March 31, 2021

**Note '37'- MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled

Particulars	As on March 31, 2021		As on March 31, 2020	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>1 Financial Assets</b>				
a) Cash and cash equivalents	39,96,143	-	1,76,63,543	-
b) Bank balances other than (a) above	8,44,019	-	8,09,834	-
c) Receivables				
i) Trade receivables	-	-	-	-
ii) Other receivables	31,71,453	-	7,56,16,838	-
d) Loans	29,84,97,360	53,87,70,946	83,72,68,307	46,35,65,047
e) Investments	-	15,47,20,505	18,65,77,061	65,01,42,108
f) Other financial assets	-	36,63,459	-	15,27,45,186
<b>2 Non- Financial Assets</b>				
a) Income tax assets (net)	-	83,98,047	-	50,59,750
b) Deferred tax assets (net)	-	15,62,656	-	83,98,047
c) Investment property	-	13,16,11,205	-	36,84,439
d) Property, plant and equipment	-	34,47,511	-	71,24,925
e) Right of use asset	-	85,30,597	-	40,30,509
f) Intangible Assets	-	4,34,989	-	7,26,596
g) Other non-financial assets	22,15,634	22,43,708	43,100	11,33,69,495
<b>TOTAL ASSETS</b>	<b>30,87,24,610</b>	<b>85,33,83,622</b>	<b>28,07,19,376</b>	<b>75,86,51,894</b>
<b>LIABILITIES</b>				
<b>1 Financial Liabilities</b>				
a) Payables				
i) Other payables	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of micro enterprises other than micro enterprises and small enterprises	-	-	-	-
b) Lease liability	45,59,131	-	31,75,481	-
c) Borrowings (Other than debt securities)	16,00,447	71,15,431	-	-
d) Other financial liabilities	13,11,13,825	-	6,29,69,334	-
<b>2 Non-Financial Liabilities</b>				
a) Current tax liabilities (net)	34,93,199	-	22,84,900	-
b) Other non- financial liabilities	1,39,74,604	-	2,12,79,950	-
	24,69,889	-	8,56,941	-
<b>TOTAL LIABILITIES</b>	<b>15,72,11,096</b>	<b>71,15,431</b>	<b>9,05,66,606</b>	<b>-</b>
<b>NET</b>	<b>15,15,13,514</b>	<b>84,62,68,191</b>	<b>19,01,52,770</b>	<b>75,86,51,894</b>
<b>Other undrawn commitments</b>	-	-	-	-
				<b>94,88,04,664</b>
				<b>-</b>





**MANGAL CREDIT AND FINCORP LIMITED****Notes forming part of financial statement for the Period ended March 31, 2021****Note '38'- RELATED PARTY DISCLOSURE****Details of related parties and their relationship:****(a) Enterprises where control exists**

1 Indtrans Container Lines Pvt Ltd (upto September 30, 2019)	Subsidiary
2 Mangal Compusolution Pvt Ltd (upto March 30, 2020)	Wholly owned subsidiary
3 Satco Capital Markets Ltd (upto March 30, 2020)	Subsidiary
4 Indtrans Container Lines (Singapore) PTE Ltd (upto September 30, 2019)	Subsidiary
5 Indtrans Container Lines (Malaysia) PTE Ltd (upto September 30, 2019)	Subsidiary
6 Satco Wealth Manager Private Ltd (upto March 30, 2020)	Subsidiary
7 Mangal Mines & minerals Pvt Ltd (upto September 30, 2019)	Subsidiary

**(b) Enterprises owned or significantly influenced by key management personnel or their relative:**

- 1 Mangal Finserv Private Limited
- 2 Mangal Compusolution Private Limited
- 3 Indtrans Container Lines Private Limited
- 4 Chakshu Realtors Private Limited
- 5 Mangal Buildhome Private Limited
- 6 Woodland Constructions Private Limited
- 7 Mangal Royal Jewels Private Limited
- 8 Shree Mangal Jewels Private Limited
- 9 Shree Ratna Mangal Jewels Private Limited
- 10 Shree Mangal Aabhushan Private Limited
- 11 Shree Radhey Mangal Gold Chain Private Limited
- 12 Swarna Bhavya Mangal Jewels private Limited
- 13 Dhakad Properties Private Limited
- 14 Digital Edge Technology
- 15 Sohanlal V Jain HUF
- 16 Mangal Entertainment Private Limited

**(c) Key Managerial Personnel**

1 Meghraj Sohanlal Jain	Managing Director
2 Naval KamalKishor Maniyar	Executive Director and CFO
3 Sandeep Maloo (upto January 27, 2020)	Executive Director
4 Srichand Tekchand Gerela (Reappointed on 01-10-2019)	Non Executive Director
5 Nirupama Dattatraya Pendurkar	Independent Director
6 Subramanyam Ganesh	Independent Director
7 Ramanathan Annamalai	Independent Director
8 Abhishek Jain (Upto 18-02-2020)	Independent Director
9 Supriya Rajkumar Agarwal	Company Secretary
10 Sujan Sinha (appointed on November 11,2020)	Non Executive Director
11 Sriram Sankaranarayanan (appointed on November 11,2020)	Non Executive (Independent) Director

**(d) Relative of Key managerial personnel**

1 Sohanlal V Jain	Father of Meghraj Jain
-------------------	------------------------



**MANGAL CREDIT AND FINCORP LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note '38.1'- RELATED PARTY DISCLOSURE (CONTINUED)**

<b>List of transactions with related parties</b>			
<b>S.No.</b>	<b>Particular</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
<b>1</b>	<b>Purchase of Fixed Asset</b>		
	Mangal Compusolution Pvt Ltd	2,28,988	1,27,500
		<u>2,28,988</u>	<u>1,27,500</u>
<b>2</b>	<b>Dividend Received</b>		
	Mangal Compusolution Pvt Ltd	-	-
	Mangal Buildhome Pvt Ltd	-	-
		<u>-</u>	<u>-</u>
<b>3</b>	<b>Guarantee Commission income</b>		
	Mangal Compusolution Pvt Ltd	10,59,750	18,15,829
	Mangal Buildhome Pvt Ltd	1,48,314	1,97,750
	Mangal Globle Marble Pvt Ltd	66,250	2,65,000
	Satco Capital Market Limited	10,00,000	26,50,000
	Satco Capital Market Limited- Credit note	-	-35,00,000
		<u>22,74,314</u>	<u>14,28,579</u>
<b>4</b>	<b>Loan Given</b>		
	Satco Capital Markets Ltd	-	1,15,20,000
	Mangal Globle Marble Pvt Ltd	-	3,19,30,000
	Mangal Buildhome Pvt Ltd	-	50,00,000
	Shree Mangal Abhushan Pvt Ltd	-	50,00,000
	Shree Mangal Jewels Pvt Ltd	-	50,00,000
	Shree Radhey Mangal Gold Chain Pvt Ltd	-	1,50,00,000
	Shree Ratna Mangal Jewels Pvt Ltd	-	50,00,000
	Swarna Bhavya Mangal Jewels Pvt Ltd	-	50,00,000
	Mangal Royal Jewels Pvt Ltd	-	50,00,000
	Mangal Compusolution Pvt Ltd	3,95,00,000	-
	Woodland Construction Private Limited	3,25,000	4,96,75,000
		<u>3,98,25,000</u>	<u>13,81,25,000</u>
<b>5</b>	<b>Loan Repayment Received</b>		
	Satco Capital Markets Limited	-	1,97,54,500
	Mangal Globle Marble Pvt Ltd	7,01,56,890	-
	Mangal Buildhome Pvt Ltd	18,75,000	-
	Shree Mangal Abhushan Pvt Ltd	17,50,000	-
	Shree Mangal Jewels Pvt Ltd	17,50,000	-
	Shree Radhey Mangal Gold Chain Pvt Ltd	17,50,000	-
	Shree Ratna Mangal Jewels Pvt Ltd	15,00,000	-
	Swarna Bhavya Mangal Jewels Pvt Ltd	15,00,000	-
	Mangal Royal Jewels Pvt Ltd	57,50,000	-
	Mangal Compusolution Pvt Ltd	3,95,00,000	-
	Woodland Construction Private Limited	46,79,470	-
		<u>13,02,11,360</u>	<u>1,97,54,500</u>
<b>6</b>	<b>Reimbursement of common expenses</b>		
	Indtrans Container Lines Pvt Ltd	2,02,944	4,54,956
	Mangal Buildhome Pvt Ltd	3,02,180	5,18,979
	Chakshu Realtors Private Limited	2,79,392	4,09,080
	Digital Edge Technology	62,257	1,25,536
	Dhakad Properties Private Limited	2,919	33,981
	Mangal Entertainment Pvt Ltd	40,164	33,981
		<u>8,89,856</u>	<u>15,76,513</u>
<b>7</b>	<b>Sale of investment in equity instruments</b>		
	Sohanlal V Jain	-	1,80,00,000
	Sohanlal V Jain- HUF	-	1,79,99,955
		<u>-</u>	<u>3,59,99,955</u>
<b>8</b>	<b>Interest Income</b>		
	Satco Capital Markets Ltd	21,96,827	28,57,095
	Mangal Globle Marble Pvt Ltd	52,76,182	83,45,327
	Mangal Buildhome Pvt Ltd	6,32,825	6,73,582
	Mangal Royal Jewels Pvt Ltd	12,10,037	12,92,882
	Shree Mangal Abhushan Pvt Ltd	14,18,750	12,15,142
	Shree Mangal Jewels Pvt Ltd	14,18,750	12,92,882
	Shree Radhey Mangal Gold Chain Pvt Ltd	28,67,725	12,22,963
	Shree Ratna Mangal Jewels Pvt Ltd	14,37,500	11,63,772
	Swarna Bhavya Mangal Jewels Pvt Ltd	14,37,500	11,35,176
	Mangal Compusolution Pvt Ltd	4,09,230	-
	Woodland Construction Private Limited	73,13,689	15,42,980
		<u>2,56,19,015</u>	<u>2,07,41,801</u>





**MANGAL CREDIT AND FINCORP LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note '38.1'- RELATED PARTY DISCLOSURE (CONTINUED)**

List of transactions with related parties			
S.No.	Particular	Year ended March 31, 2021	Year ended March 31, 2020
<b>9</b>	<b>Service charge and other fees on loan transaction</b>		
	Mangal Buildhome Pvt Ltd	25,000	25,000
	Mangal Royal Jewels Pvt Ltd	50,000	50,000
	Shree Mangal Abhushan Pvt Ltd	50,000	50,000
	Shree Mangal Jewels Pvt Ltd	50,000	50,000
	Shree Radhey Mangal Gold Chain Pvt Ltd	50,000	50,000
	Shree Ratna Mangal Jewels Pvt Ltd	50,000	50,000
	Swarna Bhavya Mangal Jewels Pvt Ltd	25,000	25,000
	Woodland Construction Pvt Ltd	5,00,000	5,00,000
		<u>8,00,000</u>	<u>8,00,000</u>
<b>10</b>	<b>Rent expense</b>		
	Chakshu Realtors Private Limited	7,75,000	12,00,000
		<u>7,75,000</u>	<u>12,00,000</u>
<b>11</b>	<b>Borrowings</b>		
	Mangal Entertainment Pvt. Ltd.	50,00,000	-
	Sandeep Maloo	-	79,00,000
	Meghraj Jain	27,43,82,427	16,36,10,254
	Naval Maniyar	21,75,000	4,66,180
		<u>27,65,57,427</u>	<u>17,19,76,434</u>
<b>12</b>	<b>Repayment of borrowings</b>		
	Mangal Entertainment Pvt. Ltd.	50,00,000	-
	Sandeep Maloo	-	79,00,000
	Meghraj Jain	24,59,43,396	17,10,90,719
	Naval Maniyar	-	4,66,180
		<u>25,09,43,396</u>	<u>17,94,56,899</u>
<b>13</b>	<b>Advertisement expense</b>		
	Digital Edge Technology	15,000	-
		<u>15,000</u>	<u>-</u>
<b>14</b>	<b>Social Media Integrity Charges</b>		
	Digital Edge Technology	25,424	-
		<u>25,424</u>	<u>-</u>
<b>15</b>	<b>Directors Remuneration</b>		
	Meghraj Jain	7,50,000	-
	Naval Maniyar	13,50,000	13,43,000
		<u>21,00,000</u>	<u>13,43,000</u>
<b>16</b>	<b>Interest on borrowings</b>		
	Mangal Entertainment Pvt. Ltd.	35,353	-
	Sandeep Maloo	-	39,952
	Meghraj Jain	28,14,456	6,91,605
	Naval Maniyar	70,780	1,591
		<u>29,20,589</u>	<u>7,33,148</u>
<b>17</b>	<b>Reimbursement of expense- paid</b>		
	Naval Maniyar	8,68,708	1,73,534
		<u>8,68,708</u>	<u>1,73,534</u>
<b>18</b>	<b>Redemption of Preference Share</b>		
	Satco Capital Markets Ltd	-	4,00,00,000
		<u>-</u>	<u>4,00,00,000</u>
<b>19</b>	<b>Disinvestment in subsidiary</b>		
	Mangal Compusolution Pvt Ltd	-	2,07,49,940
	Indtrans Container Lines Pvt Ltd	-	60,00,000
	Satco Capital Markets Ltd	-	4,08,40,373
	Mangal Mines & Minerals Pvt Ltd	-	51,000
		<u>-</u>	<u>6,76,41,313</u>



**MANGAL CREDIT AND FINCORP LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note '38.1'- RELATED PARTY DISCLOSURE (CONTINUED)**

List of transactions with related parties			
S.No.	Particular	Year ended March 31, 2021	Year ended March 31, 2020
<b>Balance payable at the end of the year</b>			
<b>Other payables</b>			
	Mangal Compusolution Pvt Ltd	68,750	1,39,481
	Digital Edge Technology	-	-
	Naval Maniyar	8,23,708	7,800
		<u>8,92,458</u>	<u>1,47,281</u>
<b>Borrowings</b>			
	Meghraj Jain	3,64,76,286	80,37,255
	Naval Maniyar	21,75,000	-
		<u>3,64,76,286</u>	<u>80,37,255</u>
<b>Other financial liability- Interest Payable</b>			
	Meghraj Jain	26,03,372	6,22,444
	Naval Maniyar	65,471	1,432
	Sandeep Maloo	-	35,957
		<u>26,68,843</u>	<u>6,59,833</u>
<b>Balance receivable at the end of the year</b>			
<b>Loans</b>			
	Satco Capital Markets Ltd	1,46,45,500	1,46,45,500
	Mangal Globle Marble Pvt Ltd	-	7,01,56,890
	Mangal Buildhome Pvt Ltd	31,25,000	50,00,000
	Mangal Royal Jewels Pvt Ltd	42,50,000	1,00,00,000
	Shree Mangal Abhushan Pvt Ltd	82,50,000	1,00,00,000
	Shree Mangal Jewels Pvt Ltd	82,50,000	1,00,00,000
	Shree Radhey Mangal Gold Chain Pvt Ltd	1,82,50,000	2,00,00,000
	Shree Ratna Mangal Jewels Pvt Ltd	85,00,000	1,00,00,000
	Swarna Bhavya Mangal Jewels Pvt Ltd	85,00,000	1,00,00,000
	Woodland Construction Private Limited	4,53,20,530	4,96,75,000
		<u>11,90,91,030</u>	<u>20,94,77,390</u>
<b>Loan- Interest and fees receivable</b>			
	Satco Capital Markets Ltd	5,01,059	2,02,359
	Mangal Globle Marble Pvt Ltd	-	17,16,773
	Shree Mangal Abhushan Pvt Ltd	63,205	76,612
	Mangal Royal Jewels Pvt Ltd	32,560	76,612
	Shree Mangal Jewels Pvt Ltd	63,205	1,89,112
	Shree Radhey Mangal Gold Chain Pvt Ltd	1,39,818	88,543
	Shree Ratna Mangal Jewels Pvt Ltd	65,121	76,612
	Swarna Bhavya Mangal Jewels Pvt Ltd	65,121	76,612
	Mangal Buildhome Pvt Ltd	23,943	38,306
	Woodland Construction Private Limited	-	8,79,997
		<u>9,54,032</u>	<u>34,21,538</u>
<b>Other receivable</b>			
	Indtrans Container Lines Pvt Ltd	-	95,040
	Mangal Buildhome Pvt Ltd	1,12,423	1,01,828
	Chakshu Realtors Private Limited	99,198	95,040
	Digital Edge Technology	20,095	27,155
	Dhakad Properties Pvt Ltd	-	27,844
	Mangal Entertainment Pvt Ltd	20,095	27,844
	Mangal Globle Marble Pvt Ltd	-	5,98,899
	Satco Capital Markets Ltd	27,49,250	16,06,750
	Mangal Compusolution Pvt. Ltd	1,04,538	-
	Woodland Construction Private Limited	-	3,00,000
		<u>31,05,599</u>	<u>28,80,400</u>





**MANGAL CREDIT AND FINCORP LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note '38.1'- RELATED PARTY DISCLOSURE (CONTINUED)**

<b>List of transactions with related parties</b>			
<b>S.No.</b>	<b>Particular</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
<b>Investment at the end of the year</b>			
<b>Investment in equity shares</b>			
	Satco Capital Markets Ltd	2,21,92,740	2,21,92,740
		<u>2,21,92,740</u>	<u>2,21,92,740</u>
<b>Off balance sheet item- Contingent liability at the end of the year</b>			
	Mangal Buildhome Pvt Ltd	-	7,90,81,018
	Mangal Compusolution Pvt Ltd	6,72,10,420	20,22,57,000
	Mangal Globle Marble Pvt Ltd	-	3,40,65,000
	Satco Capital Markets Ltd (BG AGAINST FD)	20,00,00,000	26,14,63,567
		<u>26,72,10,420</u>	<u>57,68,66,585</u>



**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

Note '38.2' - Disclosures Required as per Clause 32 of the Listing Agreement :

Name of Company	Loans & Advances		Loans & Advances	
	Amount O/s as on 31-Mar-21	Maxium Balance O/s 31-Mar-21	Amount O/s as on March 31, 2020	Maxium Balance O/s March 31, 2020
<b>Companies Under Common Control</b>				
1 Mangal Compusolution Pvt Ltd	-	3,95,00,000	-	3,20,15,000
2 Satco Capital Markets Ltd	1,46,45,500	1,51,46,559	1,46,45,500	50,00,000
3 Mangal Buildhome Pvt Ltd	31,25,000	50,00,000	50,00,000	50,00,000
4 Mangal Globle Marble Pvt Ltd	-	7,01,56,890	7,01,56,890	7,01,56,890
5 Mangal Royal Jewels Pvt Ltd	42,50,000	1,00,00,000	1,00,00,000	1,00,00,000
6 Shree Mangal Abhushan Pvt Ltd	82,50,000	1,00,00,000	1,00,00,000	1,00,00,000
7 Shree Mangal Jewels Pvt Ltd	82,50,000	1,00,00,000	1,00,00,000	1,00,00,000
8 Shree Radhey Mangal Gold Chain Pvt Ltd	1,82,50,000	2,00,00,000	2,00,00,000	2,00,00,000
9 Shree Ratna Mangal Jewels Pvt Ltd	85,00,000	1,00,00,000	1,00,00,000	1,00,00,000
10 Swarna Bhavya Mangal Jewels Pvt Ltd	85,00,000	1,00,00,000	1,00,00,000	1,00,00,000
11 Woodland Construction Private Limited	4,53,20,530	4,96,75,000	4,96,75,000	4,96,75,000
	<b>11,90,91,030</b>	<b>24,94,78,449</b>	<b>20,94,77,390</b>	<b>22,68,46,890</b>





**MANGAL CREDIT AND FINCORP LIMITED**

Notes forming part of financial statement for the Period ended March 31, 2021

**Note 39**

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with Financial Statements prepared under Ind AS.

**In terms of our audit report of even date**

**FOR MGB & Co. LLP**

**Chartered Accountants**

**FRN: 101169W/W-100035**



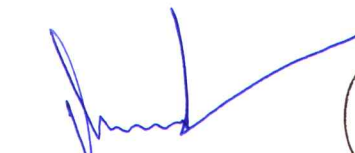
**Sandeep Jhanwar**  
**Partner**

**M.No. 078146**

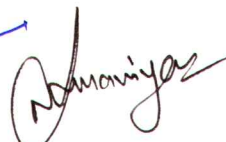
**Place: Mumbai**

**Date : 19th May 2021**

**UDIN :-21078146AAAAC04921**



**Meghraj Jain**  
**Managing Director**  
**DIN: 01311041**



**Naval Maniyar**  
**Director & CFO**  
**DIN-06657440**



**Supriya Agarwal**  
**Company Secretary**  
**M.No. A35286**

